# Colombia in crisis over the collapse of infrastructure

# by Javier Almario

Life in Colombia has been completely altered by two months of draconian energy rationing, a severe labor crisis, and a collapse in communication with the outside world—all the result of more than 10 years of "economic adjustment" policies which included a drastic reduction of public investment in construction and maintenance of physical economic infrastructure. The accumulated discontent among the population could explode in a nationwide revolt at any time.

What has most dramatically affected daily life has been the eight hours or more a day of electricity rationing. "Colombians now spend their time from 5 p.m. [when the blackouts descend] onward muttering and conspiring against the government," wrote commentator Javier Sanín in the daily *La Prensa*.

"I left college because I got tired of studying by candle light," commented one young worker. In Colombia, a large proportion of young adults who want to pursue their studies have to do so at night, because their parents haven't sufficient money to pay for their children's continued education. The children are thus obliged to work during the day to pay for night school.

"We were on the verge of canceling the semester," said one university professor. "When the students learned this, they each began to bring a candle so as not to lose the money they had already paid for their courses." Said another, "At my university, there is an electrical generator, but its power does not reach the laboratories. So, the engineering classes are exclusively devoted to theory." Said a university dean, "This year we are not going to hold vacations. We will spend out vacation time recovering from time lost because of the rationing. We will also be holding classes on Saturdays and Sundays."

# Life under siege

Every aspect of daily life is affected. The average period of rationing is from 6 a.m. to 10 a.m., and then from 5 p.m. to 9 p.m. Mothers are getting up at 5 a.m. to prepare breakfast and lunch for their families. At night, families are eating their dinners cold. Parents are also trying to get their children to nap after dinner, so that they can waken them after 9

p.m. to do their homework and other chores. Cold baths and showers in the morning are now the norm.

If an automobile owner needs to tank up, he is obliged to go from station to station until finding one whose alternating hours of rationing enable its pumps to function. If the neighborhood through which one drives has no electricity at that hour, street lights and traffic lights are also out, doubling the time it takes to get from one place to another. At night, the situation is worse. In the capital city of Bogotá, traffic accidents have doubled, and so have traffic deaths.

People leave school or work and race directly to their homes, in terror of the nightly blackouts. Muggings, vehicle thefts, burglaries, and assassinations have doubled. Homeowners are spending small fortunes to buy kerosene and oil lamps, flashlights, batteries, and candles, as the price of these products has tripled.

In the banks—if they are not on strike, that is—it is common for the tellers to put up signs asking clients to return after 10 a.m., when electricity is turned back on, since without electricity, the computers don't function. Electronic withdrawal machines have been rendered useless by the rationing.

Although industries located in major industrial parks are only subject to four hours of rationing a day, the great majority of small and medium-sized companies are located in residential zones, where the rationing is eight hours or more daily. Experts have determined that industrial production has already fallen this year by 15%, solely due to the rationing, which is expected to continue through mid-1993. The same experts say that growth of the Gross National Product will be less than 1%, as compared to the 3.5% the government is forecasting.

Printing presses and laundries have doubled the time they need to get work done because of the rationing. The great majority of health clinics have had to suspend services, especially dental clinics and laboratories. Sophisticated hospital equipment was damaged by the blackouts, as very few institutions have private generators enabling them to anticipate blackouts. "Don't let your children be vaccinated these days, because many of the vaccines—including the polio—are

EIR May 15, 1992 Economics 13

very sensitive to temperature changes and could be altered," is what pediatricians are recommending to parents.

## No 'bread and circuses'

Perhaps the greatest irony is that in the midst of this crisis, the government is unable to offer the population the traditional "bread and circus." Rationing is keeping the population from the "narcotic" of television. Numerous soapopera programs and television producers have gone bankrupt because no one is willing to pay for commercial time during the hours of rationing. And so, families are gathering together earlier, out of fear of the darkness and insecurity outside the home, and without television, have begun to talk to each other. The common theme, of course, is the deterioration of living conditions in the country, and grumbling against the government and against the political class can be heard in every household.

