

would have the wherewithal to respond and execute a plan that was already operational. Then, the government came along and said it needed the money from the exploration fund because the international entities would not lend to the Finance Ministry of the [previous Virgilio Barco] government, and so they availed themselves of Ecopetrol. I told the government that if they let me proceed with my plan, for each dollar invested, I would return two in the future. The government didn't understand. They needed the money *now!* The government said, "We are not going permit the refinery, nor exploration, nor the pipeline, nor distribution. Foreign capital will do it."

**EIR:** In other words, the exploration fund was used to pay the debt?

**Chona:** Money was taken from Ecopetrol to build highways, and for many other things—for example, to finance the National Rehabilitation Plan. And what remained of Fexpetrol was given to FODEX [Fund for the Payment of the Foreign Debt]. Ecopetrol was forced to buy dollar-denominated paper of the Central Bank, and these funds have yet to be returned to Ecopetrol. And another thing to keep in mind is that Ecopetrol's debt will soon have to be refinanced, and it has nothing to pay it with because all of Ecopetrol's resources have been taken. In addition, Ecopetrol is currently managed by someone who knows nothing about oil. So, everything leads to the privatization of Ecopetrol.

**EIR:** One of the conflicts you had when you were president of Ecopetrol was over the handling of the state coal company Carbocol. Did you want Carbocol to become a dependent of Ecopetrol?

**Chona:** At that time, the manager of Carbocol was Andrés Restrepo Londoño, the current Ecopetrol president. As was his custom, he was managing the company at a loss. Note that 50% of Carbocol's assets were Ecopetrol's.

So, Carbocol's management and the government were considering the sale of Carbocol to a multinational company, because they had nothing to pay its \$540 million debt to the U.S. Export-Import Bank with. I told them, "Don't sell it to the multinationals. Let me buy Carbocol." That way, Ecopetrol—an efficient company which turned a profit despite everything being squeezed out of it—would have owned 97% of Carbocol, and would have administered the country's coal in an efficient manner.

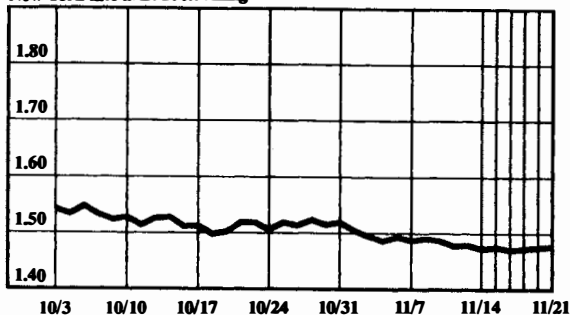
But it would appear that the political class doesn't like efficiency. They wanted Ecopetrol to take on Carbocol's debt but to stay out of its management. The political class doesn't like efficiency.

I am convinced that they have determined to sell Ecopetrol, but they are going to sell it the way they sold the national railroads, like junk. They want to sell Ecopetrol, but first they want to steal it blind. And they will sell it when it has been completely looted.

## Currency Rates

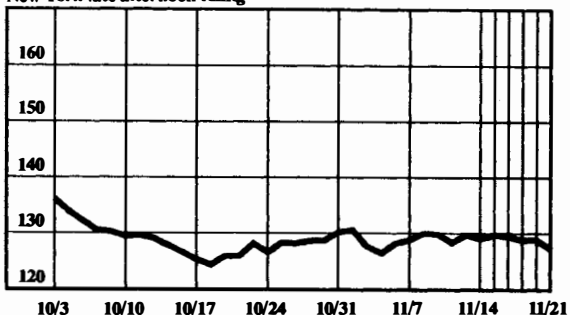
### The dollar in deutschmarks

New York late afternoon fixing



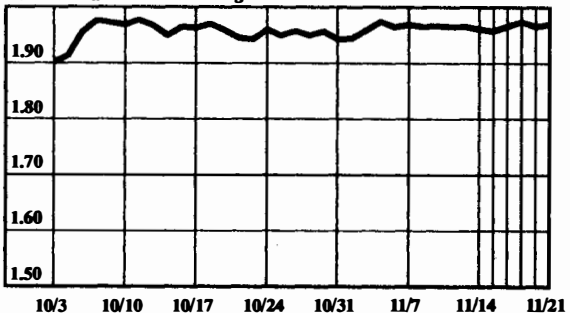
### The dollar in yen

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing

