

Salvador Allende, President of Chile

Speech to the United Nations

4 December 1972

Mr. President:

Ladies and Gentlemen Delegates :

I appreciate the high honor that is being done to me by inviting me to occupy this platform, the most representative of the world and the most important and largest forum transcendence in everything it concerns humanity . Greetings to the Lord secretary general of the Nations United , to whom we had he pleased to receive in our country the first weeks of his mandate, and representatives from more than 130 countries that make up the Assembly .

To you , Mr. President, coming from a country with the which unites us ties fraternal and whom we personally appreciate when led the delegation of the Republic People's Republic of Poland to the third UNCTAD, along with rendering tribute to his high investiture , I wish thank you their such meaningful and warm words.

I come from Chile, a small country but one where today any citizen is free to express himself as he so desires. A country of unlimited cultural, religious and ideological tolerance and where there is no room for racial discrimination. A country with its working class united in a single trade union organization, where universal and secret suffrage is the vehicle of determination of a multiparty regime, with a Parliament that has been operating constantly since it was created 160 years ago; where the courts of justice are independent of the executive and where the constitution has only been changed once since 1833, and has almost always been in effect. A country where public life is organized in civilian institutions and where the armed forces are of a proven professional background and deep democratic spirit. A country with a population of almost 10,000,000 people that in one generation has had two first-place Nobel Prize winners in literature, Gabriela Mistral and Pablo Neruda, both children of simple workers. In my country, history, land and man are united in a great national feeling.

But Chile is also a country whose retarded economy has been subjected and even alienated to foreign capitalists firms, resulting in a foreign debt of more than US\$ 4,000 million whose yearly services represent more than 30 per cent of the value of the country's exports; whose economy is extremely sensitive to the external situation, suffering from chronic stagnation and inflation; and where millions of people have been forced to live amidst conditions of exploitation and misery, of open or concealed unemployment.

Today I have come because my country is confronting problems of universal significance that are the object of the permanent attention of this assembly of nations: the struggle for social liberation, the effort for well-being and intellectual progress and the defence of national identity and dignity.

The outlook which faced my country, just like many other countries of the Third World, was a model of reflex modernization, which, as technical studies and the most tragic realities demonstrate, excludes from the possibilities of progress, well being and social liberation more and more millions of people, destining them to a subhuman life. It is a model that will produce a greater shortage of housing, that will condemn an ever-greater number of citizens to unemployment, illiteracy, ignorance and physiological misery.

In short, the same perspective that has kept us in a relationship of colonization or dependency and exploitation in times of cold war, has also operated in times of military conflict or in times of peace. There is an attempt to condemn us, the underdeveloped countries, to being second-class realities, always subordinated.

This is the model that the Chilean working class, coming on the scene as protagonist of its own destiny, has decided to reject, searching in turn for a speedy, autonomous development of its own, and transforming the traditional structures in a revolutionary manner.

The people of Chile have won the Government after a long road of generous sacrifices, and it is fully involved in the task of installing economic democracy so that productive activity will operate in response to needs and social expectations and not in the interests of individual profit. In a programmed and coherent manner, the old structure, based on the exploitation of the workers and the domination of the main means of production by a minority, is being overcome. It is being replaced by a new structure -led by the workers and placed at the service of the interests of the majority- which is laying the foundations for a growth that will represent real development, that will include all the population and not cast aside vast sectors of the people and doom them to poverty and to being social outcasts. The workers are driving the privileged sectors from political and economic power, both in the centres of labour as well as in the communes and in the state. This is the revolutionary content of the process my country is going through for overcoming the capitalist system and opening the way for a socialist one.

The need to place all our economic resources at the service of the enormous needs of the people went hand in hand with Chile's regaining of its dignity. We had to end the situation as a result of which we Chileans, plagued by poverty and stagnation, had to export huge sums of capital for the benefit of the world's most powerful market economy. The nationalization of basic resources constitutes an historic demand. Our economy could no longer tolerate the subordination implied by having more than 80 per cent of its exports in the hands of a small group of large foreign companies that have always put their interests before those of the countries in which they make profits. Neither could we accept the curse of the latifundium, the industrial and trade monopolies, credit for just a few and brutal inequality in the distribution of income.

