townships which fuels the potential for outside manipulation of violence.

In mid-July, Inkatha leader Mangosuthu Buthelezi, the chief of the Kwazulu tribe, announced that his political movement, traditionally based in the Natal province, was launching a nationwide organizing drive in all the concentrated areas of black population, regardless of tribal concentrations. The announcement was widely read as an effort by Buthelezi to challenge the ANC and its recently freed leader Nelson Mandela's claim of hegemony over the black majority in South Africa.

The organizing drive by Inkatha into the Transvaal region almost immediately triggered black-versus-black fighting, especially in the townships surrounding Johannesburg. Over the past few months, an estimated 800 people have been killed in that struggle. During the previous year, several thousand people were killed in the Natal province, largely as the result of ANC assaults against Inkatha residential and work areas.

It is almost universally acknowledged that some elements within the South African security forces have thrown their support behind the Inkatha organizing drive in the Transvaal, at times providing support to Inkatha members when they got into battles with ANC cadre. It is likewise acknowledged that the ANC has increased the flow of weapons into the country from caches located outside the country. Reports from the region also indicate that some of the funds raised during Mandela's recent trip to the United States have gone to replenishing the arms caches.

However, these ANC-Inkatha struggles appear to be a different matter than the recent isolated incidents of professional-style killings. President De Klerk has announced Operation Iron Shield, a police crackdown on all the violence inside the townships. Although Mandela denounced the De Klerk move as a "license to kill," just days after he met with the President and criticized him for inaction in the face of the bloodshed, there are signs that the black population is relieved that some measure of order and security is being restored.

Some political analysts in the South African capital Pretoria have recently expressed optimism that if left to its own devices, the Republic of South Africa could indeed steer a course of political reform leading to a multi-racial political structure by the time the next national elections occur. They cite the emergence of a range of black political movements and leaders and the emerging support among moderate blacks for the Nationalist Party, as evidence that some form of cooperative political effort could be forged—provided the economic crisis can be addressed through new investments and a revival of industry.

Unfortunately, if the recent blind terror incidents are any indication of the rumblings of a "third force," it will take more than a spirit of cooperation to defeat the plans for genocide throughout the region.

# Gaviria joins Bush's 'Three Stooges'

by Valerie Rush

Colombian President César Gaviria Trujillo has aligned his nation with the Bush administration's policies vis-à-vis the Middle East, while mouthing the same diatribes against national sovereignty one is accustomed to hearing from Henry Kissinger. At the same time, the Colombian head of state has obscenely embraced the British-inspired "free trade" ideology issuing from Washington, an ideology from which he has never distanced himself despite his pre-inauguration talk about the need for an Ibero-American "third way" free of U.S. control.

Gaviria's entrance into the Bush league was unveiled during a four-day trip to Mexico Sept. 16-19, his first post-inauguration trip abroad as President. Gaviria now joins Carlos Andrés Pérez of Venezuela and Carlos Salinas de Gortari of Mexico, as one of George Bush's "Three Stooges" in Ibero-America.

In a Sept. 17 interview with the Mexican daily *Excélsior,* Gaviria declared that the concept of national sovereignty was outmoded and had to adjust to a "new reality": "Countries must accept that they must advance through integration, and move toward the politics of large blocs, which is where the world is moving. And this implies renouncing part of sovereignty." He said this while endorsing Bush's "Enterprise for the Americas" plan, which seeks to turn Ibero-America into a free trade looting ground for Anglo-American financial interests.

Gaviria also discussed the Group of Three's commitment to create an Ibero-American "Energy Basin," which would feed Bush's war drive. Mexico, Venezuela, and Colombia are the three largest energy exporters of the region, noted Gaviria, and the U.S. requires more oil in light of the Mideast crisis. Mexico, however, is limited as to how much more oil it can export by how much replacement energy it can generate for domestic use. Therefore, "Mexico's plan to expand electric energy generation includes a series of thermoelectric projects which . . . will surely utilize thermal coal as fuel. At the same time, Colombia possesses immense reserves of easily exploited and exported thermal coal, which would prove ideal to feed those new energy-generating plants at low-cost." Mexico could then sell her oil to the United States.

