

# Narcos and IMF declare joint war on the Colombian economy

by José Restrepo

On Jan. 25, journalist Diana Turbay de Uribe, daughter of former Colombian President Julio César Turbay and editor of the magazine *Hoy por Hoy*, died in a Medellín hospital. She had been held a kidnap victim for nearly five months by the cocaine-trafficking Medellín Cartel, and was shot three times in the back by her kidnapers at the moment an elite police unit raided the hideout, in hope of capturing cartel chieftain Pablo Escobar.

The murder occurred in the middle of a full-scale war of the narco-terrorist groups against the Colombian economy, and at the same time that the government of President César Gaviria, following orders from the International Monetary Fund (IMF), has adopted austerity measures designed to deliberately induce recession and unemployment. Although Gaviria argues that these steps are necessary in order to “fight inflation,” the result is that he is eliminating the last obstacles to the takeover of what remains of Colombia’s productive economy by a combination of drug-runners and foreign financiers.

The damage which this war against Colombia is causing is staggering: 40 people are being killed *daily*, and nearly \$100 million of economic destruction has occurred just in the first month of 1991, according to the Jan. 22 *El Espectador*. And yet the Gaviria government remains committed to the insane policy of negotiating power-sharing with the very narco-terrorists at war with the nation, and the equally crazy policy of imposing the free market economic policies that are shattering the economy, and driving even honest businessmen to turn to the drug cartels for cash.

After attempting to justify these policies, President Gaviria closed his first presidential address in mid-January with the words, “Welcome to the future.” But as the head of the National Federation of Grain Farmers (Fenalce), Adriano Quintana, angrily put it in comments to the press, the President’s words were addressed only to “repentant” outlaws and all those others who have caused so much damage to Colombia’s economy, its citizens’ morality, and its international image. As things now stand in Colombia, the future is only theirs.

President Gaviria, rather than ordering an investigation of the murder of Diana Turbay and reversing the “peace” agreements his government has been negotiating with the

drug-runners, argued instead that he had not authorized her attempted rescue, and that the responsibility therefore rests entirely with the police. As a result, the Attorney General’s office has opened an investigation *against the police* for having dared to search out cocaine kingpin Pablo Escobar, and for having attempted to rescue the journalist. An investigative team of three public order judges will investigate the responsibility of the police in the murder.

## More concessions to the narcos

Gaviria also rushed to announce that the government will issue a new state of siege decree to make it easier for Pablo Escobar to “turn himself in” to Colombian authorities (that is, the country’s laws will be further weakened). In exchange for a guarantee of no extradition, a reduction by half of any sentence that is imposed, and a guarantee that his sentences for all his crimes will be served concurrently, Escobar only has to confess to any one crime, even the most minimal one, and turn himself in. Meanwhile Escobar’s partners, the Ochoa brothers, Fabio and José Luis, are enjoying “five star” jail accommodations near the city of Medellín, under government protection, after having “surrendered” to authorities a few weeks back.

“The drug-runners will be in jail for at most three years, and they are going to come out with all their economic power intact and legalized,” an industrialist told *EIR*. “My only hope is that the children of these mafiosi spend everything that their fathers made through crime. But before that happens, many people will have been murdered,” he said, and they will take over everything with their threats and their money.

Despite all of the government propaganda in favor of “peace” with the drug-runners, the drug-runners have kept up their terrorist actions. They still are holding Francisco Santos, the managing editor of *El Tiempo* newspaper; Maruja Pachón de Villamizar, the sister-in-law of slain presidential candidate Luis Carlos Galán; and various other journalists. They have not stopped kidnaping people either; for example, on Jan. 11 they kidnaped Iván Gómez Osorio, a Liberal senator who entered Congress as an alternate for Federico Estrada Vélez, who was assassinated by the narcos at the beginning of 1989.

## **Narco-terrorist war against the economy**

As if all of this weren't enough, the narco-terrorist groups yet to be legalized through the "peace process," the ELN and the FARC (which is also known as the third cocaine cartel), are carrying out a devastating war against the national economy, especially against Colombia's infrastructure and productive sectors.

