Economic and Military Intervention in the Americas:

Struggles and Resistance

The Committee on U.S. - Latin American Relations
Connecting the Struggles

Several members of CUSLAR just returned from the international Mobilization Against Military and Economic Intervention in Latin America and Across the Globe, which took place in Washington DC from April 10-15. The mobilization was billed as a way to educate ourselves and to connect the struggles for peace and justice around the world. The mobilization was a time to assure ourselves that, as the call to action stated, "our resistance is as global as their war." It was an inspiring mobilization with workshops and speakers from around the Americas who came together to combat the same problems. It was interesting to note that no matter which organization people represented, everyone was talking about the same things: free trade agreements and megaprojects (like the CAFTA, the Central American Free Trade Agreement and the PPP, Plan Puebla Panama) and the militarization of the hemisphere.

We spent a lot of time at the conference discussing how military intervention in Latin America is deemed as necessary in order to implement free trade deals and development projects that are disapproved of by the local populations. We've seen this trend over and over again throughout the Americas in many different forms from the SOA to Plan Colombia and back again. In this issue of the CUSLAR newsletter, we've attempted to gather relevant news and analysis that will allow you to begin to investigate many of these interconnected themes: the current struggles in Argentina and Bolivia, analysis of NAFTA and CAFTA, and commentary on the oil wars in Iraq and Colombia. We've also included a "Resources" page at the end of the newsletter which points you towards some links for further information and ideas for action on all of the discussed topics.

In this time of global war and domination, I think it essential that we educate ourselves about these connections. We have to start to see that the war in Iraq and the interventions in Latin America are the same because they are both driven by imperialist expansionism. We have to start to see all of these wars (The War on Terrorism, the War on Drugs, ongoing wars on poor people and people of color throughout the hemisphere) as part of the same overarching imperialist plan, so that our movements for peace and justice in Latin America, in the Middle East, in every part of the world, come together as movements for peace and justice and against neoliberalism.

Hasta la victoria, siempre.

The Committee on U.S.-Latin American Relations (CUSLAR) is a Cornell University based group, founded in 1965, which seeks to promote a greater understanding of Latin America and the Caribbean. The members of CUSLAR are a diverse group of people united in our concern about the role of the U.S. in the social, political, and economic affairs of the region. Within this context we support the right of the people of Latin America and the Caribbean to self-determination, and support their efforts to free themselves from a legacy of colonialism, exploitation, and oppression. CUSLAR works for peace, justice, and greater mutual understanding in U.S./Latin American relations through education, solidarity, and support of human rights.

If you are interested in writing or editing for the Newsletter, please call the CUSLAR office at (607) 255-7293. Articles and letters to the editor should be sent to: CUSLAR, 316 Anabel Taylor Hall, Cornell University, Ithaca, NY 14853, or via email at cuslar@cornell.edu. The CUSLAR Newsletter is published three times a year.

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Healthcare Unions Win Amnesty in El Salvador!
Friday, April 11, 2003

After Seven-Month Long Strike, Healthcare Unions Win Amnesty Decree. Decree allows doctors, workers to return to work with back pay, no reprisals.

In a decisive victory for the Salvadoran social movement together with the FMLN against ARENA's neoliberal economic model of privatization, the striking healthcare unions finally achieved their aim: a blanket amnesty. The decree, written by the unions and introduced by the FMLN, guarantees that all striking doctors and healthcare workers, including dozens of fired workers, can return to their original positions without fear of administrative reprisal. Scab doctors contracted during the strike will be reassigned to new hospitals being opened in the outskirts of San Salvador. Every worker will receive a bonus check equivalent to the seven months' back salary owed them. In exchange, they will have to work overtime to accommodate the seven-month patient backlog for outpatient and non-emergency procedures suspended during the strike. The amnesty decree also recognizes workers' right to organize and denounces union-busting attacks, and requires the government to renegotiate the unions' contract in good faith. The unions were not able to achieve full amnesty against criminal charges; however, of the 60 strikers arrested over the course of the strike at different protests, not one has been found guilty.

When the decree was finally passed at midnight on Thursday April 10th, FMLN legislators had been negotiating with other parties nonstop since 7:00am. The news of the decree broke like a wave over the strikers assembled at the Medical Surgical hospital, who spilled out onto the streets in celebration of one of the most important labor victories in the last ten years. Another cheer broke out when Guillermo Mata, president of the Salvadoran medical college and one of seven doctors on hunger strike against privatization, announced the hunger strike was also over. FMLN legislative leader Schafik Hándal, who first introduced the amnesty decree last December, arrived at the hospital at 1:00am and was given a hero's welcome.

But even while the strikers celebrated, they prepared themselves for the work yet to come. Workers will maintain the strike until the amnesty decree is signed into law and published in the Official Diary. Flores has already announced that he will not sign the decree, but rather send it back to the Legislative Assembly, in which case the Assembly must ratify it again, a process which could take weeks. But even if he vetoes the decree, the opposition in the incoming Assembly has enough votes to overturn the veto. Moreover, the unions expect a constant struggle to ensure that the Salvadoran government abides by the agreement. Striking workers also recalled that 18 youth arrested on Wednesday morning at a solidarity protest were still in jail under charges of public disturbances. They expressed their commitment to continue the struggle until every last protestor was released without charges. Finally, whereas Flores's "pay or die" privatization scheme has been stopped for now, he will continue to seek privatization of health care by selling off services one by one. The strong popular movement against privatization must maintain a high level of organization against privatization of all public services, including health care. Yesterday's victory was an important one, but the struggle continues and there is much work to be done, and the role of international solidarity continues to be critical.