In parallel with these new-found "priorities," Gaviria dropped his earlier proposal for a "Latin American Forum"—excluding the United States and Canada—to replace the U.S.-dominated Organization of American States as a political interlocutor for Ibero-American interests. Ibero-America's problems, Gaviria has now concluded, stem from *caudillismo,* that is, rule by populist leaders which, he said, has "prevented the development of Latin America . . . made many wrong decisions, and did much political and economic damage." According to Gaviria, that damage includes the foreign debt strangling the continent, which the Colombian President blames on "protectionism as a symptom of regional disarticulation." "Now," said Gaviria, "it is necessary to confront reality, modernize the institutions, reorient the economies, severely adjust many of them, and make difficult decisions."

## A Colombian 'adjustment'

Although Gaviria pledged throughout his campaign that he would not impose "shock" economic policies, as have his Argentine and Brazilian counterparts, his speeches to Mexican business circles dripped with praise for those countries' "adjustment programs." Gaviria announced that his government was similarly preparing to implement such programs. Measures have already been readied, he revealed, that would "significantly alleviate restrictions on domestic and foreign private investment, on the flow of capital, on the exchange program, on the labor market, and on the entirety of foreign trade. Further, we will continue and intensify our program of freeing imports for the purpose of permitting greater access, at less cost, to goods and services produced abroad."

On cue, Gaviria's economic team, headed by monetarist Finance Minister Rudolf Hommes, announced Sept. 18 that 73 import categories would be added to the free import list. Only agricultural products would remain under a "prior license" restriction, that is, importers would be required to get special permission to bring in such goods. Hommes also announced that tariffs would be reduced to a minimum, cheapening imports to the point that national producers will likely go bankrupt that much more quickly.

Hommes also announced that to compensate for the loss of income to the state from the reduced import tariffs, the government would be presenting a bill to raise the Value Added Tax (IVA) from 10% to 12% on the majority of consumer goods. The government expects this increase to yield an additional 112 billion pesos ($200 million). Thus, the population will be paying more for its consumption needs to finance the destruction of employment and national production.

While still in Mexico, Gaviria announced his intention to open all state companies involved in "transport in all its forms, communications, energy generation, the financial sector, and ports" to both foreign and domestic private investors. Gaviria was reaffirming earlier pledges to privatize such state companies as Telecom (in charge of telecommunications), Ecopetrol (the state oil company), various regional electric companies, Colpuertos (in charge of ports), and other strategic sectors. Gaviria explained that the state cannot be obligated to invest in infrastructure crucial to the modernization of the economy, such as highways, waterways, ports, railroads, and electric power generation.

Neither will the state take responsibility for financing the country's development, it appears. The Finance Ministry has removed virtually all controls on the national banking system, effectively eliminating development credits by raising their cost and letting interest rates "find their own level," and deregulating all banking operations. Specialized banking has been made extinct, and every banking institution is now free to dabble in any and all financial operations without government oversight.

## Colombian labor mobilizes

The nation's labor organizations have publicly rejected Gaviria's privatization schemes, along with his efforts to impose a labor "reform" whose purpose is to pave the way for collective layoffs—the result of bankrupting companies which prove "uncompetitive"—and to cut labor costs to make the labor force "more competitive" for investors. One bill currently before Congress refers to the establishment of an hourly wage system that would enable companies to avoid negotiating long-term labor contracts. The government also hopes to eliminate—at least partially—Colombia's system of retroactive layoff compensation which demands employers set aside funds in the name of an employee for each year worked in the company. These funds are often the only capital workers have access to for making a downpayment on a home.

The country's four labor federations—the CUT, CGT, CTDC, and CTC—announced Sept. 13 that if the government does not halt its plans, they would hold a national strike against privatization, the *apertura* (opening up the economy to foreign "competition"), the International Monetary Fund and the World Bank, the recently decreed tax and service hikes, and the labor reform. "The government's economic policy is similar to that of the Nazi concentration camps, where there was work but no food," declared Jorge Carrillo Rojas, president of the Central Labor Federation (CUT).

The national strike initiative was triggered by recent increases in electricity, gasoline, and fuel prices by between 30-90%, on top of the "usual" monthly hikes. For the moment, rates for commercial and industrial users in Colombia's four major cities will not be raised, to avoid provoking the business associations at the same time. But public service rates for energy, sanitation, water, and telephones will now be pegged to the inflation rate and not to the minimum wage, as previously. This change in policy goes along with the decision to keep all wage hikes *below* the inflation rate this year.

Gaviria's campaign slogan was, "With Gaviria, there will be a future." The latest "joke" now throughout Colombia is, "With Gaviria, will there be a future?"