Bridges on the most important passenger and cargo roadways have been dynamited, forcing the Army and the Ministry of Public Works to install provisional metal bridges (which will remain in place until the government withdraws its prohibition on new infrastructural investment, imposed in the name of fighting inflation). Daily, the FARC and ELN burn buses, tractor-trailers, and trucks, and destroy mining camps, factories, and ranches.

On Jan. 11, for example, they attacked and destroyed an Army communications base, producing a high number of casualties. That same day, they burned three intercity buses, a truck, two tractor-trailers, and dynamited a bridge. They also kidnaped 16 soldiers, whom they later released, amid great fanfare, to an international and governmental commission on Jan. 28, in a show of "good faith."

On Jan. 15, they attacked a mining camp in the department of César, completely destroying the company's installations and equipment, including six trucks, two bulldozers, a tractor, and four dumpsters, causing \$2.6 million worth of damage. Following the attack, the company decided to suspend its coal-mining activities and laid off its 375 workers. That same day, in another region of the country, a helicopter was stolen, an Ecopetrol pumping station dynamited, and an electrical energy tower feeding power to nearby pipeline operations was blown up.

On Jan. 18, the ELN seized the workcamp of the Engineering Works Consortium in Antioquia, murdering the security chief of the company. On Jan. 22, they re-occupied the camp and proceeded to dynamite and burn every piece of equipment they could get their hands on. Damage was estimated at \$8.7 million. The FARC/ELN also dynamited the vital Caño Limón-Coveñas pipeline, the 142nd such attack so far this year.

On Jan. 25, in Casabe, Antioquia, the FARC destroyed the control and power rooms and the computer systems of the state-owned oil company, Ecopetrol, as well as the pipe-cleaning facility. The attack has paralyzed Ecopetrol's secondary recovery program in the region.

In the face of this economic blood-letting, the Gaviria government has refused to mobilize the country behind a military campaign to defeat these criminals, and instead is unabashedly seeking a new pact with the FARC/ELN which would grant the narco-terrorists substantial representation in the Constituent Assembly.

A congressional commission has already spoken by radio-telephone with the leadership of these groups. They reported that the social democratic President of neighboring

Venezuela, Carlos Andrés Pérez, was prepared to back a "peace effort" with the narcos, and President Gaviria agreed on Jan. 29 that an "international oversight" group be established to supervise the peace process. Of course, the "peace process," as is now traditional, begins by demobilizing the nation's Armed Forces.

## **Gaviria's war against the economy**

What the narco-terrorists haven't gotten around to destroying, is being taken care of by the Colombian government itself, through its economic policies of "trade opening" and austerity. The Gaviria government is implementing a brutal shock program that has paralyzed productive economic activity, and replaced it with the narco-economy. Rudolf Hommes, the finance minister, has issued an order through the Monetary Council that virtually all new bank lending must cease, by requiring the banks to place 100% of all new deposits as reserves with the central bank, so that no credit transactions at all can occur with that money. The measure will lead to the reopening of the only other source of liquidity in the country, the "extra-banking" credit market (i.e., the drug runners), at interest rates far above those of the commercial banks.

Hommes also ordered the elimination of all development credits for the agricultural sector, as well as the massive importation of agricultural goods from abroad at subsidized prices, measures which will undermine the food security of the country.

Hommes also ordered Ecopetrol, the same company under narco-terrorist assault, to freeze \$95 million that it was planning to invest in the construction of a refinery, which is so necessary for the energy security of the country, and to use the entire surplus coming from oil exports at rising international prices for the purpose of paying the foreign debt of other state companies.

Speaking at a meeting with top representatives of the country's trade unions, Hommes proudly predicted that "there is going to be an economic recession that will affect everybody" as a result of these policies. This may well be the first case in which a government not only imposes an economic policy designed to provoke a recession, but openly brags beforehand that it is going to increase unemployment, reduce domestic consumption, and drive producers into bankruptcy.

It would appear that Gaviria's economic policies nicely complement the narco-terrorist actions. Further evidence of this was his announcement on Jan. 25 that he was approving a foreign exchange law which allows drug runners to launder illegal dollars, and that he intended to issue a decree changing Colombia's foreign investment laws in order to encourage the entry of "dollars of obscure origin" into the country under the guise of "foreign investment." The operant policy, then, is to bankrupt the legal economy, while strengthening the underground economy.