While Nation is Distracted by Iraq, Colombia Military Aid Package Passed Behind Closed Doors

On Feb. 13, the House and Senate approved the federal budget for 2003. Usually, the budget is broken up into 13 different bills (the foreign aid bill, defense bill, 'treasury/postal bill,' However, because of delays last year, Congress wasn't able to pass the bills individually before they had to adjourn for the winter. To pass the bills quickly this year, the new Congress lumped them all together into what is called an 'omnibus' bill, and passed them all at once. This bill—which totals more than $397 billion—was so massive that they had to limit the debate and amendments that could be offered to it. In fact, much of the bill was determined by Republican leadership behind closed doors. No amendments on the Colombian aid package were allowed, and there was no debate on the Colombian issue.

The omnibus bill that was just passed contains $700 million in aid for the Andean region for 2003. The portion of the aid designated for Colombia—which is overwhelmingly military—can be used for both fumigation and Colombia's war. The Bush Administra-
tion has signaled that it plans to increase the amount of land fumigated this year to 300,000 acres, and will start large-scale spraying of opium poppy this year in addition to coca. The poppy spraying may have a drastic impact on the environment and legal food crops, since poppy is grown on steep valley hillsides, often near rivers (increasing the risk of water contamination by the herbicides) and is often inter-cropped with food staples such as corn and yuca.

$93 million in additional 2003 aid will be used to train the Colombian military to guard an oil pipeline owned in part by Los Angeles-based Occidental Petroleum.

This amount adds to the over $500 million already approved for 2003. Analysts say that the increase could be a reward for the Colombian government’s support for the US war on Iraq.

**Venezuela has proof Washington was behind failed coup**

CARACAS (AP) - A senior Venezuelan army general said the government of the South American country has proof the United States was involved in a short-lived coup against President Hugo Chavez last year.

Army Gen. Melvin Lopez, secretary of Venezuela’s National Defence Council, said Tuesday “proof exists” the U.S. administration was involved in the mid-April putsch. He declined to give further details. “We have the evidence,” Lopez said during an interview broadcast by Venezuela’s state-run television channel. Lopez said three U.S. military helicopters were on Venezuelan territory during the coup.

A spokesman from the Pentagon declined comment on the allegation Tuesday night.

Dissident generals rose up against Chavez on April 11, 2002, several hours after 19 Venezuelans died and over 100 were wounded by gunfire as opposition marchers clashed with government supporters in downtown Caracas.

Loyalists in the military returned Chavez to power two days later.

Following his return, Chavez said “worrying details” had emerged suggesting a foreign country might have been involved in his temporary overthrow.

Chavez said a coastal radar installation had tracked a foreign military ship and helicopter operating over Venezuelan waters a day after his ouster. Chavez did not say which country had sent the ship and helicopter but governing party legislators have accused the United States of helping execute the coup.

The U.S. administration has repeatedly denied it was involved in the coup but acknowledged having held conversations with Venezuelan opposition leaders and military officers prior to the rebellion against Chavez.

A month after Chavez returned, the U.S. Embassy denied allegations U.S. military vessels were in Venezuelan territory.

The embassy also rejected allegations by governing party legislators that two U.S. military officials who visited the Fuerte Tiuna military base in Caracas the day before Chavez’s ouster were helping coup leaders.

Chavez, who has irritated Washington by forging ties with Cuban President Fidel Castro, has criticized the United States for being too slow in condemning the coup when it occurred.

In contrast to most Latin American governments, the United States was sluggish to condemn the coup, initially blaming Chavez for his own overthrow. It later joined members of the Organization of American States in condemning the coup as unconstitutional.

Last week, Chavez commemo-

**Increased Violence in the Montes Azules Biosphere, Chiapas, MX**

Recent events in the Montes Azules Biosphere mark a rise in hostilities with a new attempt to forcibly relocate independent indigenous communities located within the Biosphere.

The latest move, led by a joint group of Mexican government agencies, including the Secretary of Environment and Natural Resources (SEMARNAT), the Federal Attorney for Protection of the Environment (Profepa) and the National Coordinator for Natural Protected Areas (CONANP), transporting over 40 armed Lacandon and Chol Indigenous people to the community Nuevo San Rafael on April 12th, a Zapatista community, threatening to violently displace them if they do not relocate by Saturday, April 19th.

Nuevo San Rafael, also known as Ignacio Allende, is composed of 20 Zapatista families, displaced from both the Chiapas highlands and northern zone by paramilitary groups. Despite the
openly violent threats by the Lacandones and Choles, Mexican government officials did not intervene, nor do they propose a peaceful solution via dialogue or negotiation.

