

in environmental improvements (water, drainage, etc.).

Now that real socialism has collapsed, which is the greatest lesson in history—that no model is possible without taking human freedom into account—savage capitalism has become emboldened and has deified the market as the great ruler of our societies. This fact was questioned even by John Paul II, who found himself obliged to recognize that “the statement that the defeat of socialism leaves capitalism as the only model of economic organization, is unacceptable.”

### The threat to the state

This is the context in which Peru’s free marketeers—probably made in my country, but certainly assembled in the United States—unfolded their activity. What we were able to foresee as the logical consequence of the free marketeers’ logic, has turned into a painful reality: We are witnessing the liquidation of our states, a grave reality, which snatches from our people the principal instrument of defense and social realization which they could have.

The threat against the structure of the state as such is of such magnitude that the government in the past two weeks has dictated a series of legislative decrees (a special legislative mechanism), with the direct endorsement of the Monetary Fund, involving almost every area of social activity.

It has arranged cutbacks in free education, which is a basic constitutional principle; the suppression of the labor community and other rights acquired by the workers; the suppression of the autonomy of the university, and its permanent militarization; the politicization of the Armed Forces, with the naming of its general commanders turned over to the personal will of the President, which breaks the chain of command upon which its institutional character and professionalism are based; the unrestricted freeing of the economy, destroying national industry, and turning the country over without any conditions whatever to foreign capital; the militarization of national life and the reduction of the role of civil society; and finally, the threat to the freedom of expression and the confiscation of the communications media.

All these legal moves show us the political determination to impose “savage capitalism,” aimed at consolidating the power of the few who have a great deal, against the many who have nothing.

As a parliamentary representative I am authorized by my party—the Alianza Popular Revolucionaria América (APRA)—to reaffirm the anti-militarist calling of our movement and our intention to be activists in solidarity with other brother movements in the world which resist this “unjust order” and who are fighting to change it, and for our societies to have real development, and so that our major resources some day may be oriented to attending to the internal debt facing us in the hunger and malnutrition of our children, the limited prospects of our youth, and the frustration of our adults, and that they not be destined to the payment of a debt, which history calls into question as illegitimate and usurious.

## Peru’s Congress in uproar

The Peruvian Congress is the site of a battle over economic policy. Congressmen from the APRA party have joined with independent Deputy Dennis Falvy, some members of the left, and dissidents from the ruling Cambio 90 party, to form a coalition that is challenging recent government decrees which intend to impose even harsher austerity on the Peruvian people, while deregulating the economy as the International Monetary Fund is demanding.

The group has succeeded in censuring Agriculture Minister Enrique Rossl Link, also a proponent of free-market orthodoxy, and in overturning several decrees authored by Finance Minister Carlos Bologna. On Nov. 27, the lower House of Congress refused to grant extraordinary powers to Bologna which would have allowed him to impose new income and sales taxes, to raise \$400 million reportedly to reduce the government’s budget deficit. Bologna, a worshiper of British economic liberalism, recently explained that he never let moral considerations interfere with his economic decisions.

Not only did the coalition overturn Decree No. 754, which would have eliminated all of the state-run banks which provide credit to agriculture and other sectors of the economy; it also approved an Emergency Agrarian Law which provides credit and protection to agricultural producers. Bologna was violently opposed to the passage of this law.

President Fujimori is enraged that the Congress has dared to overturn his decrees and resist the austerity dictates of Peru’s foreign creditors. The Dec. 2 issue of *La República* reported that if the Congress censures Bologna as well, Fujimori will call for new elections to partially replace the existing Congress. In a speech to the CADE-91 gathering of businessmen, Fujimori said he would hold a plebiscite to change the Constitution to ban the reelection of congressmen. APRA Sen. Humberto Carranza Piedra volleyed that the President’s “emotional words against the state’s first power suggest a civilian dictatorship. He should know that he can’t dissolve the Congress with a plebiscite.” Manuel Dammert, a deputy of the moderate left, charged that Bologna and his decrees “intend to force us back into the 19th century of savage capitalism and dictatorship.” APRA deputy Carlos Rivas Davila explained that the Congress wanted to question Bologna, before considering censuring him, because the minister “answers to international financial entities and not to the country.” Bologna’s measures have plunged the nation into deep recession and poverty, Rivas said.