Protests over unpaid wages in Argentina

Margaret Rees
4 August 1999

Violence erupted in the capital of the northern Argentinian province of Corrientes on July 28, when paramilitary police attacked 300 protesters at the General Belgrano bridge using tear gas and rubber bullets. Over the last two months, protests have continued in response to the financial crisis which has left the provincial government bankrupt, the wages of all state public servants four months in arrears, schools closed and the provincial Congress in turmoil.

The bridge, between Corrientes city and the nearby town of Resistencia, had been blocked for over 24 hours, by a demonstration demanding arrears payments and the resumption of social works. Crowds of public servants included the wives of some policemen, who were among those in a calamitous financial situation. The traffic jam at the bridge stretched for at least two kilometres.

On the orders of Corrientes Federal Judge Augusto Costaguta, the police moved on the demonstration about lunchtime, putting out fires where protesters were cooking food. When the paramilitary troops threw tear gas, demonstrators responded by pelting them with rocks. At least 10 demonstrators were injured, including Juan Alberto Pereyra who was seriously wounded in the face by a rubber bullet. A group of specialist surgeons later reconstructed part of his face. Five paramilitary officers as well as a fire brigade corporal were also injured.

Some provincial deputies arrived at the scene and tried to persuade the demonstrators to withdraw, but to no avail. The politicians promised to hold a meeting next week, to which the protesters replied: "Hold the meeting now, not tomorrow."

Police formed a human chain to stop the protesters until the provincial Justice Minister Jorge Perez Rueda arrived and tried to defuse the standoff. The demonstrators agreed to stop advancing if the paramilitary police withdrew. The latter only agreed to a staggered withdrawal, so that it would not seem as if the determined crowd had prevailed.

On the same day, about 300 public servants attacked the FM Sudamerica radio station with stones, as well as the mansion of radio commentator Natalio Aides, for supporting former Corrientes mayor Raul "Tato" Romero Feris. When speakers denounced Aides as a "mercenary of the air," his bodyguards responded with a volley of bullets from his house. The front of the radio station was virtually destroyed.

Around 200 teachers arrived in a bus convoy in the Plaza de Mayo after a day-long journey, to demonstrate against the provincial government's continued refusal to pay their wages. Around 250 federal police were positioned around the plaza to prevent them setting up a tent there.

Almost simultaneously with the attacks on demonstrators, the national government did an about face on its previous refusals to provide aid and agreed to bail out the bankrupt province in order to try and control the situation. Argentinian Interior Minister Carlos Corach met for seven hours with Correntino provincial leaders and private and public bankers in Buenos Aires. He announced a 175 million peso package, with 55 million immediately, enabling a month's wages to be paid to state public servants almost straight away, as well as the second half of a bonus due since 1998. Three months wages remain in arrears.

To receive the credit the provincial government of Corrientes will be required to carry out an extensive program of cuts and privatisations, including the sale of the provincial bank and the provincial energy company. It is estimated the province has a debt of 1,400 million pesos [1 peso = $US1].

In some parts of the province there have been no school classes for three months and virtually all financial transactions had broken down. The president of the San Jose Association Hospital said that health

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workers had no access to essential food, gas or credit. A woman doctor at the hospital led a fight for donations from the public as the hospital was unable to continue except for emergencies.

In Goya, the head of the municipality said that the chain of payments had been completely cut. The banks closed commercial accounts and many municipal employees only survived because some shops gave food on credit.

The provincial bankruptcy is a sharp expression of the economic crisis of Argentina overall. Argentina has been the single largest borrower of funds from the World Bank this year, with loans totalling $3.23 billion, outstripping countries such as Indonesia, South Korea and Brazil. Argentina's debt target has had to be renegotiated with the International Monetary Fund (IMF) three times already in 1999.

This year the Menem government has cut public spending by more than $700 million. Now government officials are gearing up for more spending cuts, admitting that the economic prospects are worse this time. There are nearly two million unemployed, and a World Bank report in June admitted that 13.4 million Argentinians were living in poverty in 1998. Almost 30 percent of Argentina's workforce are on contracts as short as three to 12 months. A decade ago, such temporary work was almost unknown.

The instability of the embattled province of Corrientes has also intensified the crisis of political rule there. The central government of Carlos Menem has been dealing with provincial leaders who experience a very rapid turnover. Six weeks ago Menem met with Corrientes governor Pedro Braillard Poccard in tandem with Corrientes mayor Raul "Tato" Romero Feris. Not only have both been deposed and face corruption accusations, but Poccard's replacement Victor Hugo Maidana has also been deposed as governor and replaced by Hugo Ruben Perie.

On arriving in Buenos Aires this week Governor Perie blamed the province's disastrous finances on the previous administration, and also announced that Raul Romero Feris would be arrested within days after an audit of the municipal finances. Another member of the negotiating team, Corrientes national senator Jose Antonio Romero Feris, the estranged brother of Raul, told reporters that the province was in an "unsustainable" situation and must have urgent funds. He also blamed Braillard Poccard's administration, saying it "left the province like scorched earth with a debt of 1.4 billion pesos."

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