



Written by [Alex Newman](#) on October 20, 2009

Leftist Regimes Agree to New Currency

Adding to pressure mounting against the U.S. dollar, left-wing Latin American leaders gathered in Cochabamba, Bolivia, over the weekend for the seventh Bolivarian Alliance for the Peoples of Our Americas (ALBA) summit and agreed to create a new regional currency in a bid to stop using American Federal Reserve Notes, according to foreign news reports.



Initially the new fiat money will be used to settle foreign and commercial payments among member nations, with the goal of eventually creating a unified monetary system. "That this may be the start of creating a new currency that will serve between the countries, a currency at the Latin American level, and for this to succeed, it is necessary to bring about other conditions which we evidently do not yet have today," said Bolivian Economy and Finance Minister Luis Acre, noting that it took the European Union 40 years to create a true monetary union.

The new "sucre" — short for Unified System of Regional Compensation in Spanish, but also named after South American independence leader Jose Antonio de Sucre who fought against colonial Spain with the more well-known Simon Bolivar — aims to challenge the hegemony of U.S. Federal Reserve Notes. It will go into effect in early 2010, though some Caribbean island members will reportedly remain in the Eastern Caribbean Currency Union rather than adopt the new sucre.

"It is an important step for the sovereignty of our people and in liberating ourselves from the dictatorship of the dollar, from the neo-liberal dictatorship and the dictatorship of the transnational [corporations]," said the self-declared socialist President of Venezuela, Hugo Chavez. He called the new currency a "revolution of paradigms."

This most recent attack on the U.S. dollar's global-reserve status comes on the heels of a report about a [secret plot against the dollar](#) involving Gulf Arab states, Russia, China, France, and Japan. According to the U.K.'s [Independent](#), the Gulf countries are planning to create their own regional currency and stop pricing oil in dollars. The United Nations recently [called for an end](#) to the dollar's position as well.

At the summit ALBA also agreed to implement further sanctions on Honduras because that country's government ousted its leftist President when he sought to unconstitutionally extend his term in office. It also called for the unconditional return of deposed President Manuel Zelaya while urging world nations to reject the results of a planned presidential election there. "No electoral process held under the coup-installed government, or the authorities that emerge from it, can be recognized by the international



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community,” read a joint statement.

According to the [final summit statement](#), leaders also condemned [Colombia’s military base agreement with the United States](#), though they failed to adopt Chavez’s proposition to form a military alliance for defending against the “Yankee empire.” The organization also said it would consider the creation of state-owned multinational corporations to compete globally in mining, trade, energy, agriculture and other sectors.

The assembled leftist regimes called for a UN declaration of rights for “Mother Earth” against the capitalist system and the creation of an “International Tribunal for Climate Justice” to force America and Europe to hand over more money for having emitted carbon dioxide. They also agreed to bypass the World Bank’s International Center for Settlement of Investment Disputes by creating their own international arbitration court. The next ALBA meeting is scheduled for December and will be held in Cuba.

The organization, first proposed in 2001 and renamed this year from Bolivarian Alternative for the Peoples of Our America, consists of Venezuela, Cuba, Bolivia, Ecuador, Nicaragua, Honduras, Antigua and Barbuda, Dominica, and Saint Vincent. It seeks to promote regional and economic integration while providing an “alternative” to U.S.-led “free-trade” agreements.

[Russian news reports](#) noted that Russian National Security Council chief Nikolai Patrushev was present at the meeting. President Dmitry Medvedev also promised closer Russian cooperation with the organization. Delegations from several other countries including Haiti, the Dominican Republic, Guatemala, and more attended the summit as well.

“Let’s not kid ourselves. This is a subtle step to bring about a global fiat currency by the people who are planning to create a One World Government,” opined [LewRockwell.com](#) blogger David Kramer. “The ‘retaliation’ for the Sucre will be a push for the ‘Amero.’ (That’s the US/Canada/Mexico single fiat currency that has been in the planning stages for decades.) By gradually having fewer and fewer fiat currencies in the world, eventually our One World Government planners will claim that we might as well have a global fiat currency to really ‘facilitate’ global trade.”

The news about the new currency went virtually unnoticed by the American media, with only a half a sentence at the end of an Associated Press article even mentioning the agreement. Foreign press, however, gave widespread coverage to the sucre and its implications.

The ALBA agreement is yet another attack on the U.S. dollar, which combined with others represents a serious threat to American standing in the world. While the radical leftist regimes may account for only a small percentage of the global economy, international pressure on American Federal Reserve Notes and reckless monetary policy by the U.S. central bank may culminate in the perfect storm against the American economy, causing massive inflation and devaluation that will wreak havoc on the dollar’s purchasing power.

Of course, such a scenario will eventually require a “solution.” But the proposals currently being contemplated by “world leaders,” including the Amero or even a global fiat currency, would be a complete disaster for America and for human freedom. The constitutional and proper solution is to abolish the non-federal reserveless central bank and institute sound money. This will require a dedicated effort by a significant portion of Americans, but it must be accomplished or the consequences will be dire.

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