The Urgent Action update prepared by the Social Justice Committee in Montreal, Canada is now on our website: www.rso.cornell.edu/cuslar and please take the time to send the letters to the addresses of Mexican President Vincente Fox and other Mexican officials. Alternatively you can send a fax to President Fox at: http://www.globalexchange.org/campaigns/mexico/biodiversity/foxfax.html

Brazil Receives US$505 Million World Bank Loan (AP) March 29, 2003

The World Bank on Saturday agreed to give Brazil US$505 million in loans aimed at boosting the country’s funding of social programs to reduce hunger and poverty in this Latin American nation of 175 million people. World Bank President James Wolfensohn and Brazil’s Finance Minister Antonio Palocci signed the loan agreement during a meeting in Brasilia, where President Luiz Inacio Lula da Silva explained the government’s new social programs, including its flagship Zero Hunger plan. Wolfensohn said he was impressed with Brazil’s efforts to bring about social justice and reduce poverty, and that the government’s new programs were of an importance far beyond the country’s borders. “If this experiment does not work here, we won’t have chances anywhere else in the world,” he said at a news conference. Silva, Brazil’s first leftist president in 40 years, said at his inauguration on Jan. 1 that his top priority was to eradicate hunger among the estimated 46 million Brazilians who survive on less than US$1 (3.50 reals) a day. Brazil has to pay back the World Bank loan within 10 years, with a grace period of another 7 1/2 years, the World Bank said. The interest rate on the loan was about 9.5 percentage points below market average, Wolfensohn said. The bank currently supports 50 projects in Brazil, with a total portfolio of US$4.5 billion.

April 18, 2003

The Brukman Garment Factory, located in Buenos Aires, Argentina, was evicted this morning (Friday, April 18th). Brukman was occupied by its workers during the economic crisis that erupted in December of 2001, when the owners claimed it was facing bankruptcy. Having no other option in an economically eroded country (with a 20-30 percent unemployment rate), the workers occupied the factory to retain their jobs. After a few months of occupation, the workers restarted production, managing the factory themselves. Brukman, under worker control, was managed by democratically-run assemblies and commissions of the workers. For almost a year and a half they have been producing and selling high quality suits. The workers have been fighting for the state to take ownership of the factory while maintaining it under worker control.

In the darkeness of the early morning on Friday, April 18th, hundreds of police came to evict the factory, ejecting the four workers on guard duty and taking pieces of the machinery. Hundreds, if not thousands of supporters have been rallying around the factory, saying they will stay until it is returned to the real owners: the workers.

This is a tragic event because the workers of Brukman have struggled and succeeded in providing solutions to the current Argentine economic crisis: working to maintain production and sources of work. Furthermore, the workers have shown that factories can be run without owners (who merely take the profits) and without managers controlling the workers. They’ve shown that workers can manage a factory and make work a source of dignity and community, rather than exploitation.

Factories should have more than an economic function, they should have a social function, providing dignified work and community to our societies. Join in this fight, and take steps to show your solidarity with the compañera(s) of Brukman!

Brazil’s Attorney General Wants Drugs Decriminalized (from narconews.com)
April 17, 2003

The battle is on in the Lula administration to form a new drug policy, and the biggest gun yet has entered the battlefield on the side of Civil Society: Attorney General Márcio Thomaz Bastos.

Bastos, 67, longtime personal defense attorney for Brazilian President Lula da Silva dating from when Lula was a union leader at the helm of a “shadow government” in 1989, made his position crystal clear at an April 2nd congressional hearing in the capital city of Brasilia.

“I favor the decriminalization of drug use,” Bastos told members of the Permanent Committee on the Constitution and Justice, according to a transcript obtained by The Narco News Bulletin.

Bastos, testifying before the Congressional Committee on various matters relating to the Ministry of Justice (akin to the U.S. Justice Department in Brazil), answered a question posed by Congressman Vicente Arruda, who asked:

“I would like to know what you think about the decriminalization of drug use. I would like to know if your Honor will try to assemble a group to examine the problem with the goal of filing legislation that represents the consensus of this House.”

Congressman Arruda said that drug decriminalization is “a point that I consider fundamental.” Bastos answered:

“Deputy Vicente Arruda spoke of the anti-drug law and its amendments, currently under review. There is also the legislation of Deputy Gabeira that seeks to reduce the penalties. I find that the legal norms are deformed and mutilated and effectively need to be reformed in order to be effective. I favor the decriminalization of drug use, and the addition of substitute measures, in order to achieve more effectiveness in the application of the law and to avoid a situation in which users fall into the hands of the police.”

Thus, the Attorney General of the nation of Brazil went beyond endorsing merely the concept of drug decriminalization. He also spoke favorably about a specific drug legalization bill: one filed by Congressman Fernando Gabeira of Rio de Janeiro, a longtime proponent of legalization.
Since its inception, the Bush Administration has launched two great foreign policy initiatives: a global war against terrorism, and a global campaign to expand American access to foreign oil. Originally, each possessed its own rationale and mode of operation. As time has passed, however, they have become increasingly intertwined, so that today the war on terrorism and the struggle for oil have become one vast enterprise.

The underpinnings of the Bush foreign policy can be found in the international energy policy paper of May 17, 2001, known as the Cheney report. This report became infamous for two reasons: Cheney wouldn't release the names of the people he consulted for it, and the report recommends drilling in the Arctic National Wildlife Refuge. But, these controversies distracted attention away from the gist of the report, which is spelled out in chapter eight, “Strengthening Global Alliances.” There, the report “recommends that the President make energy security a priority of our trade and foreign policy.”

The report says the United States will become increasingly reliant on foreign oil. At present, we obtain about half of our petroleum form foreign sources; by 2020, imports will account for two-thirds of U.S. consumption, the report predicts. From this, it draws two conclusions: The United States must maintain good relations with Saudi Arabia and other oil producers in the region, and the United States must diversify oil suppliers around the world. “Middle East oil producers will remain central to world oil security,” it says, but “our engagement must be global.” This means developing close ties with major suppliers in all oil-producing areas, including the Caspian region, Africa, and Latin America, which the report calls “high-priority areas.”

