

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-

ezuela there exists a virtual political revolt against the IMF conditionalities. At the recent forum on Latin American Thought in Caracas on the occasion of the anniversary of Simón Bolívar, one of the resolutions . . . was on the necessity for collective renegotiation of the Latin American debt. Another was on the necessity to save ourselves from the IMF's conditions.

In view of this situation, the working class of the Andean Pact proposes:

1) A collective renegotiation of the foreign debt of the Andean Pact for a period of 25 years or more, with an invitation to the rest of the Latin American debtor countries to participate.

2) The reactivation of interregional trade through barter agreements and/or through the creation of an Andean Pact currency to which all of the member countries would fix the value of their currencies, independently of what happens to the dollar.

Unfortunately, the U.S. dollar is no longer a currency that facilitates commerce. It only serves for debt payments.

3) Above all, within this trade relationship, the supply of food must be guaranteed against any blockade or economic seige that the bankers may decide to impose as reprisals.

4) The perspective of the Andean Pact must progress toward the creation of an *Ibero-American Common Market*. Even in the extreme case of isolation, Ibero-America or even the Andean Pact can live better with mutual trade relations than under the hellish conditions and programs of the International Monetary Fund and the international bankers.

5) The development of a capital goods industry in the Andean Pact, which for the first time in our history would allow us to produce machinery and machine tools, that is to say, industries that produce industries.

6) The development of great joint infrastructural projects and other joint projects in steel, metalworks, petrochemicals, and other technological processes that will permit us to advance our natural resources.

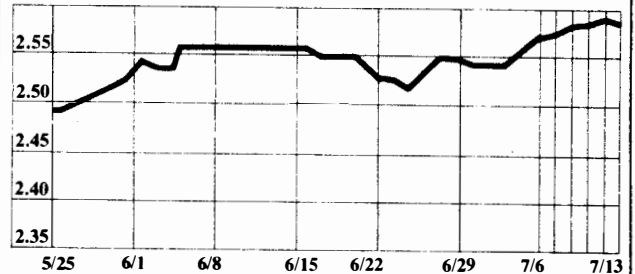
7) The creation of an Andean Pact university to educate advanced scientists, plasma physicists, nuclear physicists, chemists, and biologists, with the perspective of developing for the future fission and fusion energy and genetic engineering to improve species for agricultural production. This [university] should be the center for the education of the present and future labor force and to improve the quality of labor.

Finally, we should make it clear that the IMF does not have a dime. It is promising money in exchange for its conditions, but its promises are intended solely to break our countries away from the perspective we are proposing. If the IMF doesn't accept our perspective, the only thing we should say is what the Venezuelan finance minister said recently in an interview: "I couldn't care less what the IMF is thinking, and even less what the rest of the international bankers are thinking." Right now, we have only two options. Either we effect a genuine integration, or we are simply condemned to death.

## Currency Rates

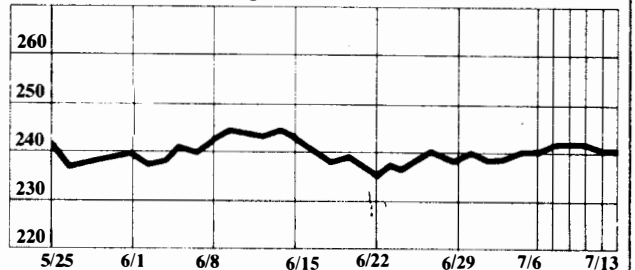
### The dollar in deutschemarks

New York late afternoon fixing



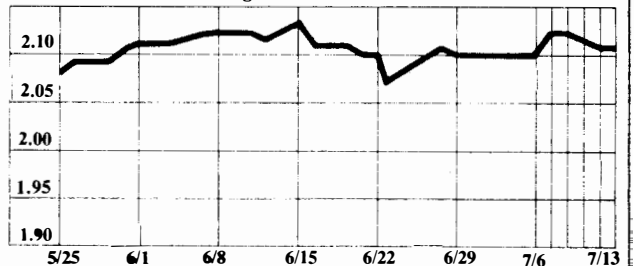
### The dollar in yen

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing

