

Andean Report by Peter Rush

Bolivians resist Dialogue 'reforms'

The Inter-American Dialogue has nation's economy, courts, and Army under attack, and the President is aiding the assault.

An experiment is unfolding in Bolivia in the wake of last July's presidential election of Gonzalo Sánchez de Lozada which threatens to tear apart the country's institutions and wreck what remains of its economy. The experiment is the first election to an Ibero-American presidency of a member of the U.S.-based Inter-American Dialogue (IAD), the think-tank which runs the Clinton administration's policy for Ibero-America. Sánchez de Lozada has lost no time imposing the IAD's agenda of "reform"—of the Army, the courts, and the economy.

The core of the IAD program is a concerted attack on Ibero-America's existing institutions, starting with the armed forces and the Catholic Church, and the traditional structure of government, coupled with a radical "free market" attack on national economies. It is this last issue which has propelled a total mobilization of Bolivia's labor movement to protest scheduled layoffs off 10,000 public employees.

Sánchez de Lozada has made it clear that he intends to complete the economic "shock therapy" that he personally introduced in 1985 when he was finance minister. At that time, the government hired quack Harvard economist Jeffrey Sachs to impose his radical "free market" reforms on Bolivia. Interest rates were jacked up through the ceiling, government deficits were eliminated by simply ceasing to make social and infrastructure investments, and economic activity shrank dramatically. Hyperinfla-

tion was ended, but at the expense of huge increases in unemployment and the wrecking of agriculture, which has led in the years since to an explosion of drug, mainly coca, cultivation in Bolivia's rural areas.

Now, Sánchez de Lozada has slated 10,000 public employees to be fired on the grounds of improving "efficiency." On Nov. 5, five opposition members of the Chamber of Deputies began a hunger strike, and were joined by 16 others on Nov. 8. The hunger strike was begun after talks broke down between the nation's main labor federation, the Bolivian Workers Confederation (COB), and the government.

The COB staged a 72-hour nationwide general strike over Nov. 4-6 to protest the planned layoffs, and to reject a plan to privatize the pension system. On Nov. 8, a general strike began in the mining city of Potosí. Miners threw stones and booed Sánchez de Lozada when he dared to show up there. The COB has threatened to resume its nationwide strike if the government doesn't respond to its demands soon.

Sánchez's plan for mass layoffs comes on top of the collapse of Bolivia's tin mining industry, which normally employs over 40,000 workers. The Bolivian economy is not creating new jobs for any of those laid off, other than in drug cultivation and trafficking. But this grim reality has not deterred Sánchez de Lozada.

The Bolivian President is also following the IAD's agenda for judicial reform, which under the guise of

"fighting corruption" is intended to reorganize the courts to rubberstamp his policies. On Oct. 22, the government filed suit against seven justices of the Supreme Court, including the court's president, for corruption in a case that is so flimsy and rife with U.S. meddling that the nation's Armed Forces are concerned about the violation of Bolivia's national sovereignty. The judicial reform is financed by the World Bank.

The case involves a classic "sting" operation, including the videotaping, with the assistance of the Drug Enforcement Administration (DEA) which supplied the video equipment, of a sleazy former Nicaraguan government official named Antonio Ibarra paying \$15,000 to former Supreme Court President Hugo Galindo, ostensibly to bribe the current head of the Supreme Court, Edgar Oblitas, to reject the Nicaraguan government's request for Ibarra's extradition. Ibarra's pedigree includes his ties to Iran-Contra figure Oliver North and a host of other unsavory characters who make up the U.S.-based "Project Democracy" apparatus. The videotape purports to show Galindo requesting \$15,000 for each of the seven justices who would vote against the extradition.

Oblitas responded to the phony charges immediately, charging that the U.S. Embassy "is pressuring the Executive branch in order to have a lenient Supreme Court" that will grant future U.S. extradition requests. He also denounced the *Bolivian Times*, the first newspaper to publish the charges, as a mouthpiece of the U.S. Embassy.

On Oct. 23, the entire Supreme Court issued a communiqué addressed to the Bolivian people rejecting the slanderous charges against it. Even Galindo has since said that the videotape is a "montage . . . out of context. . . . It only shows what is necessary to incriminate people."