

# Summit of the Bolivarian Alternative (ALBA) Concludes in Venezuela

ALBA Bank formed as alternative to IMF and World Bank

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The 6th Summit of the Bolivarian Alternative for Latin America (ALBA), a joint Venezuelan-Cuban initiative based on fair trade as an alternative to the U.S.-sponsored Free Trade Area of the Americas, concluded in Caracas on Saturday with the founding of a new Bank of ALBA and the signing of a series of economic and social agreements between the member nations. The Dominica also became the newest country to join the regional fair trade bloc.

Commenting on the launch of the new financial institution, Venezuelan President Hugo Chavez said that it breaks with capitalist concepts and is a political instrument for social and economic development.

ALBA, "as its name indicates, is an alternative to the global capitalist model, a concept of a geo-economic, geopolitical, social, cultural and ideological space that is in construction," he added.

Chavez also emphasized the importance of the incorporation of the Dominica into ALBA, saying, "despite the globalized media bombardment... it shows that an alternative continues growing and consolidating itself."

In the face of this initiative, the Free Trade Area of the Americas proposed by the United States, "is a cadaver," Venezuela's Ambassador to Cuba, Ali Rodriguez Arraque commented.

With initial financing of more than \$1 billion, the Bank of ALBA, aims to promote projects of economic integration and infrastructural development as well as progress in social, educational, cultural and health programs in the member nations. It also aims to eliminate the economic weaknesses of these countries and eradicate economic asymmetries as a result of the process of financial globalization Venezuelan economist, Jesús Faría explained.

Unlike other financial institutions such as the World Bank or the IMF, the Bank of ALBA will not impose loan conditions and will function based on consensus of all members. The summit agreed to a two tier mechanism for democratic decision making in the Bank, a Ministerial Council and an Executive Direction, with a rotating presidency of the member nations.

Also attending the summit were presidents Evo Morales (Bolivia); Daniel Ortega (Nicaragua); vicepresident of Cuba, Carlos Lage; Prime Ministers, Roosevelt Skerrit of Dominica; Baldwin Spencer of Antigua and Barbuda; and Dr. Ralph Gonsalves of St. Vincent and the Grenadines, as well as representatives of Ecuador; San Cristóbal and Nieves; Honduras;

Haití; and Uruguay.

Referring to the economic crisis in the United States, Lage stressed the importance of the unity of the peoples and the formation of the Bank of ALBA, saying that Latin America should prepare itself for a “post-dollar and multi-polar world” with institutions and markets less dependent on the United States.

Nicaraguan President Daniel Ortega also spoke of the importance of reducing greenhouse gas emissions and made a call to industrialized and developed countries to “cease with the capitalist model” that every day weakens the planet. “The capitalist model is exhausted, it is unsustainable,” he said.

ALBA delegate and Minister for the Social Investment Fund in Nicaragua, Nelson Artola, said that through agreements signed in the framework of ALBA, “the supply of oil by Venezuela has allowed us to attend to the energy emergency that Nicaragua inherited from 16 years of neoliberal governments that left blackouts and chaos in the national economy.”

Nicaragua and Venezuela also signed an accord for cooperation in social programs, including the construction of eight Centers for Child Development in Nicaragua as the beginning of a program to reintegrate the country’s 47,000 street kids.

The three day summit involved a series of meetings, including the Political Commission of ALBA, the Finance Ministers of ALBA, the Technical Financial Commission of the Bank of ALBA, a meeting of ALBA Ministers, as well as a summit of social movements from the member nations.

In addition to the formation of the Bank of ALBA, the leaders of Bolivia, Cuba, Dominica, Nicaragua and Venezuela, signed a political declaration in which they announced their support for Bolivia and its process of democratic changes.

They also ratified a plan to promote cultural exchange through the creation of “ALBA Houses,” which Jose González, president of the ALBA House in Caracas said, “will serve as centers for creativity, artists, cultural promoters, social movements – to generate a movement that allows the knowledge of values that at times are not recognized because the mechanisms of the market are not interested in them.”

Other agreements for security and food sovereignty among the member countries and the proposal to form an ALBA energy company were also made.

The closing act of the 6th ALBA Summit was held in the Latin American School of Medicine, where for the past six months 395 students from Latin America and the Caribbean have been studying an introductory course on Medical Science as part of the educational program of ALBA.

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