
Documentation

Labor leader supports beam-weapons strategy

Pedro Rubio, Executive Committee Member of the Colombian Workers Union (UTC), is a founding member of the Club of Life. On Oct. 20, 1982, at the founding conference of the Club of Life in Rome, Italy, he called for the formation of a North-South Labor Committee as the instrument through which trade unionists of the advanced sector and underdeveloped countries could unite for effective action to stop the current world depression. Mr. Rubio gave this interview to Max Londoño on June 21, 1983.

Londoño: Mr. Rubio, in your capacity as a member of the Advisory Committee of the Cartagena Accord, what do you expect from the meeting of next July 24 in Caracas?

Rubio: Given the failure up to now of the process of integration of the Andean Group, I consider it necessary that this presidential meeting on July 24 in Caracas be based on the Presidents' taking advantage of the opportunity to begin discussions to transform the Andean Group (Cartagena Accord) into a great Ibero-American Common Market. Only in this way can we make ourselves respected by the great powers, on the question of exports and imports. We think that if the countries of the continent unite, and trade our raw materials, we can achieve a New Economic and Social Order for Ibero-America.

Londoño: When you talk of aggression, to whom do you refer, to the banks, the countries of the North, or to what?

Rubio: To the entire economic system which they are implanting here, and more concretely to the international credit outfits like the International Monetary Fund and the World Bank, which are granting us loans with conditionalities which our countries—and all the more so the workers—are no longer disposed to keep paying, because these conditioned loans are what has led as a consequence to social injustices in all of our peoples.

Londoño: What could we do about this situation in which the bank imposes conditions, and in this connection, how do you see the matter of the Ibero-American countries' debt?

Rubio: Shortly after taking office, the president of Colombia, Dr. Belisario Betancur, supported the call of Bolivian

President Siles Zuazo for the creation of a *cartel*, a debtors' association with the goal of reviewing the foreign debt of all the countries and if necessary declaring either a moratorium or terms to be able to pay these debts and a lowering of interest rates, which is the most important.

We in the UTC. . . came out on this at the time of our Congress in the city of Medellín and in the plenum in the city of Bogotá, and therefore, we consider ourselves identified with the President. . . . So we consider that the lowering of interest on the debt and the declaration of a renegotiation of this debt or a moratorium on the same is indispensable.

Londoño: Various Latin American labor organizations have come out on this subject, for example, the general secretary of the Confederation of Venezuelan Workers, José Vargas, and also the Regional Inter-American Workers Organization ORIT via its head, Tulio Cuevas, proposed the need for a collective renegotiation of the debt and suspension of the IMF's aggressive conditionalities. Don't you think that some event should be organized around all these efforts taking place in Mexico, Venezuela, Peru and Colombia itself?

Rubio: We believe, and this is what we are going to propose to ORIT, that it is indispensable to form a common front, and organize an international meeting—just as the foreign ministers of all countries do, we have to get the workers together to tell the world what we think on this matter.

Londoño: In relation to the Ibero-American Common Market that you mention, why don't you explain a bit more what would be the content?

Rubio: Our countries are the raw material producers for all the articles we are then forced to import. This poses a marvelous opportunity to unite, to demand and sell our raw materials at truly fair prices. Now, we have countries like for example Brazil, Argentina, and Mexico which were previously above the other countries in development terms, and are now suffering the merciless punishment imposed by the IMF. So we can also interchange the technology that they may have among the countries of Ibero-America. Our raw materials, we can trade with countries like Japan, for example, for high technology, so that our countries will also have the right to life, the right to be able to progress, the right to be able to produce, so as to later compete in imports and exports.

The International Monetary Fund and World Bank have always maintained that the developing countries like Colombia, Ecuador, and Bolivia—the Andean Group—do not even have the right to think about competing in terms of industrialization, but many think this way in Japan, and today they are giving us a worldwide example of how things can get done when people orient themselves and direct themselves toward progress. . . . I think Colombia can do it.

Londoño: There is now a grave worldwide danger of thermonuclear war. President Reagan proposed last March 23

that beam weapons be developed to strike down missiles. What impact has this had in certain labor circles?

