

## Andean Report by Peter Rush

### Venezuelans protest economic disaster

*Church, labor, and political leaders are critical of the President's strict adherence to IMF austerity policies.*

**P**resident Carlos Andrés Pérez, known in Venezuela as CAP, is arguably the most unpopular person in Venezuela today. Unlike in Mexico, where the ruling PRI party still supports President Carlos Salinas de Gortari's economic austerity policy, as dictated by the International Monetary Fund, not even CAP's own Democratic Action (AD) party backs him in his application of IMF strictures against the economy.

The most dramatic repudiation of CAP's program came Jan. 31, when the executive council of the nation's trade union federation, the CTV, linked to CAP's party, voted to call a strike of more than 2 million workers on Feb. 15 if the President doesn't abandon his IMF "adjustment" program before then. The council voted to hold demonstrations in eight major cities, and large meetings in all other important cities of the country, on that date.

The demonstrations will demand that CAP rescind the announced increases in gasoline prices, bus fares, utility rates, food, medicines, and public services, end the firings through reactivating the economy, lower interest rates, and strictly control the price of basic goods and services.

The CTV's decision was propelled by the recent wave of mass firings, and the soaring inflation of prices for basic commodities and services not compensated by wage increases. Labor Minister German Lairet announced on Jan. 29 that unemployment was already over 1 million—out of only 6 million members of the work force—17%, with at least another

500,000 expected to lose their jobs by June, according to CTV officials. And the purchasing power of those workers who still have jobs has been cut in half in 12 months, and is less than 30% of the level it was in 1982.

Reflecting the effect this mass ferment is exerting on the ruling political party, AD Secretary General Humberto Celli joined the attack on CAP's economic policies. He charged at a Jan. 26 meeting of the AD leadership that they were fast turning Venezuela into an economic colony of the developed countries.

CAP's economic program "has changed the relative prices of the factors of production, cheapening labor power and raising capital and land costs. . . . It is moving to make Venezuela into a runaway shop, transforming it into a country which supplies cheap labor along with raw materials and energy, which it can produce at competitive advantage due to natural conditions," Celli charged, describing the classical symptoms of colonial economies.

Celli decried CAP's strategy on the foreign debt, which promised to reduce the debt burden. "Not achieving that objective, all the sacrifices we have subjected the Venezuelans to, could be in vain. . . . Debt reduction has not been achieved and the tendency is to increase it through new loans and interest," he said.

Celli was joined by most of the rest of the executive committee in blaming CAP and his policies for the crushing defeat suffered by the AD in state elections last Dec. 3. Even before the party's Jan. 26 executive meeting, the organizational secretary of the party,

Luis Alfaro Ucero, had said that "the economic policy must be changed, because elections are not won with hunger."

The Church, normally reticent to interject itself into political matters, has also felt obliged to speak out. "Increased gasoline prices could cause a catastrophe in this country," said the archbishop of Maracaibo, Venezuela's second largest city. "I am praying constantly for the government to do an about-face in its plans," he added, referring to the gasoline price hikes that sparked a week of rioting beginning last February that left 1,000 dead.

Even stronger was Monsignor Miguel Delgado, the secretary of the Venezuelan Bishops' Council. "Applying the package's measures simultaneously is unjust, and the nations which demand we pay the debt should be made to realize that," he said, referring to the package of measures implemented by CAP beginning last February and March.

"I reiterate that if the 'package' strangles the poorest sectors, it is inhumane to insist on its being applied, because the consequences will [not only] be social disorders, but also many people getting frustrated and losing confidence in democracy which fails to satisfy their needs," Delgado said Jan. 27.

So far, however, CAP is standing firm behind his recessive program. "I know only one world, the one we live in, the planet named Earth," he said Jan. 24, "and on that planet there is precisely one international financial system, only one, whose headquarters is the IMF."

And at the Jan. 26 AD executive meeting, the President defended himself, saying that "The IMF agreement is indispensable. No country in the Western world gives a single penny of credit without an IMF agreement."