The Administration was already poised to act on this policy when Arab hijackers struck New York and Washington on September 11. These plans were then put aside, as the White House concentrated its attention on efforts to immobilize Al Qaeda and to topple the Taliban regime in Afghanistan. By December, however, the Administration was ready to focus again on the security aspects of growing U.S. dependence on imported oil.

The primacy of oil is clear in several places, most obviously, Saudi Arabia. Though fifteen of the eighteen hijackers were Saudi, though Osama bin Laden himself is Saudi, though the Saudis practice Wahhabism and finance some of the most reactionary madrassas around the world, the Bush Administration is in no position to break relations with the kingdom. Saudi Arabia possesses 25 percent of the world’s known oil reserves. And, as the Cheney report notes, “Saudi Arabia, the world’s largest exporter, has been a linchpin of supply reliability to world oil markets.” It seems Washington has embraced the current Middle East peace initiative by Prince Abdullah of Saudi Arabia as a way not only to break the Sharon-Arafat logjam but also to shore up the reputation of this crucial ally.

Or look at the U.S. military training operation in the Republic of Georgia, which is just getting under way. Ostensibly,
the aim of the operation—which will involve the deployment of several hundred U.S. Special Forces advisers—is to enhance the capacity of Georgian forces to fight terrorists and other insurgents along its border. While this is certainly one of the operation's objectives, it is also evident that Washington seeks to reduce the threat to the vital pipelines that will carry oil from the Caspian Sea across Georgia to ports on the Black Sea and the Mediterranean. Although the main pipeline is still under construction, U.S. officials are clearly worried that it will become a major target for the various ethnic militias that operate in the area.

"The Caspian Sea can also be a rapidly growing new area of supply," the Cheney report notes. "Proven oil reserves in Azerbaijan and Kazakhstan are about twenty billion barrels, a little more than the North Sea." One find in Kazakhstan, it adds, is "comparable to Prudhoe Bay," the giant oil field off the north coast of Alaska. Its recommendation to the President: "Ensure that rising Caspian oil production is effectively integrated into world oil trade." One way it is doing this, in the wake of September 11, is to establish permanent bases in Tajikistan, Uzbekistan, and Kyrgyzstan.

A similar situation is developing in Colombia. The United States has increasingly involved itself in Colombia's civil war, first on the pretext of fighting the war on drugs. (Both the leftwing guerrillas and the rightwing paramilitaries are involved in the drug trade, but the United States shows little interest in the paramilitaries.) Increasingly, the Bush Administration is seeking to aid the Colombian military directly in its war against the guerrilla groups—often described as terrorists by U.S. and Colombian officials. In the latest incarnation of this effort, the United States will help the Colombian military to protect the pipeline that delivers oil from Occidental Petroleum's Cano Limón oil field to refineries and terminals on the coast—a pipeline the rebels have often sabotaged.

Several factors are facilitating the merger of the anti-terror and oil supply missions. The first is geography: Many of the world's largest reserves of oil are located in areas that are unstable or rent by internal divisions of one sort or another.

The second is growing U.S. dependency on imported oil. As domestic reserves are progressively depleted, the United States will become increasingly reliant on oil derived from sources located abroad. At the same time, world demand for oil, especially from the developing nations, will grow, the Cheney report notes, which could push prices higher.

"Growth in international oil demand will exert increasing pressure on global oil availability," it notes.

With the American public fixated on the threat of terrorism, however, the Administration is understandably reluctant to portray its foreign policy as related primarily to the protection of oil supplies. Thus the third reason for the merger of the war against terrorism and struggle for oil: to provide the White House with a convenient rationale for extending U.S. military involvement into areas that are of concern to Washington primarily because of their role in supplying energy to the United States.

For all of these reasons, the war against terrorism and the struggle for oil are likely to remain connected for the indefinite future. This will entail growing U.S. military involvement in the oil-supplying nations. At times, such involvement may be limited to indirect forms of assistance, such as arms transfers and training programs. At others, it will involve the deployment of significant numbers of U.S. combat troops.

The Bush Administration has a right and an obligation to take the necessary steps to protect the United States against further acts of terrorism. Such efforts have been given unequivocal support by the public and Congress. But such support does not extend to an open-ended campaign to procure additional oil from overseas suppliers and to protect these supplies from hostile forces.

Before committing additional military resources to such an effort, we should consider if America's energy requirements could be better provided through conservation and alternative energy systems, which would reduce the risk of U.S. involvement in an endless series of overseas conflicts.
Focus on Bolivia

Part 1: Bolivia: Squeezed between Alasitas and the IMF

By David Block

La Paz marks the third week of January with the Alasitas festival, a celebration of hope for the New Year. Celebrants purchase tiny replicas of their desires—money, houses and automobiles—are especially popular—and tradition has it that these miniatures may transform, Pinocchio-like, into the real things during the year. The third week in January also marks the height of the rainy season. Storms roll over the city from the east and douse everyone not under shelter, several times a day. This year, Alasitas' dark meteorology was augmented by political storms surrounding the national budget. As a condition to continued aid, the International Monetary Fund had set clear guidelines on the size of Bolivia’s deficit for 2003, and the government was having trouble finding a formula that would satisfy both local aspirations and foreign bankers.