Rubio: For us in the UTC it is a question of principles. Our principles are based precisely on the defense of man as a human being, on total defense, and therefore, we are in favor of everything that has to do with defending the right to life. We gladly support the U.S. President's decision, insofar as arms are not being created to kill, but mechanisms to finish off the weapons that take life. We support it, and we are saying this at every opportunity we have to come out for it.

Londoño: The Betancur government has taken measures against some financial groups which have had control of the economy. What does the UTC propose on the management of the financial sector?

Rubio: The UTC has maintained for many years that the banks should be nationalized. This is the only way the government can have real control of money, which does not even belong to those handling it today, but to the people in general. We are paying great attention to this, and hence we support these measures, because only . . . with the kind of strong policy exercised by President Betancur in terms of banking management, can we get the money out of the hands of the money magnates—who were created, educated and put in power by the IMF and who are creating problems for President Betancur to keep him from carrying out his program—and thus be able to mandate lower interest rates to facilitate the country's industrialization.

For us the only solution is bank nationalization, as was recently done in Mexico, and here one certainly needs the backing of the working class so that as in Mexico they don't allow the IMF and the other credit agencies to destabilize the government of President Betancur.

Colombia's largest union demands joint debt action

Alfonso Vargas, secretary general of the Union of Colombian Workers (UTC), presented this document as his union's official paper to the meeting of the consultative Andean Labor Congress in La Paz, Bolivia, on July 11-15. The UTC is Colombia's largest labor organization.

Undoubtedly, the subregional Andean Pact now finds itself in a crisis without any historical precedent. In this regard, the Colombian Foreign Trade Institute [whose Spanish acronym is INCOME] released to the public the statistics on trade between Colombia and the other Andean Pact nations, with an alarming comparison between the level of exports and imports of the first quarter of last year with the first quarter of this year. What is urgently needed is a joint effort to resolve these problems of trade and to confront the

financial institutions which are destroying integration from the outside, not only to make the Andean Pact disappear but to push each of the member nations into a bottomless crisis under the conditions imposed by the International Monetary Fund.

We have two very clear examples to back up this statement.

Let us start with Ecuador. After the IMF negotiations with Ecuador in the second week of November of last year, this nation closed down imports of 900 articles coming from the Andean Pact. At the start of this year, Ecuador had new negotiations with the IMF and, in addition to imposing certain austerity measures, it devalued the Ecuadorean currency, the sucre. Colombian exports to our neighboring country were completely paralyzed. The devaluation of the sucre made Colombian products exorbitantly costly in Ecuador's internal market.

The same occurred with Venezuela. After this country was subjected to a capital flight of nearly \$30 million dollars per day, a result of the economic warfare of the international bankers and the high interest rates for credit, Venezuela imposed exchange controls and devalued its currency stepwise. The devaluation was made with the idea of complying with the IMF in its demand that Venezuela should devalue the bolivar by 80 percent. In such circumstances, Venezuela suspended imports of 500 products from the Andean Pact. Venezuela is the Andean group country which has the largest domestic net product and which imported the most from the Andean group, especially from Colombia. Colombian exports to Venezuela were \$106 million dollars in the first quarter of last year; in the first quarter of this year they were only \$39 million. On the other hand, exports from Venezuela were \$131 million last year, and in the first quarter of this year, dropped to \$71 million.

The most serious thing is that the IMF forces which created this situation are trying to use the circumstances they created to also force Colombia to either devalue its currency massively or accelerate the gradual devaluation. The argument is that now we have to compete with our own neighbors, who, since they devalued their currency, of course can export more cheaply. A competition for "who can devalue the most" would only lead to *collective suicide*. The mere devaluation of currency does not lead to any increase in exports, because, through no fault of any Andean Pact nation, the international markets are in disorder, and because the sale of products at lower prices by our countries would lead us to sell a greater amount of product for the same value as before, as has effectively been occurring.

Bolivia and Peru are in the same situation. However, the politicians of the continent and the Andean region are starting to wake up in regard to these problems. Last year, the president of Bolivia, Hernán Siles Zuazo, proposed a joint renegotiation of the debt of the Andean Pact, which presently totals some \$70 billion. The president of Colombia, Belisario Betancur, backed Siles Zuazo's proposal. Presently in Ven-