Venezuelan workers rebel against IMF

by David Ramonet

Speaking before a gathering of more than 2,000 angry farmers on Feb. 22, Federico Ramírez León, president of the Venezuelan Labor Confederation (CTV), vowed that "the general strike which workers haven't announced in defense of their own bargaining position, on the issue of benefits, will now be carried out together with farmers, in defense of national production." At this conference, held in Acarigua in Portuguesa state, trade union leaders vowed to mobilize to halt the Caldera government's continued imposition of free-market austerity measures, agreed on with the International Monetary Fund (IMF), and to support passage of an Agricultural Development and Food Security Law in the national Congress.

"The country must defend its sovereignty, and that is why we must defend agriculture," Ramírez said. To do so, "consumers, workers, and producers must join forces," to define a "policy of protection for agriculture, and stop indiscriminate imports, which mean more unemployment and the impoverishment of the country."

For more than a year, agro-industrial companies, largely controlled by such multinational cartels as Cargill and Unilever, have refused to purchase domestically grown agricultural products, buying from abroad instead. This indiscriminate import of subsidized farm products has jeopardized Venezuela's sorghum and corn crops, and enraged the farm sector.

Producers' anger is such that on March 11, thousands of farmers in Acarigua blocked the entry into the city of trucks carrying imported corn and sorghum from national ports to agro-industrial companies controlled by foreign cartels. Agitation is spreading in the country's crucial central agricultural region, including the states of Portuguesa, Barinas, and Guarico. On March 11, after Portuguesa Governor Iván Colmenares signed a decree prohibiting the entry of imported corn and sorghum into his state, the governors of Guarico and Barinas followed suit and signed similar decrees.

Expansion potential

The potential for this action to quickly expand to other sectors is indicated by the CTV's decision to join producers in opposing the IMF's murderous policies. The CTV executive has also officially backed a producers' proposal to seize ships in the ports carrying foreign farm products. The action will have the support of CTV-affiliated longshoremen.

This is the first organized reaction against Agenda Venezuela, the name given to the IMF's free-market "stabilization" program which the government of President Rafael Caldera has agreed to impose. This mobilization is actually the second phase of the strike called by public-sector physicians in early January, which resulted in a significant wage increase, and a government promise to increase the health care budget, in order to guarantee that public clinics and hospitals are adequately stocked. While the agreement has yet to be implemented, the fact is that the doctors' success paved the way for other sectors to repudiate these economic policies.

Four days after the farmers' conference, to which representatives of the CTV and other important sectors were invited, such as the bishop of Caracas, Msgr. Ignacio Velasco, the public sector workers' federation reached an agreement with the government for a 76% wage increase. This raises the monthly salary from 53,000 to 97,000 bolivars. A week later, the government agreed to raise public schoolteachers' minimum monthly salary from 67,000 to 138,000 bolivars, an increase of 100%.

These wage agreements were signed by Finance Minister Luis Raúl Matos Azócar, over the opposition of the former communist, Planning Minister Teodoro Petkoff. Speaking at the World Economic Forum in Davos, Switzerland last month, Petkoff promised that Agenda Venezuela's reforms would be intensified. Also at Davos, Venezuela's central bank President Antonio Casas González insisted that the government could not raise salaries beyond the levels indicated by the IMF, without further cuts in the public-sector budget.

These wage negotiations reveal that there are real divisions inside the Caldera government over the interpretation of Agenda Venezuela. A case in point is the setback suffered by the Tripartite Commission (including representatives of government, labor, and management), which is now negotiating social security reforms, including all social benefits. Minister Petkoff, speaking for the government and backed by the business sector, has refused to even discuss wage increases, until the system by which benefits to labor are calculated were reformed. Business leader Jorge Serrano accused Matos Azócar of jeopardizing the agreement with the IMF, by promising wage increases.

Last month, the London publication *Economist Intelligence Unit* expressed the fear that President Caldera would give in to labor demands, thereby threatening reform plans which, for this year, include creating a Chilean-style private pension system, and privatizing state-run basic industries that produce iron, steel, and aluminum. These fears have become reality, and this is why London's allies inside the government are resorting to economic and financial warfare. At the beginning of March, the central bank unilaterally devalued the currency by 4.5%, claiming that there had been a delayed application in the monthly parity alteration. At the same time, news media linked to financial speculators dredged up reports of a coup threat, in an unabashed attempt to create unrest.