THE REVOLUTIONARY PATH THAT CHILE IS FOLLOWING

The change in the power structure that we are carrying out, the progressive leadership role of the workers in it, the national recovery of basic riches, the liberation of our country from subordination to foreign powers, are all crowning points of a long historical process; of efforts to impose political and social freedoms, of heroic struggle of several generations of workers and farmers to organize themselves as a social force to obtain political power and drive the capitalists from economic power.

Its tradition, personality and revolutionary awareness make it possible for the Chilean people to give a boost to the process towards socialism, strengthening civic liberties, collective and individual, and respecting cultural and ideological pluralism. Ours is a permanent battle to install social freedoms and economic democracy through full exercise of political freedoms.

The democratic will of our people has taken upon itself the challenge of giving a boost to the revolutionary process in the framework of a highly institutionalized state of law, that has been flexible to changes and is today faced by the need to adjust to the new socio- economic reality.

We have nationalized basic riches, we have nationalized copper, we have done so by a unanimous decision of Parliament, where the government parties are in a minority. We want everyone to clearly understand that we have not confiscated the large foreign copper mining firms. In keeping with constitutional provisions, we have righted a historic injustice by deducting from the compensation all profits above 12 per cent a year that they had made since 1955.

Some of the nationalized firms had made such huge profits in the last 15 years that when 12 per cent a year was applied as the limit of reasonable profits, they were affected by important deductions. Such is the case, for example, of a branch of the Anaconda Company, which made profits in Chile of 21.5 per cent a year over its book value between 1955 and 1970, while Anaconda's profits in other countries were only 3.6 per cent a

year. That is the situation of a branch of the Kennecott Copper Corporation, which in the same period of time, made an average of 52.8 per cent profits a year in Chile -and in some years it made really incredible profits like 106 per cent in 1967, 113 per cent in 1968 and more than 205 per cent in 1969. In the same period of time, Kennecott was making less than 10 per cent a year in profits in other countries. However, the application of the constitutional norm has kept other copper firms from suffering deductions because their profits did not exceed the reasonable limit of 12 per cent a year.

We should point out that in the years just before the nationalization, the large copper firms had started expansion plans, which have failed in large measure and to which they did not contribute their own resources, in spite of the huge profits they made, and which they financed through foreign credits. In keeping with legal ruling, the Chilean state must take charge of these debts that reach the enormous figure of more than US\$ 727 million. We have even started to pay debts that one of those firms had with Kennecott, its parent company in the United States.

These same firms that exploited Chilean copper for many years made more than US\$ 4,000 million in profits in the last 42 years alone, while their initial investments were less than US\$ 30 million. A simple and painful example, an acute contrast: in my country there are 600,000 children who can never enjoy life in normally human terms, because in the first eight months of their existence they did not receive the elementary amount of proteins. My country, Chile, would have been totally transformed by these US\$ 4,000 million. Only a small part of this amount would assure proteins for all the children in my country once and for all.

The nationalization of copper has been carried out while strictly observing internal judicial order and with respect for the norms of international law, which there is no reason to identify with the interests of the big capitalist firms.

In short, this is the process my country is going through, and I feel it is useful to present it to this assembly, with the authority given to us by the fact that we are strictly fulfilling the recommendations of the United Nations and relying on internal efforts as the base for economic and social development. Here, in this forum, the change of institutions and backward structures has been advised, along with the redistribution of income, priority for education and health and care for the poorest sectors. All this is an essential part of our policy and it is in the process of being carried out.

THE FINANCIAL BLOCKADE

That is why it is even more painful to have to come here to this rostrum to proclaim the fact that my country is the victim of grave aggression.

We had foreseen problems and foreign resistance to our carrying out our process of changes, especially in view of our nationalization of natural resources. Imperialism and its cruelty have a long and ominous history in Latin America and the dramatic and heroic experience of Cuba is still fresh. The same is the case with Peru, which has had to suffer the consequences of its decision to exercise sovereign control over its oil.

In the decade of the 70s, after so many agreements and resolutions of the international community, in which the sovereign right of every state to control its natural resources for the benefit of its people is recognized, after the adoption of international agreements on economic, social and cultural rights and the strategy of the second decade of development, which formalized those agreements, we are the victims of a new expression of imperialism -more subtle, more sneaky, and terribly effective- to block the exercise of our rights as a sovereign state.

From the very moment of our election victory on 4 September 1970, we were affected by the development of large-scale foreign pressures, aimed at blocking the inauguration of a government freely elected by the people and then overthrowing it. There have been efforts to isolate us from the world, strangle the economy

and paralyze the sale of copper, our main export product, and keep us from access to sources of international financing.

