

Labor, Church resist Argentine debt plan

by Gerardo Terán Canal

Argentine President Carlos Menem's privatization plan, being carried out under the direct supervision of the World Bank, is provoking protest from several sectors of Argentine society. As the cornerstone of Menem's economic austerity program, the privatization plan will throw thousands out of work, while handing strategically important national assets over to foreign interests.

"Your government's economic and administrative policies have plunged thousands of workers into misery and desperation," wrote the bishop of Viedma, Miguel Hesayne, in a personal letter to Carlos Menem made public Sept. 26. "This is a death sentence—without the death penalty—but with death in the end, in installments," the bishop warned, referring to the suffering of workers at the state-run Hipasam mining center in the province of Río Negro, shut down by the government almost four months ago because it was "unprofitable."

The shutdown of Hipasam has caused health and financial emergencies for thousands of families in the region who depend upon it for their livelihood; labor leaders in Sierra Grande, where Hipasam is located, warned that malnutrition levels are increasing rapidly among infants. At the end of September, wives of the unemployed workers blocked national Highway No. 3 which links the region to Buenos Aires, to protest government policy.

Ignoring the suffering which the Hipasam shutdown has caused, Harvard-trained Finance Minister Domingo Cavallo characterized the company as "one of the many absurdities done to the country." But in the face of growing labor protest, Menem himself demanded that the conflict be resolved, "even if we have to give the company away." On Sept. 27, the government forced an agreement which includes voluntary retirement of the majority of the workers, and the reopening of the company, to process iron which the government intends to buy from Chile.

Labor hacks attacked

Rather than defend workers' rights, the nominal leaders of the Peronist-run General Confederation of Labor (CGT) are engaged in a ballet with the Menem government to obtain whatever goodies they can for themselves while the trade union movement is dismantled. This has infuriated the base of the organized labor movement. At the Ensenada oil refinery, workers from the Unified State Oil Workers Union

(SUPE) literally dragged union president Diego Ibañez to their protest before the headquarters of the state oil concern, YPF. So angry were the workers that Ibañez's bodyguards had to intervene to prevent him from being lynched. Workers were attacking the government's firing of 2,500 oil workers whose Sept. 12 strike to protest the privatization and restructuring of YPF was declared illegal.

In San Nicolás, 300 kilometers north of Buenos Aires where the giant Somisa steel complex is located, the city's entire population protested on Oct. 1 the government-authorized firing of 3,100 workers, as part of the plan to privatize the company. Businesses shut down, lights went out, and 150 workers demonstrated in front of the presidential palace, the Casa Rosada, and in front of the residence of government-appointed director Jorge Triaca. Naldo Brunelli, leader of the local branch of the Union of Metallurgical Workers (UOM) told the press that "here in San Nicolás we have only two options: to die of hunger or die from being beaten up. We've chosen the second one, and we're going to resist until they kick us in the balls."

Attacking the government offer of voluntary retirement, Brunelli said, "We turned one cheek and 4,500 workers were fired. Now they want us to turn the other cheek, to fire another 3,000." Triaca responded that "the World Bank recommended that only 2,400 workers" should remain of the 9,000 who once worked there.

This is the tip of the iceberg of what Menem intends to do. According to Hugo Domeniconi, an undersecretary of Finance, the plan is to eliminate 700,000 public sector jobs over a two-year period.

Political, business, and Church groups have also been outraged by the blatant interference of U.S. Ambassador Terence Todman in Argentina's internal affairs. Todman, also known as the "viceroy" who helps run the Argentine government, has publicly instructed the Congress to pass legislation regarding recognition of foreign pharmaceutical patents, and has lobbied—as if he were in his own country—for other legislation the Bush administration wants passed. In response, Radical Party Deputy Daniel Salvador presented a bill in Congress to declare Todman *persona non grata*, because "the ambassador has nothing to say or opinion to express because he's not in this country as a representative of the interests of foreign laboratories."

The bishop of Morón, Msgr. Justo Laguna, sharply criticized Todman in remarks reported in the Oct. 1 *Cronista Comercial*. "It is fundamental that governments retain their independence," he said, "and that foreign powers, however powerful they may be, respect the way we function." Nonetheless, both Cavallo and Menem leaped to Todman's defense. "The ambassador has done absolutely nothing wrong," the President stated. "There is no interference. . . . The United States is part of this continent; we are in a process of continental integration, and in the process of establishing a free-trade zone in the entire region."