

taining the good will of the Fund and its intercession before the international banks to grant eventual new credits [to Colombia], but on condition that the nation assumes unregistered debts contracted by the private sector; should the government reject assuming these obligations the doors to foreign loans will be shut.

Giraldo concludes that should the government opt to reject the IMF's demand, it will have no choice but to undertake "a major internal restructuring of the national economy with an inevitable declaration of cessation or postponement of payments on the foreign debt in question."

Labor mobilizes behind Betancur

A cessation of debt payments is not merely the "fate" of Colombia, but an absolute necessity, according to Colombia's labor movement. In response to the Nov. 3 fuel and transport rate hikes, Jorge Carrillo, first vice-president of the Union of Colombian Workers (UTC) federation, warned the President that yielding to Junguito's blackmail and "international usury" was not only placing an intolerable burden on Colombia's wage-earners but was placing his own much fought for peace program in jeopardy as well (see box).

As reported on the front page of the Nov. 5 edition of *El Espectador*, Carrillo called on Betancur to "play his last card: moratorium on payment of the debt in defense of the Colombian people's need to survive. . . . The President must also request the resignation of Minister Junguito because he is giving the country over to the IMF."

While most of the labor federations throughout the country gave Carrillo's proposal a ringing endorsement, provocateur elements within the left-dominated circles of the teachers' union and others were urging a national strike against the government's economic policies and other militant actions destined to provoke a hard-line response from a government already besieged by agents from within. Carrillo, however, made it very clear that labor's collaboration with the President against their common enemy—the International Monetary Fund—was a primary concern:

"We are certain that at this moment it would be an error to continue pulling the rug out from under the government. The best thing is for labor leaders and business leaders to work together to solve the current recession and economic crisis."

Carrillo also drew up a several point proposal for consideration by the President, behind which labor pledged its full support. The proposals include: 1) a price freeze on at least 20 basic food commodities for which there is no justification for a price hike, including domestically produced sugar, rice, meat, chocolate, milk, etc.; 2) at least a six-month freeze on public service rates; 3) intervention by the state sector's National Transportation Institute to fix cargo transport costs and to protect the rural farmers from speculation; and 4) an end to the government's continued acceleration of the "crawling peg" system of daily peso devaluations.

Colombian trade unions oppose IMF 'blackmail'

The following are excerpts from a document submitted by the Union of Colombian Workers (UTC) federation to President Betancur, entitled "International Monetary Fund, the Worst Threat to Peace."

The recommendations of the IMF are nothing less than a scheme to destroy the Colombian economy, destroy the leading trade unions, [and] destroy the incipient peace process and provoke conditions for a violence worse than the country has ever known. . . . Although the IMF alleges that it is only making "recommendations," the truth is that we are in fact dealing with crude blackmail. The banks have already admitted in confidential documents that have surfaced publicly that if Colombia doesn't impose the IMF's recommendations, not a single peso of new loans will come to the country. . . .

Instead of a sterile class struggle that only favors the designs of the IMF, the productive industrial sectors and the working class represented by the democratic labor federations should form a patriotic alliance, a harmony of interest of all the productive sectors capable of defeating the policies imposed by the IMF. . . .

Toward creating a patriotic alliance, the UTC proposes the following emergency economic program:

1) the finance ministry and the central bank must be nationalized, dislodging the technocratic servants of the international banks who look more to their own bureaucratic careers than to the national interest; . . .

2) unilateral moratorium on debt service . . . organizing the other countries to do the same, thereby putting into effect a debtors cartel;

3) creation of an Ibero-American Common Market for industrial development of the region, . . .

4) this common market should be regulated by a Latin American bank and a Latin American peso to trade among our own nations without having to use the dollar or other foreign currency for transactions; . . .

6) reform the Colombian banking system to favor heavy industry with long-term, low-interest credit; . . .

9) the state should have the right to issue money for the purpose of financing great projects required by the nation. . . .