We realize that when we denounce the financial-economic blockade with which we were attacked, it is hard for international public opinion and even for many of our compatriots to easily understand the situation because it is not open aggression, publicly proclaimed before the whole world. Quite the contrary, it is a sneaky and double-crossing attack, which is just as damaging to Chile.

We find ourselves opposed by forces that operate in the shadows, without a flag, with powerful weapons that are placed in a wide range of influential positions.

We are not the object of any trade ban. Nobody has said that he seeks a confrontation with our country. It would seem that our only enemies or opponents are the logical internal political ones. That is not the case. We are the victims of almost invisible actions, usually concealed with remarks and statements that pay lip service to respect for the sovereignty and dignity of our country. But we have first-hand knowledge of the great difference that there is between those statements and the specific actions we must endure.

I am not mentioning vague matters, I am discussing concrete problems that affect my people today and which will have even more serious economic repercussions in the coming months.

Chile, like most of the nations of the Third World, is very vulnerable to the situation of the external sector of its economy. In the last 12 months, the decline in the international price of copper has represented a loss of about US\$ 200 million in income for a nation whose exports total a bit more than US\$ 1,000 million, while the products, both industrial and agricultural, that we must import are much more expensive now, in some cases as much as 60 per cent.

As is almost always the case, Chile buys at high prices and sells at low prices.

It has been at these moments, in themselves difficult for our balance of payments, that we have had to face, among others, the following simultaneous actions, apparently designed to take revenge on the Chilean people for their decision to nationalize copper.

Until the moment my Government took office, every year Chile received almost US\$ 80 million in loans from international financial organizations such as the World Bank and the Inter-American Development Bank. This financing has been violently interrupted.

In the past decade, Chile received loans from the Agency for International Development of the Government of the United States (AID) totalling US\$ 50 million a year.

We are not asking for those loans to be reinstated. The United States has the sovereign right to grant or not to grant foreign aid to any country. All we want to point out is that the drastic elimination of those credits has resulted in important restrictions in our balance of payments.

Upon taken office as President, my country had short-term credit lines from private US banks, destined to finance our foreign trade, that amounted to US\$ 220 million. In a short period of time those credits were suspended and about US\$ 190 million have been deducted, a sum we had to pay, since the respective operations were not renewed.

Just like most of the nations of Latin America, because of technological reasons and other factors, Chile must make important purchases of capital goods in the United States. Now, both the financing of the supplies and that normally provided by the Eximbank for this type of operation has also been suspended for us, putting us in the irregular position of having to purchase goods of that kind by paying in advance. This puts extraordinary pressure on our balance of payments.

Payments of loans contracted by Chile with agencies of the public sector of the United States before my Government took office, and which were being carried out then, have also been suspended; so we have to continue carrying out the corresponding projects making cash in hand purchases on the US market, because, once the projects are in full swing, it is impossible to replace the source of the respective imports. That is why it had been decided that the financing should come from US Government agencies.

As a result of the operations directed against the sale of copper in the nations of Western Europe, our short-term operations with private banks on that continent, mainly based on payment of that metal, have been greatly blocked. This has resulted in more than US\$ 20 million in credit lines not being renewed, the suspension of financial negotiations for more than US\$ 200 million that were almost complete, and the creation of a climate that blocks the normal handling of our purchases in those countries and acutely distorts all our activities in the field of external financing.

This financial stranglehold of a brutal nature, given the characteristics of the Chilean economy, has resulted in a severe limitations of our possibilities to purchase equipment, spare parts, supplies, food and medicine. Every Chilean is suffering the consequences of those measures, which bring suffering and grief into the daily life of all and, naturally, make themselves felt in internal political life.

What I have described means that the nature of the international agencies has been distorted. Their utilization as instruments of the bilateral policy of any of their member states, regardless of how powerful it may be, is legally and morally unacceptable. It means putting pressures on an economically weak country and punishing a nation for its decision to regain control over its basic resources. It is a premeditated form of intervention in the internal affairs of a nation. This is what we call imperialist arrogance.

Distinguished representatives, you know this and you cannot forget it. All this has been repeatedly condemned by resolutions of the United Nations.

CHILE ATTACKED BY TRANSNATIONAL COMPANIES

Not only do we suffer the financial blockade, we are also the victims of clear aggression. Two firms that are part of the central nucleus of the large transnational companies that sunk their claws into my country, the International Telegraph and Telephone Company and the Kennecott Copper Corporation, tried to run our political life.

ITT, a huge corporation whose capital is greater than the budget of several Latin American nations put together and greater than that of some industrialized countries, began, from the very moment that the people's movement was victorious in the elections of September 1970, a sinister action to keep me from taking office as President.

Between September and November of 1970, terrorist actions that were planned outside of my country took place there, with the aid of internal fascist groups. All this led to the murder of General Rene Schneider Chereau, Commander in Chief of the Army, a just man and a great soldier who symbolized the constitutionalism of the armed forces of Chile.

In March of this year, the documents that denounced the relationship between those sinister aims and the ITT were made public. This company has admitted that in 1970 it even made suggestions to the Government of the United States that it intervene in political events in Chile. The documents are genuine, nobody has dared deny them.

Last July the world learned with amazement of different aspects of a new plan of action that ITT had presented to the US Government in order to overthrow my Government in a period of six months. I have with me the document, dated in October 1971, that contains the 18-point plan that was talked about. They wanted to strangle us economically, carry out diplomatic sabotage, create panic among the population and

cause social disorder so that when the Government lost control, the armed forces would be driven to eliminate the democratic regime and impose a dictatorship.

While the ITT was working out this plan, its representatives went through the motions of negotiating a formula for the Chilean state to take over ITT's share in the Chilean telephone company. From the first days of my administration, we had started talks to purchase the telephone company that ITT controlled, for reasons of national security.

On two occasions I received high officials of the firm. My Government acted in good faith in the discussions. On the other hand, ITT refused to accept payment at prices that had been set in keeping with the verdict of international experts. It posed difficulties for a rapid and fair solution, while clandestinely it was trying to unleash chaos in my country.

ITT's refusal to accept a direct agreement and knowledge of its sneaky manoeuvres has forced us to send to Congress a bill calling for its nationalization.

The will of the Chilean people to defend the democratic regime and the progress of its revolution, the loyalty of the armed forces to their country and its laws have caused these sinister plots to fail.

Distinguished representatives, before the conscience of the World I accuse ITT of trying to provoke a civil war in my country -the supreme state of disintegration for a country. This is what we call imperialist intervention.

Chile now faces a danger whose solution does not only depend on national will, but on a whole series of external elements. I am talking about the action of the Kennecott Copper Corporation.

Our constitution says that disputes caused by nationalizations must be solved by a court that, just like all the others in my country, is independent and sovereign in its decisions. Kennecott Copper accepted its jurisdiction and for a year it appeared before that tribunal. Its appeal was not accepted, and it decided to use its considerable power to deprive us of the benefits of our copper exports and put pressure on the Government of Chile. In September, it went so far in its arrogance as to demand the embargo of the payment of these exports in courts in France, Holland and Sweden. It will surely try the same thing in other countries. The basis for this action cannot be more unacceptable from the judicial and moral points of view.

Kennecott would have the courts of other nations, that have absolutely nothing to do with the problems or the negotiations between the Chilean state and the Kennecott Copper Corporation, decide that a sovereign act of our Government -carried out in response to a mandate of the highest authority, like that of the political constitution, and supported by all the Chilean people - is null and void. This attempt of theirs is in contradiction to basic principles of international law by virtue of which the natural resources of a country, especially those which constitute its livelihood, belong to the nation and it can dispose of them at will. There is no universally accepted international law or, in this case, specific treaty, which provides for that. The world community, organized under the principles of the United Nations, does not accept an interpretation of international law, subordinated to the interests of capitalism, that will lead the courts of any foreign country to back up a structure of economic relations at the service of the above-mentioned economic system. If that were the case, there would be a violation of a fundamental principle of international life: that of non-intervention in the internal affairs of a state, as was explicitly recognized at the third UNCTAD.

We are guided by international law repeatedly accepted by the United Nations, especially in resolution 1803 (XVIII) of the General Assembly; norms that have just been reinforced by the trade and development board, based itself on the charges my country made against Kennecott. The respective resolution reaffirmed the sovereign right of all states to freely dispose of their natural resources, and declared in application of this principle, that the nationalization carried out by states to regain control over those resources are an expression of their sovereign powers. Every state must set the standards for those measures and the disputes that may arise as a result are the exclusive concern of its courts, without prejudice to resolution 1803 of the

General Assembly. This resolution allows the intervention of extra-national jurisdictions under exceptional conditions and as long as there is an agreement between sovereign states and other interested parties.