Bolivia is enduring its third—some say its fourth—consecutive year of economic stagnation. The unemployed, together with workers in the informal sector of the economy, i.e., no salary or wages and no benefits, now approaches 60% of the population. Traditionally, government employment has offered some Bolivians a modicum of insulation from the uncertainties of a shrinking job market. As in the United States, public employees include the executive, the legislature, the judiciary, and all levels of the national bureaucracy. In addition, the national government pays the salaries of public school teachers and police officers, who are numerous, well organized and losing purchasing power.

The Bolivian President, Gonzalo Sánchez de Lozada, is a yearand-a-half into his six-year term of office. He governs through a multi-party coalition that accounts for a majority of the 130-seat Chamber of Deputies. Sánchez de Lozada, referred to as “Goni” by friends and foes alike, has been a strong advocate of free enterprise and decentralization. During his first term (four years from 1993-1997), Bolivia adopted a new constitution, privatized important sectors of the economy, and devolved some tax revenues and a certain amount of political control to the local level. Goni has found less space for maneuver in his second term, and with Alasitas in full swing, he announced a 2003 budget proposal distinctly contrary to the spirit of the festival.

Emphasizing the importance of employment, Goni asked Bolivian legislators to approve a reduction in public spending and in the national value added tax. His proposal included a 2.5% increase in salaries and wages for public employees. In addition, Goni announced a salary tax (“impuesto al salario”) of between 12.5 and 25%. These two measures would reduce the budget deficit to the 5.5% mandated by the IMF.

Reaction to the proposals was immediate and unfavorable. The business community, which would pay the bulk of the salary taxes, the private workforce, which foresaw little employment expansion in the budget, and the national police, whose leaders had suggested a 40% wage increase, demanded the immediate withdrawal of the salary tax proposal, which they branded an impuestoza, or unbearable tax. On March 10th, organizations of teachers, peasants, university students, and factory workers announced that their members would demonstrate against adoption of the budget proposal. In the legislature, only members of the ruling coalition supported the government. And as if to prove that in politics “my friend is my enemy’s enemy,” Evo Morales, leader of the left-wing Movimiento al Socialismo, held a strategy session with business leaders.

A March 12th demonstration at center of government on Plaza Murillo, organized by high school students, proved the catalyst to two days of riots in La Paz and lesser disturbances throughout the country. Government in the capital city virtually ceased. The army and the national police fought each other in a pitched battle for the Plaza Murillo, where 33 people died. Looters sacked buildings in central La Paz with government offices and political party headquarters receiving particular attention.

In quick succession, Sánchez de Lozada withdrew the impuestoza and...
then the entire budget proposal. On February 13th rioting ceased, the national police returned to duty and the army to its barracks. Within a week the government resigned and a new cabinet was announced. But the issues that underlay the February violence remain. Conflict between aspirations and market-based economies, difficult for Bolivia to manage in the best of times, may prove overwhelming in a period of economic stagnation.

Part 2. IMF grants loan to Bolivia (BBC News. 04/03/03)
The International Monetary Fund (IMF) has lent Bolivia $118m and backed off austerity demands which provoked violent anti-government protests.

The money will be welcomed by the government of centre-right president Gonzalo Sanchez de Lozada, which is reportedly on the verge of collapse.

Mr Sanchez de Lozada does not control Bolivia's congress - a fifth of which is made up of a left-wing indigenous party which blocks every move - and the economy is into its fifth year of recession.

The IMF money comes after President George W. Bush is presiding over the ruin of US foreign policy. A world united against the war in Iraq is only the start, since US diplomatic failure and neglect extend to virtually every area of foreign policy.

President George W. Bush is presiding over the ruin of US foreign policy. A world united against the war in Iraq is only the start, since US diplomatic failure and neglect extend to virtually every area of foreign policy. Another stunning example lies in the Andes, where the US administration has proved to be incapable of even the simplest responses to a profound crisis engulfing the region. Venezuela's chaos continues, while Colombia's violence deepens. Most recently, the US has looked on as Bolivia, a close ally and a desperately poor, and until recently stable, Andean nation, teeters on the brink of collapse. This is in large measure because of US policies but the administration has not shown the slightest recognition of the incipient disaster it is helping to create.

In recent years, Bolivia made a fateful, perhaps fatal, mistake in implementing a US demand to eradicate coca leaf, which was processed and sold in the US as cocaine by Colombian traffickers. Bolivia compiled by reducing coca cultivation other than for traditional uses from more than 33,000 hectares in 1997 to below 8,000 hectares in 2001, according to the United Nations. For about 50,000 peasant farmers and their 200,000 dependants, growing this indigenous crop was simply a means of subsistence in the midst of crushing poverty, not an act of geopolitics.

Of course the Bolivian government wanted to get the country out of the narcotics business, just as much as the US wanted Bolivia out, but the Bolivians also understood that eradication without economic alternatives would mean destitution and social upheaval.

Yet such is America's blundering power that it pressed Bolivia to do its bidding without providing for any realistic alternatives. Tiny programs of substitute crops that the US authorities on the ground knew to be wholly inadequate were cynically implemented. Real economic alternatives, especially urban jobs in export-oriented sectors, are a much tougher proposition, given that Bolivia is a mountainous and landlocked country 12,000 feet above sea level. Without major investment in transport, communications and industrial zones.

continued on pg. 19

\"Collegedavi's Best Little Breakfast Spot\"  
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CUSLAR Newsletter 10  Spring 2003
The struggle to stop CAFTA will slow down and, potentially, kill the formation of the FTAA.

Who wants CAFTA?
Bush and multinational corporations are pushing CAFTA because they see a large potential market for US exports. Eliminating taxes and tariffs in Central America - a cornerstone of the agreement - would lower production costs and increase corporate profits, while also benefiting large banks and foreign investors. A key reason the US is pushing CAFTA so strongly now is the strategic role it plays in advancing the FTAA. Along with Plan Puebla Panama (PPP), an infrastructure mega-project, these projects will effectively turn Central America into one giant free trade zone.

Central America: Achilles Heel of Free Trade
El Salvador and Central America are a strategic spot on the path to hemispheric free trade. For years, Central America has served as a testing ground for key elements of the US' model of Corporate Globalization. Plan Puebla Panama has initiated a massive regional project aimed at modernizing and integrating Central America's infrastructure (roads, seaports, and airports) to facilitate trade. In 2001, Dollarization was illegally imposed in El Salvador. Free Trade Zones abound in Central America, with El Salvador having the largest number. And it was Salvadoran President Francisco Flores who President Bush hand-picked to represent Latin America at the last G8 conference in Genoa.

Central Americans are mobilizing against this neo-colonial corporate scam. Unions, environmental organizations, women's groups, farm workers, marginalized communities, Left political parties and international solidarity organizations are taking to the streets and organizing in opposition to any trade deal that puts corporate profit before human needs.

The anti-neoliberal FMLN has become the largest party in the Salvadoran legislature and represents the largest cities, covering 60% of the population. Legislative elections may well give the FMLN the power to block ratification of CAFTA and the FTAA. The FMLN could even gain the Presidency in 2004. The ties between the FMLN and the grassroots social movement is very strong.

It's no coincidence that Enron-fac...
jobs are the reward for countries that create an “attractive investment climate” by busting labor unions, cutting workers’ benefits and worsening labor conditions in a “race to the bottom.” The Salvadoran government has promised business leaders that it will apply the rural minimum wage to work in the maquilas, reducing salaries by over 40%, from just $130 per month to a mere $78. Minister of Economy Miguel Lacayo, in a closed session with US business leaders, explained why they would want to invest in El Salvador: “We have a very low level of trade union organization.” According to Lacayo, this “favorable investment climate” would only intensify with the signing of a Central American Free Trade Agreement (CAFTA).

**Privatization of Public Services**

Globalization (Neoliberalism), the system that free trade agreements promote, calls for the privatization of public services. These agreements see governmental support of public services such as water, education and healthcare as unfair “barriers” to trade and competition. However, privatization benefits only a tiny political and economic elite at the expense of the general public. Privatization has meant higher prices, poorer service, union busting and worsened working conditions; it puts profit before the needs of the public. For this very reason the US Federal Government is now re-nationalizing airport security after years of letting private corporations do the job. Increased public scrutiny in the aftermath of September 11th showed that security companies were cutting corners to save money, prioritizing the bottom line over fulfilling its mission of public safety.

In El Salvador, the government has pushed forward privatization in an attempt to lay the groundwork for entering into free trade agreements with superpowers such as the US. The result: former public services, such as telephone and electricity, more than doubled in price, service in rural communities where corporations were unable to make enough profit was completely cut off, and the industry unions were busted. The corporations fired union members only to hire them back as non-union labor at lower rates of pay and with no benefits.

**Increasing Corporate Power, Eroding Democracy**

Working hand-in-hand with privatization, free trade deals like CAFTA weaken regulatory measures and open the way for increased corporate exploitation in poor countries like El Salvador. The examples of Enron and WorldCom show how crooked corporate giants in the United States use the deregulated “free” market to destroy lives in the name of profit. It is no coincidence that Enron - facing scandal in the US - is setting up shop in Nicaragua and other third world countries.

CAFTA would give companies free reign in Central America, obliterating the democratic process by robbing citizens and communities of their power to shape their own society. The insidious Chapter 11 of NAFTA, which, gives corporations the right to sue governments for inhibiting “profit-making potential” would be included in CAFTA and the FTAA. Using this rule, a Canadian corporation is currently suing the US for $970 million over a Californian law that prohibits the toxic chemical MTBE, which contaminates drinking water, to be added to gasoline sold in the state.

**Destroying Agriculture**

In Mexico, NAFTA devastated a once strong agricultural sector. In Central America, the effects on the agricultural sector and the economy, as a whole, would be far worse. Central American economies have traditionally been agricultural based. In El Salvador, agriculture accounts for 12% of the GDP and 30% of employment opportunities.

Groups like the National Association of Agricultural Workers (ANTA), the Salvadoran Campesino Union, and the agricultural and rural development organization, CIDAR, have condemned CAFTA for what it is: an asymmetrical agreement that will destroy a Salvadoran agricultural sector that simply cannot compete. Years of governmental neglect and recent natural disasters have devastated farmers. CAFTA, which would introduce heavily subsidized US agricultural imports, would completely wipe out what remains.

**The People Respond with Solidarity and Resistance!**

In Central America, the push for CAFTA has been countered by grassroots activism. When George Bush visited El Salvador on March 24 to promote the free trade agreement, over ten thousand people from throughout Central America took to the streets in opposition. 25,000 Salvadorans marched on May 1, as workers from all sectors of society overwhelmingly denounced CAFTA and the FTAA. The Central American Social Movement has made a call for mobilizations on October 12th to protest the PPP and CAFTA.

The Left Salvadoran political party, the FMLN, representing the interests of the poor, rejects all NAFTA-style free trade agreements. It has joined the Salvadoran social movement in massive mobilizations while fighting within the country’s parliament for just commercial relations. Meanwhile, a coalition of Central American trade unions and social movement organizations, including NGOs, women’s and environmental groups and other organizations, have come together pledging to expand the fight against CAFTA.

The Committee in Solidarity with the People of El Salvador (CISPES) is responding to the call of the Central American people by organizing a multifaceted campaign against CAFTA in the United States, combining congressional pressure, consciousness raising and direct action. Through solidarity, an alternative model is being constructed to serve the necessities of the poor majority in countries like El Salvador, one based firmly on equality and economic justice. Through solidarity we can defeat CAFTA and the FTAA!

*(this article was first published on the CISPES website: www.cispes.org)*
NAFTA Inflames Mexico’s Countryside

When the former leaders of Mexico, Canada and the United States gathered in Washington, DC in December to mark the 10th anniversary of the signing of the North American Free Trade Agreement, the mood was all back-slapping and smiles. But a few thousands miles away, in Mexico City, the atmosphere was much different. Capping a month of raucous campesino protests that stretched from Chiapas to Chihuahua, thousands of farmers stormed the Mexican capitol to demand changes in NAFTA’s agricultural rules. In a dramatic illustration of the failures of the “free trade” model, NAFTA has lit a fire in the Mexican countryside.

What should we make of our rural neighbors’ ire? A warning signal. US agricultural subsidies and NAFTA rules are harming small farmers on both sides of the border. Unless these policies are changed, we can expect sweeping farmer protests in Mexico that will shake the country to its core.

US taxpayers are directly funding the crisis in the Mexican countryside.

The drop in corn prices caused by this dumping has crippled the 15 million Mexicans who rely on corn farming. Another 10 million farmers have been similarly devastated by the collapse in prices for coffee and sugar.

US taxpayers are directly funding the crisis in the Mexican countryside. US agribusiness giants like Archer Daniels Midland and Cargill are able to dump corn on the Mexican market because of the massive subsidies they receive from the US government. Such subsidies enable US farmers to produce corn and wheat well below production costs—an advantage not enjoyed by Mexican farmers. While Mexico gives about $720 per year to each farmer, the US spends $20,800 per farmer. Last year the US Congress approved a $70 billion increase in farm subsidies over the next 10 years.

So US farmers are doing well, right? If only. The new farm supports will go overwhelmingly to the largest, corporate-owned operations. By encouraging over-production, the subsidies end up dropping farm prices on both sides of the border, to the dismay of family farmers everywhere. While agribusiness giants Conagra and ADM have seen profit increases of 200 and 300 percent, respectively, since NAFTA went into effect, small farmers in the US have been pushed into bankruptcy. Thirty-three thousand US farmers went out of business since NAFTA—three times the pre-NAFTA rate.

To add insult to injury, ordinary consumers have not received any savings from the decrease in wholesale prices. Between 1993 and 2000, prices for food eaten at home in the US increased 20 percent. Tortilla prices in Mexico City have also risen.

Now the situation threatens to become worse. On January 1, NAFTA’s latest stage eliminated Mexican tariffs on wheat, rice, potatoes, pork, apples and barley. Pitting hi-tech US agribusiness corporations against small-scale Mexican farmers is no contest. Thanks to NAFTA, Mexico will soon be converted from a self-sufficient country to a country that cannot feed itself.

What can we expect if action isn’t taken to reverse the collapse in rural communities? The anger and the desperation will deepen. And the protests will grow larger.

The GMO Threat

As they struggle against NAFTA, Mexican corn farmers are facing another threat—contamination of ancient corn species by strains of genetically modified (GM) corn. In late 2001 corn with genetically modified material was discovered...
Fair Trade Certified (Certification is through TransFairUSA) coffee and tea in roughly 7000 retail locations across the US. (That's up from 33 companies in 1999)

*Fair Trade Certified coffee imports have almost doubled in the US each year since it was introduced in 1999 (1.9 million pounds imported in 1999 and 7 million in 2001)

*Since 1999, TransFair (the US fair trade Certification organization operating under the Fairtrade Labeling Organizations International) has certified nearly 19 million pounds of Fair Trade coffee. These sales have generated more than $15 million in additional income for family farmers over what they would have received through conventional trade.

*Fair Trade Certified cocoa hit the shelves in the fall of 2002. Local business Ithaca Fine Chocolates was one of the first companies to launch Certified Fair Trade chocolate bars in the US.

*In the US, students at more than 100 colleges and universities (including Cornell) are campaigning to bring Fair Trade Certified coffee to their campuses.

* Fair Trade has received major press coverage over the past year including stories in the New York Times, USA Today, Newsweek, and more.

* In 2000, worldwide sales of Fair Trade Certified products grew by 15%. In addition to coffee, Fair Trade tea, sugar, cocoa, bananas, honey, cut flowers and orange juice are now sold throughout Europe. US fair trade companies hope to bring Fair Trade oranges and bananas to the market soon.