The conclusions being drawn are not always correct, of course. The great majority of people are convinced that the rationing is occurring because of drought, and because the politicians have stolen the money needed to construct energy plants. This is not entirely wrong, but the truth is that it is the World Bank and International Monetary Fund, and the financial oligarchy they represent, which have decided that Ibero-America should remain underdeveloped, and that investment in such national infrastructure as energy, telecommunications, ports, highways, and railroads should be drastically curtailed. Consecutive governments have blindly obeyed this policy.

Since 1982, the World Bank in particular has told Colombian governments that it would no longer finance electricity generation. Instead of confronting the situation, these governments have turned around and sold the Colombian people the World Bank lie that the country was "over-extended" in electricity generation, and that new investment was a waste. The result of this criminal behavior is the rationing today.

In a recent speech, President César Gaviria stated that the only way to overcome the rationing was to seek "the help of God and nature" in calling down the rains and filling the reservoirs. Public Works Minister Juan Felipe Gaviria gave an interview to the daily *El Espectador*, in which he admitted that he was praying for it "not to rain," because Colombia's highways only operate in dry weather! The main highway between the city of Cali and the Pacific port of Buenaventure caves in virtually daily because of flash floods. And the Bogotá-Villavicencio highway, where 30% of the food that supplies the nation's capital is transported, has at least 27 major fissures where cave-ins could occur.

## Labor strikes back

The recent strike at the state telecommunications company Telecom left the country incommunicado for over one week. The reason for the strike was the workers' opposition to government plans to privatize Telecom and to sell it at

bargain-basement prices to the multinationals. A portion of Telecom's services is subsidized by the poorest sectors of the population, and privatization would leave a good half of its current users without service. Privatization, of course, is one of the demands that the World Bank, the International Monetary Fund, and Wall Street have imposed as the condition for further credits.

During the period of the strike, television news shows were without their correspondents, banking and commercial transactions were virtually suspended, and the country had to return to the era of doing everything by mail. Companies, banks, and individual citizens were forced to rely on messenger services to keep tabs on their business operations. Radio stations used their frequencies to transmit personal messages on births, deaths, and emergencies.

Although the government settled the Telecom strike with a promise not to sell the company, the international pressure on Gaviria is such that privatization schemes are still on the agenda, as too is the prospect of a new telecommunications strike. In fact, the only thing that led the Gaviria government to negotiate with the Telecom union at all was the threat that all state workers—oil, ports, television, mail, teachers, etc.—would strike in solidarity with the telephone workers.

Agricultural production is also seriously affected by the free trade apertura, or "opening," dictated by the new world order. Growers, especially in the regions of Cundinamarca, Tolima, and Huila, are on the verge of launching an agricultural strike in which they would use their machinery to block all the main highways leading into Bogotá. The protest is centered against the World Bank/International Monetary Fund "recommendations" of totally free imports, which have pulled the rug out from under the majority of Colombia's agricultural producers. At the same time, the Gaviria government is pursuing the liquidation of the Agrarian Bank, one of the few institutions still offering development credit to the agricultural sector. Colombia's debt-strapped farmers are being forced to sell their equipment to pay off their debts, which threatens to lead to food shortages. Already, all foods have begun to soar in price.

The World Bank's hand in this is clear enough. It has just publicly informed the Colombian government that a promised agricultural credit of \$300 million would not be disbursed until 400 offices of the Agrarian Bank are closed, and 5,000 of its workers fired. These 400 offices are located in distant regions, where the Agrarian Bank is virtually the only banking institution available.

Without telephones, without electricity, without highways, and facing the prospect of food shortages and new labor strikes, Colombia has begun to resemble Iraq after "Operation Desert Storm." The difference is that in Colombia, the United States did not have to spend money for a massive bombardment. The International Monetary Fund and World Bank have had the Gaviria government and its predecessors do their dirty work for them.

14 Economics EIR May 15, 1992