This is the only acceptable thesis of the United Nations. It is the only one that is in keeping with its philosophy and principles. It is the only one that can protect the rights of the weak against the abuses of the strong.

Since it could not be any other way, in the courts of Paris we have obtained the lifting of the embargo that had been in effect on the payment of a shipment of our copper. We will continue to ceaselessly defend the exclusive jurisdiction of Chilean courts over any dispute resulting from the nationalization of our basic resource.

For Chile, this is not only an important matter of judicial interpretation. It is a problem of sovereignty and, even more, of survival.

Kennecott's aggression inflicts grave damage on our economy. Just the direct difficulties imposed on the marketing of copper have resulted in the loss of many millions of dollars for Chile in the last two months alone. But that isn't all. I have already discussed the effects linked to the blocking of my country's financial operations with the banks of Western Europe. There is also an evident effort to create a climate of distrust among the buyers of our main export product, but this will fail.

The objectives of this imperialist firm are now going even further than that, because in the long run it cannot expect any political or legal power to deprive Chile of what rightfully belongs to her. It wants to bring us to our knees, but this will never happen.

The aggression of the big capitalist firms seeks to block the emancipation of the people. It represents a direct attack on the economic interests of the workers in the concrete case against Chile.

The Chilean people are a people that have reached the political maturity to decide by a majority the replacement of the capitalist economic system by a socialist one. Our political regime has institutions that have been open enough to channel that revolutionary will without violent clashes. It is my duty to warn this assembly that the reprisals and the blockade, aimed at producing contradictions and the resultant economic distortions, threaten to have repercussions on peace and internal coexistence in my country. They will not attain their evil objectives. The great majority of Chileans will find the way to resist them in a patriotic and dignified manner. What I said at the beginning will always be valid: our history, land and man are joined in a great national feeling.

THE PHENOMENON OF THE TRANSNATIONAL CORPORATIONS

At the third UNCTAD I was able to discuss the phenomenon of the transnational corporations. I mentioned the great growth in their economic power, political influence and corrupting action. That is the reason for the alarm with which world opinion should react in the face of a reality of this kind. The power of these corporations is so great that it goes beyond all borders. The foreign investments of US companies alone reached US\$ 32,000 million. Between 1950 and 1970 they grew at a rate of 10 per cent a year, while that nation's exports only increased by 5 per cent. They make huge profits and drain off tremendous resources from the developing countries.

In just one year, these firms withdrew profits from the Third World that represented net transfers in their favour of US\$ 1,743 million: US\$ 1,013 million from Latin America; US\$ 280 million from Africa; US\$ 376 million from the Far East; and US\$ 74 million from the Middle East. Their influence and their radius of action are upsetting the traditional trade practices of technological transfer among states, the transmission of resources among nations and labour relations.

We are faced by a direct confrontation between the large transnational corporations and the states. The corporations are interfering in the fundamental political, economic and military decisions of the states. The

corporations are global organizations that do not depend on any state and whose activities are not controlled by, nor are they accountable to any parliament or any other institution representative of the collective interest. In short, all the world political structure is being undermined. The dealer's don't have a country. The place where they may be does not constitute any kind of link; the only thing they are interested in is where they make profits. This is not something I say; they are Jefferson's words.

The large transnational firms are prejudicial to the genuine interests of the developing countries and their dominating and uncontrolled action is also carried out in the industrialized countries, where they are based. This has recently been denounced in Europe and in the United States and resulted in a US Senate investigation. The developed nations are just as threatened by this danger as the underdeveloped ones. It is a phenomenon that has already given rise to the growing mobilization of organized workers including the large trade union organizations that exist in the world. Once again the action of the international solidarity of workers must face a common enemy: imperialism.

In the main, it was those acts that led the Economic and Social Council of the United Nations -following the denunciation made by Chile- to unanimously approve, last July, a resolution that called for a group of world figures to meet and study the effects and function of transnational corporations in the process of development, especially in the developing countries, and their repercussions on international relations, and present recommendations for appropriate international action.

Ours is not an isolated or a unique problem. It is the local expression of a reality that overwhelms us, a reality that covers Latin America and the Third World. In varying degrees of intensity, with unique features, all the peripheral countries are threatened by something similar.

