

# Walter Formento

## South America on the New Multipolar Road

*Mr. Formento is the Director of the Center for Political and Economic Research, Argentina. He gave this presentation to the Schiller Institute International Conference on June 27, 2020, "Will Humanity Prosper, or Perish? The Future Demands a Four-Power Summit Now," on Panel 2: "Why a 1.5 Billion Productive Jobs Program Can End War, Famine, Poverty, and Disease." This is an edited transcript of that speech.*



Schiller Institute

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I'm a member of the Latin American Social Sciences Network, which is involved in all five continents. It means a lot to us to be part of this conference, and we hope we can contribute to the dialogue that is beginning here.

In terms of the development and contributions of the New Silk Road and the World Land-Bridge which connects us all, we believe that South America—extending from Mexico to Argentina-Brazil, going through Colombia-Venezuela, Peru-Bolivia, and Paraguay—has in its Hispano-American and South American history, a real and concrete accumulation of capabilities for building sovereignty, strategic industries, science and technology—both to contribute and to receive. This stems from each one of these nations individually and then, from an organized pluri-national South American community, based on their common Hispano-American origins, but even more specifically, in the 2001-2015 period based on UNASUR (the Union of South American Nations), and CELAC (the Community of Latin American and Caribbean States).

Looking first from Argentina: This South American nation launched the development of its strategic industries from the very moment of its battle against the British invasions of 1805-1807. At the beginning of the 20th century, the process continued with the development of its oil-related energy industries and hydroelectric projects, always interacting with the international context and receiving feedback from that framework.

From the Great Depression, which was caused by the systemic crisis of 1929-1944, Argentina, together with Chile and Brazil—the ABC Alliance—deepened the process of sovereign development, strengthening their rail, maritime and river transportation as well as automobile and aircraft industries, which then became the basis for the development of their aerospace and submarine industries. While these industries maintained international ties, they always collaborated with each other, which allowed for their

own joint scientific and technological development. This was once again a function of an international context favorable to South America, and particularly to Argentina, Brazil and Chile.

In the Argentine case, beginning in 1946, this positive process led to the creation, between 1963 and 1991, of a state-run, public-private industrial, technological and scientific matrix, in which 80% of the goods and services and parts required for national development were produced in our internal market. This also consolidated a social reality in which 90% of the labor force was formally employed, with a strong university-educated, technical-professional component, and in which the unemployed labor force was also formally recognized as well. So, from the standpoint of values, this was an integrated and committed social reality.

### A Community of Nations

That is why South America (or Hispano-America), based on its own experience, recognizes the importance of developing a national strategic-industrial-technological complex, but also a South American community of nations as well.

The war and defeat which the London and New York-based Anglo-Dutch oligarchy imposed on Argentina and on South America, and did so with a vengeance—beginning with the 1976 coup d'état in Argentina, followed by the 1982-1991 Malvinas War period—put an end to this

virtuous cycle and launched a cycle of decadence enforced by global financial neoliberalism.

Thus today, when we reflect on the New Silk Road and new multipolar financial system—and in that context the World Land-Bridge and its empowering the productive abilities of humanity and nature, including the Dialogue of Civilizations—we see this as auspicious and hopeful. We are called on to commit ourselves, to contribute to and transmit those initiatives promoting aerospace, transportation and new energy technologies.

In some ways, we're already part of this. There's the [bioceanic] rail transportation corridor from Brazil, traversing Bolivia and ending in Peru. We're also involved in the modernization of a rail line, which extends from Buenos Aires (with its factories and workshops for maintenance of machinery and railroad cars), from the province of Santa Fe to Córdoba, Chaco, Salta and Jujuy in the north, then connecting to the main trunk line. In a joint effort, with Russia supplying components and new technologies together with Argentina, we are building a modern, new railroad system capable of developing this area even further. We are also developing nuclear reactors, using Chinese and Argentine

technology, as well as new hydroelectric projects in the southern Patagonia, close to Antarctica and the islands of the South Atlantic, with their natural interoceanic route that connects the three great oceans: the Indian, Pacific and Atlantic.

After 2008-2010, into 2014, the financial crisis of 2008-2009, which revolved around speculative financial earnings, again paralyzed the world.

But today there is another world, the multipolar world seen in the World Land-Bridge, the world of the New Silk Road, committed to interacting with all continents and with all nations for a peaceful, harmonious development integrated into a new reality for all humanity—and for nature. We are a committed part of this process; we see ourselves as committed—in thought, in practice and in action—committed through our entire history.

This is our first contribution to these conferences you have been holding, and connecting us to the five continents and with the actors who are the great historical power—in this new commitment to humanity and nature in terms of social and integral inclusion.

I send you a warm *abrazo* [embrace] and hope to be able to contribute further to answer any questions you may have.