

Argentine Church backs labor's demand

by Benjamin Castro

On Dec. 3, the president of the Pastoral Commission on Social Works of the Argentine Catholic Church, Monsignor Italo Di Stefano, visited the offices of Argentina's powerful labor federation, the CGT, to offer the Church's public support to the federation's mobilization in defense of Argentine economic sovereignty.

During a two-hour meeting with CGT secretary-general Saúl Ubaldini, Monsignor Di Stefano declared, "Anything that helps to satisfy social necessities has our greatest support." Referring specifically to the CGT's economic program, which includes a call for moratorium on the nation's \$42 billion foreign debt, Di Stefano said, "We second, endorse, and support these demands, which in turn echo what the leaders are hearing from their base." Di Stefano also criticized the Alfonsín government for its failure to "apply social justice according to humanist and Christian principles."

The Argentine labor movement, which has been one of the most aggressive on the continent in denouncing the subordination of national interests to the blackmail of the International Monetary Fund and the international creditor banks, is viewed as a model for nationalist sentiment across Ibero-America.

During Di Stefano's visit to the CGT offices, he extended an invitation to Ubaldini to attend a "working meeting" with Pope John Paul II when he visits the country next April. The pontifical visit to Argentina will take place just after the release of a special papal document addressing the crisis of the Third World foreign debt, a document which has already raised tremendous expectation among debtors and creditors alike.

'Black October' triggers revolt

During early November, not only Argentine labor, but also industrialists and agricultural producers were shocked by official figures released on the economy for the preceding month. "Black October," as it was immediately dubbed, not only gave testimony to the deep recession in which the country finds itself, but exposed the intent of the Radical government of Raúl Alfonsín to thoroughly eradicate what remains of Argentine national sovereignty.

For example, the retail-wholesale sector, through its as-

sociation CAME, announced that general demand for its products had fallen a full 30% in the month of October, and that 70% of its installed capacity was idle. Hiring in all sectors of the economy fell for the fifth consecutive month, and was to fall another 13.3% more in November. The collapse in hiring, especially noticeable in construction, industry, services, and among professionals and technicians, reflects the degree of paralysis of the productive portions of the economy under the financial strangulation of the central bank "mafia."

The majority of business organizations in the country have declared themselves in varying degrees of rebellion against government policy. The most striking case is that of the agricultural producer associations, which, in mid-November, broke relations with the government and stalked out of an emergency council convoked by President Alfonsín to hear their demands.

The Alfonsín government has not limited itself to destroying the private sector. On Nov. 28, Alfonsín announced his decision to launch a "reform" of the state apparatus, including state sector companies. He proposed at the same time to begin to eliminate 26,000 state employees' jobs through a system of "voluntary retirement." Those who refuse to accept such an offer of retirement will be placed for one year in a "national labor exchange" from which the "slimmed-down" state apparatus will allegedly pick and choose new employees. Those not chosen, presumably the majority, will be tossed onto the unemployment scrapheap.

Alfonsín has also named as director of his State Company Directorate one Enrique Olivera, a graduate of Harvard Business School who cut his teeth working under the direction of Gianni Agnelli in the 1977 "restructuring" of the FIAT company in Italy.

Olivera's immediate objective—in addition to "reprivatizing" the remaining state companies—is to create the conditions for handing over to foreign investors the 13 companies which constitute the most important foundation of Argentine economic sovereignty—oil, railroads, communications, electricity, etc. Olivera will apply "business administration criteria" to reduce costs through eliminating jobs and ceding operations and projects to private investment. Olivera has already declared his intention to eliminate from state control any company "related to the market sector" and to generate a wage system for public employees which is "self-financing."

As has already been made public in Argentina, the main demand of the international creditors of Argentina, headed by Citibank, is for 100% "capitalization" of the country's foreign debt. That is, what the bankers want is that each dollar of the foreign debt—be it public or private sector debt—be transformed into a dollar's worth of stocks in the debtor company. Should this plan succeed, the interest payments alone that the country shells out each year, to the tune of \$5 billion, will enable the banks to buy up the Argentine nation piecemeal.