The spokesman for the African group at the Trade and Development Board a few weeks ago announced the position of those countries towards the denunciation made by Chile of Kennecott's aggression, reporting that his group fully supported Chile, because it was a problem which did not affect only one nation but, potentially, all of the developing world. These words have great value, because they represent the recognition of an entire continent that through the Chilean case, a new stage in the battle between imperialism and the weak countries of the Third World is being waged.

THE COUNTRIES OF THE THIRD WORLD

The battle in defence of natural resources is but a part of the battle being waged by the countries of the Third World against underdevelopment. There is a very clear dialectical relationship: imperialism exists because underdevelopment exists; underdevelopment exists because imperialism exists. The aggression we are being made the object of today makes the fulfilment of the promises made in the last few years as to a new large-scale action aimed at overcoming the conditions of underdevelopment and want in the nations of Africa, Asia and Latin America appear illusory. Two years ago, on the occasion of the 25th anniversary of the founding of the United Nations, the UN General Assembly solemnly proclaimed the strategy for a second decade of development. In keeping with this strategy, all UN member states pledged to spare no efforts to transform, via concrete measures, the present unfair international division of labour and to close the vast economic and technological gap that separates the wealthy countries from the developing ones.

We have seen that none of those aims ever became a reality. On the contrary, the situation has worsened.

Thus, the markets of the industrialized countries have remained as tightly closed as they ever were to the basic products - chiefly the agricultural products - of the developing countries and the index of protectionist measures is on the increase. The terms of exchange continue to deteriorate, the system of generalized preferences for the exportation of our manufactured and semi-manufactured goods has never been put into effect by the nation whose market - considering its volume- offered the best perspectives and there are no indications that this will be done in the immediate future.

The transfer of public financial resources, rather than reaching 0.7 per cent of the gross national product of the developed nations, has dropped from 0.34 to 0.24 per cent. The debt contracted by the developing countries, which was already enormous by the beginning of this year, has skyrocketed to between \$70 and \$75 thousand million in only a few months. The sums for loan services paid by those countries, which represent an intolerable drain for them, have been to a great measure the result of the conditions and terms of the loans. In 1970 these services increased 18 per cent, and in 1971, 20 per cent - more than twice the mean rate for the 1960 decade.

This is the drama of underdevelopment and of the countries which have not stood up for their rights, which have not demanded respect for their rights and defended, through a vigorous collective action, the price of their raw materials and basic products and have not confronted the threats and aggressions by neo-imperialism.

We are potentially wealthy countries and yet we live a life of poverty. We go here and there, begging for credits and aid and yet we are - a paradox typical of the capitalist economic system - great exporters of capital.

LATIN AMERICA AND UNDERDEVELOPMENT

Latin America, as part of the developing world, forms part of the picture I have just described. Together with Asia, Africa and the socialist countries, she has waged many battles in the last few years to change the structure of the economic and commercial relations with the capitalist world, to replace the unfair and discriminatory economic and monetary order created in Bretton Woods at the end of World War II.

It is true that there are differences in the national income of many of the countries in our region and that of the countries on other continents, and even among countries that could be considered as relatively less developed among the underdeveloped countries.

However, such differences - which many mitigate by comparing them with the national product of the industrialized world - do not keep Latin America out of the vast neglected and exploited sector of humanity. The consensus at Vina del Mar, in 1969, affirmed these coincidences and defined, pointed out clearly and indicated the scope of the region's economic and social backwardness and the external factors that determined it, pointing out the great injustices that are being committed against the region under the disguise of cooperation and aid. I say this because large cities in Latin America, admired by many, hide the drama of hundreds of thousands of human beings living in marginal towns that are the product of unemployment and sub-employment. These beautiful cities hide the deep contrast between small groups of privileged individuals and the great masses whose nutrition and health indexes are the lowest.

It is easy to see why our Latin American continent shows such a high rate of infant mortality and illiteracy, with 13 million people out of jobs and more than 50 million doing only occasional work. More than 20 million Latin American do not use money even as a means of exchange.

No regime, no government has been able to solve the great deficit in housing, labour, food and health. On the contrary, the deficit increases with every passing year in keeping with the population increase. If this situation continues, what will happen when there are more than 600 million of us by the end of the century?

The situation is even more dramatic in Asia and Africa, whose PER CAPITA income is even lower and whose process of development shows an even greater weakness.

It is not always noticed that the Latin American subcontinent - whose wealth potential is simply enormous - has become the principal field of action of economic imperialism for the last 30 years. Recent data given by the International Monetary Fund shows that private investment by the developed countries in Latin America

shows a deficit against Latin America of \$9,000 million between 1960 and 1970. In a word, that amount represents a net contribution of capital from our region to the wealthy world in one decade.

Chile is completely in solidarity with the rest of Latin America, without exception. For this reason, it favours and fully respects the policy of non-intervention and self-determination, which we apply on a worldwide scale. We enthusiastically foster the increase of our economic and cultural relations. We are in favour of the complementing and the integration of our economies. Hence, we work with enthusiasm within the framework of LAFTA and, as an initial step, for the creation of the Andean countries' common market, which unites us with Bolivia, Colombia, Peru and Ecuador.

Latin America has left the era of protest behind her. Needs and statistics contributed to an increased awareness. Reality has shattered all ideological barriers. All attempts at division and isolation have been defeated and there is an ardent desire to coordinate the offensive in defence of the interests of the countries on the continent and the other developing countries.

Those who make peaceful revolution impossible make violent revolution inevitable. These are not my words. I simply share the same opinion. The words are those of John F. Kennedy.

CHILE IS NOT ALONE

Chile is not alone. All attempts to isolate her from the rest of Latin America and the world have failed. On the contrary, Chile has been the object of endless demonstrations of solidarity and support. The ever-increasing condemnation of imperialism; the respect that the efforts of the people of Chile deserve; and the response to our policy of friendship with all the nations of the world, were all instrumental in defeating the attempts to surround our country with a ring of hostility.

In Latin America, all the plans for economic and cultural cooperation or integration, plans of which we form part on both the regional and subregional level, have continued to take on strength at an accelerated pace. As a result, our trade - particularly with Argentina, Mexico and the countries of the Andean Pact - has increased considerably.

The joint support of the Latin American countries in world and regional forums in favour of the principles of free determination over natural resources has remained firm as a rock. And, in response to the recent attacks against our sovereignty, we have been the object of demonstrations of complete solidarity. To all of these countries, we express our most deep-felt gratitude.

Socialist Cuba, which is suffering the rigours of blockade, has always given us her revolutionary solidarity.

On the world scale, I must point out very especially that we have enjoyed the full solidarity of the socialist countries in Europe and Asia from the very beginning. The great majority of the world community did us the honour of electing Santiago as the seat of the third UNCTAD meeting and has welcomed with great interest our invitation to be the site of the next world conference on rights to the sea - an invitation which I reiterate on this occasion.

The non-aligned countries' foreign ministers meeting, held in Georgetown, Guyana, in September, publicly expressed its determined support in response to the aggression of which we are being made the object by Kennecott Copper.

The CIPEC, an organization of coordination established by the main copper-exporting countries - Peru, Zaire, Zambia and Chile - which met recently in Santiago, at the ministers' level, at my suggestion, to analyse the situation of aggression against my country created by Kennecott Copper, has just adopted a number of resolutions and recommendations of vast importance to the various states. These resolutions and recommendations constitute an unreserved support of our position and an important step taken by countries of the Third World in defence of trade of their basic products.

The resolutions will no doubt constitute important material for the second commission. But I would like to refer at this moment to the categorical declaration to the effect that any action that may impede or obstruct the exercise of a country's sovereign right to dispose freely of its natural resources constitutes an economic attack. Needless to say, the Kennecott actions against Chile constitute an economic aggression and, therefore, the ministers agreed on asking their respective governments to suspend all economic and commercial relations with the firm and state that disputes on compensation in case of nationalization are the exclusive concern of those states which adopt such measures.

However, the most significant thing is that it was resolved 'to establish a permanent mechanism of protection and solidarity' in relation to copper. Mechanisms such as this one, together with the OPEC, which operates in the field of petroleum, are the germ of what would be an organization which would include all the countries of the Third World to protect and defend all basic products - including the mining, petroleum and agricultural fields.

The great majority of the countries in Western Europe, from the Scandinavian countries in the extreme north to Spain in the extreme south, have been cooperating with Chile, and their understanding has meant a form of support to us. It is thanks to this understanding that we have renegotiated our foreign debt.

And, lastly, we have been deeply moved by the solidarity of the world's working class, expressed by its great trade union central organizations and demonstrated in actions of great significance, such as the port workers of Le Havre and Rotterdam's refusal to unload copper from Chile whose payment has been arbitrarily and unfairly embargoed.