* As of Fall 2002, 300 Fair Trade cooperatives, representing 500,000 farmers and their families, sell coffee through the Fair Trade market.

* In July 2001, 61 members of Congress signed a letter to bring Fair Trade Certified coffee to the US House of Representatives dining halls, and urged Starbucks to increase its commitment to Fair Trade.

Fair trade is growing! More and more people are coming to realize that it is indeed a viable and workable alternative to free trade that also ensures economic and social justice. Now is the time to get involved. There are millions of livelihoods (and lives) that could be saved. (Statistics from www.transfairusa.org)

Fair trade is literally a lifeline for thousands of farmers (during the coffee crisis especially). Here is …

How YOU can get involved:

1. BUY FAIR TRADE: Whenever and wherever you can!!
   As a consumer, you have massive influence on the market by making conscious decisions about what you buy. Stop buying Folgers — and buy Fair Trade Certified coffee and chocolate and tea, etc! Look for the Fair Trade label.
2. ASK FOR FAIR TRADE at stores that you frequent which do NOT sell Fair Trade items. Ask to speak with the manager and explain why you think it's not only important that they sell fair trade, but also that it's quite economically viable for their business. (A common misconception is that Fair Trade items are more expensive, but since middle men are cut out of the picture, Fair Trade items end up costing the same or less than most other high quality products). Fill out comment cards as well.
3. EDUCATE YOURSELF, your friends, and your community. Read up on Fair Trade and why it's important. Check out the web-sites listed in this article. And then, spread the word!
4. WRITE LETTERS TO THE EDITOR and help to get fair trade in the news! The more people that know about it, the more consumers will buy it, and the more the movement will grow and flourish!
5. CHOOSE FAIR TRADE coffee for your workplace, your school and your place of worship.
6. JOIN CAMAPIGNS to encourage giant corporations that sell coffee to offer Fair Trade. TransFair (www.transfairusa.org), Global Exchange (www.globalexchange.org) and Co-Op America (www.coopamerica.org and www.fairtradeaction.org) are working on massive campaigns to bring Fair Trade coffee into mainstream coffee that the majority of Americans buy.

(Resources used for this article: TransFairUSA, Co-Op America Quarterly, and Fair Trade Federation)
RESOURCES

These are just a few of the thousands of websites out there about Latin America, trade issues, and resource exploitation. This list is in no way comprehensive, but we think it should give you a pretty good start.

Alternative Media Sources:
www.indymedia.org
www.znet.org
www.rebelion.org (en español)
www.commondreams.org
www.narconews.com

Colombia/Plan Colombia:
www.actualidadcolombiana.org (en español)
www.colombiareport.org
www.colombiawatch.org
www.colombiasupport.net
www.colombiamobilization.org

Plan Puebla Panama:
http://asej.org/ACERCA/ppp/ppp.html (includes a great, printable PPP booklet en ingles y español)
www.globalexchange.org/campaigns/mexico/ppp/analysis.html
www.mexicosolidarity.org/
plan_puebla_panama.html
www.americaepolicy.org/pdf/articles/0204puebla.pdf

Free Trade Area of the Americas (FTAA):
www.peoplesconsultation.org
www.stopftaa.org
www.citizen.org/trade/ftaa/index.cfm
www.web.ca/%7Ecomfront/alt4americas/eng/eng.html (an people's alternative to the FTAA, en ingles y español)
www.globalexchange.org/ftaa/

Central American Free Trade Agreement (CAFTA):
www.cispacs.org/cafta
www.americaspolicy.org/commentary/2003/0301cafta.html
www.counterpunch.org/kyer0912.html

Oil Wars:
www.moles.org
www.oilwatch.org.ec (en español e ingles)

Fair Trade:
www.equalexchange.org
www.fairtrade.net
www.deansbeans.com
www.transfairusa.org
www.tenthousandvillages.com
www.fairtradere resource.org
www.fairtrade federation.org
www.coopamerica.org
www. ifat.org
www.oxfamamerica.org
www.serrv.org

Argentina:
www.autonomista.org
www.nadir.org/nadir/initiativ/agp/free/imf/argentina/
www.argentina.indymedia.org

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when you support
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Frank Baldwin
Blythe Baldwin
Bryna Fireside
Saoirse McClory
William E. Gibson
Norman Uphoff
Kathleen Brown
Kenneth Brown
Holly Gump
Robert Sparks
Sara Pines
Philip McMichael
Debra Castillo
Ron Denson
Linda Farthing
Ben Kohl
Nancy Grossman
Michael Richter
Beth E. Harris
Zellman Warhaft
Graham D. Wightman
William Goldsmith
Margaret Goldsmith
Margaret Bayer
Herbert J. Engman
Cris McConkey
Eileen Berlow
Lysle Gordon
Raj Patel
Erin Sheehan
Lourdes Beneria
Benjamin Nichols
Judith Van Allen
Dr. Michael Latham
Dr. Robert P. Thompson
Virginia F. McEwen
Lori Leifer
Suzanne Tarica
Marilyn Anderson
Jon Garlock
Merry Jo Bauer
Mr. Lynn Shoemaker
Lisa Lampke
Ruth Davis
Dean Davis
Joey Cardamone
Maria E. Valdez-Del-Solorzano
Teresa Sanchez-Latour
LeGrace Benson
Adore Davidson
Maria Cook
John Ferger
Martha Ferger
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Lois Beer
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