
Argentina

Workers rally against 'international usury'

by Cynthia Rush

One day after the Alfonsín government signed its final agreement with the International Monetary Fund (IMF), Argentina's Peronist-run General Confederation of Labor (CGT) staged an 11-hour strike and mass demonstration to demand a five-year moratorium on debt-service payments, and an end to the "international usury" represented by the government's official anti-inflationary program, known as the Austral Plan.

On Aug. 29, approximately 350,000 workers marched along Buenos Aires's main 9th of July Avenue, carrying banners denouncing the IMF and pulling in additional workers from factories along the way. Observers estimate that the march was larger and more volatile than the one held last May, also organized by the CGT. The economic depression has deepened since May, as a result of the Austral Plan; hundreds of factories have been shut down, and tens of thousands of industrial workers thrown on the unemployment lines.

The Austral Plan was imposed in June at the IMF's behest, as a condition for refinancing Argentina's foreign debt. The program has been portrayed in an unprecedented publicity campaign as a "patriotic" way of combatting inflation: It set wage and price controls, restricted credit, fixed punishingly high monthly interest rates of between 5% and 10%, and created a new currency—the Austral—linked to existing dollar reserves.

The Aug. 28 agreement signed in New York, in which the IMF and Argentina's creditor banks refinanced \$14 billion in foreign debt and granted \$4.2 billion in new credits, is Alfonsín's reward for having imposed the draconian austerity program, and having "disciplined" his population. If pursued to the fullest, the program will restructure the Argentine economy, replacing heavy industry and the skilled labor with agricultural and raw materials production for export. The plan especially proposes opening up Argentina's oil industry for foreign investment, altering existing legislation to attract large foreign oil firms.

International support

Even more than in previous demonstrations, the Aug. 29 march targeted the IMF as the nation's primary enemy. For the first time publicly, CGT organizers read aloud telegrams

of support sent by labor leaders from around the continent, including from founding members of the Schiller Institute's Trade Union Commission.

Messages were read from Pedro Rubio, a leader of Colombia's UTRABOC; Juan Rebaza of Peru's Fishermen's Union; Guillermo Pedraza of the Colombian Workers' Confederation (CTC), and from other leaders in the United States and Panama. The crowd roared with approval at mention of Peruvian President Alan García's rejection of IMF policies and his war on drugs.

In the United States, such Eastern Establishment mouthpieces as the *New York Times* lied on Aug. 30 that the CGT demonstration had won "only partial backing" from the work force, thereby handing Raul Alfonsín a "political victory." The "poor" turnout, which the *Times* said was no more than 60,000, showed that Argentines really support the government's anti-inflationary program, the *Times* insisted.

Reality proves otherwise. "Only by breaking the ties with international usury and the International Monetary Fund, can we achieve our economic independence and political sovereignty," said Saul Ubaldini, CGT co-secretary general, who addressed the workers. "Today, the eroded word 'democracy' sounds more like authoritarianism. Do we have to put our demands in English before the government will listen to them?"

A CGT document issued a few days before the demonstration asserted, "It will not be the recessive recipes of the IMF and international monopolies, that will direct the country on the path of prosperity. On the contrary, cutting in a single blow the Gordian knot of the debt—in large part illegitimate, contracted with the international creditor banks—and imposing on them a moratorium, will permit Argentines to work and produce in peace."

Argentine workers are enraged at government policy, which since June 14 has caused the layoffs of tens of thousands of workers in the steel, metallurgy, auto, capital goods, and construction industries. One participant described the march atmosphere as "a powderkeg. . . . It's a good thing no one has a match." "If the IMF wants our money, let them go out and work for it," read one banner. President Alfonsín was the object of numerous insults.

In the week preceding the march, CGT organizers plastered metropolitan Buenos Aires and the surrounding areas with 30,000 posters, and distributed tens of thousands of leaflets. One poster demanded that "the government pay its debt to the people, opening the closed factories, as promised prior to October 30 [1983, the date of Alfonsín's election—ed.], and not closing new factories to pay off the debts of Martínez de Hoz's partners, to international usury."

Martínez de Hoz is Henry Kissinger's associate. As finance minister under the 1976-83 military junta, he quadrupled the country's foreign debt and gutted its industrial capacity.