



**NO RIGHTS - NO CANDU
IN
ARGENTINA**

STOP THE CANDU SALE

The People of Argentina Are Fighting a Military Dictatorship.

On March 24, 1976 after two years of inept, corrupt but legally constituted government, the Argentine military marched into the Presidential palace and ushered in an era of barbarity equal to the worst excesses of Chile, Paraguay and other regimes in Latin America that rule by coercion, torture and murder.

The dictatorship is maintained through consistent, planned destruction of all organizations and individuals fighting for fundamental democratic freedoms. Basic human rights are denied and trade union rights have been virtually extinguished. The Military Junta has joined its tough, "anti-subversive" stance to an economic policy that throws open the doors to foreign investment and forces millions of Argentines into poverty and unemployment. Locked in combat with its own citizens, the Junta grasps at any and every prop to secure its dictatorial control of the country.

One such prop is a CANDU reactor being supplied by the Canadian government. A nuclear powered generating station, presently under construction, will produce 600 megawatts of electricity (1MW = one million watts). Every year it will also produce enough plutonium for 35 Hiroshima-sized atomic bombs. The CANDU sale, recently renegotiated amidst indications of bribery, pay-offs and shady financial dealings, provides the materials of war to a regime at war with its own people.

The Junta's systematic repression and brutality is becoming more visible and more intolerable. Military leaders are known to be cooperating with fascist paramilitary gangs which specialize in kidnapping and murdering opponents of the regime. General Ibérico Saint-Jean recently promised:

"First we will kill all the subversives; then we will kill their collaborators; then...their sympathizers; then...those who are indifferent; and finally, we will kill those who are timid."

Trade Unionists Pay with Their Rights, Their Working Conditions and Their Blood Under the Dictatorship

Trade union leaders have been prominent among the lists of arrests, kidnappings, disappearances and murders. One of the military government's first actions was to impose its own administrators on the national trade union centre (the CGT) and the largest and most influential unions. All union activity has been banned — including collective bargaining, election of officers and regular meetings. Strikes are illegal and punishable by up to 10 years imprisonment. Minimum wage laws have been rescinded.

A group of Canadian MP's on a fact-finding mission in October 1976 concluded that, "Murders, arrests, torture and military intervention have touched too many sectors of national life, and too many families."

So-called "unnecessary" professors, scientists, judges and other intellectuals have been "laid off". Bookstores have been set on fire, their owners imprisoned. Thousands of books have

been burned. Hundreds of university and high school students have been jailed and killed. Literature praising Adolf Hitler as the "father of Western civilization" is freely distributed in garrisons and secondary schools.

Inflation, which topped 700 per cent in 1976, continued at dangerously high levels in the first quarter of 1977 at 117 per cent. Strangled by repressive labour legislation, workers saw the purchasing power of their wages decline by 50 per cent in the first 9 months of the regime, according to official figures.

The International Monetary Fund imposed severe limits on government spending as its condition for refinancing Argentina's huge international debt — an operation in which four Canadian banks cooperated with a loan of \$6 million. Public service workers are being hard hit by government spending cuts which followed: thousands of jobs have been eliminated; most fringe benefits have been cancelled; the work week has been increased. In Argentina there is no unemployment insurance.

Important elements within the military regime want nothing less than the complete destruction of all independent union organization. The continuing resistance of the workers and their organizations has prevented the Junta from accomplishing that objective. Armed troops have been sent against picket lines and into the factories. Employers have fired hundreds of union leaders. But work to rule and slowdowns continue despite stiff reprisals. Several private and public employers have been forced to concede under-the-table wage increases in excess of official limits in order to get workers back on the job.

The political attack on the trade unions also serves the economic plans of the dictatorship. The Argentinian economy is based on agriculture and resource exploitation with a largely foreign-owned manufacturing sector. By reducing wages the Junta hopes to increase Argentine exports, appease the international money-lenders and attract foreign investment.

The result is a pattern familiar to Canadians. Economic development is becoming increasingly dependent upon competing in foreign markets and increasingly determined by American-controlled sources of investment and finance capital.

ARGENTINA: BARGAIN BASEMENT CANDU and the JUNTA'S NATIONAL DREAM



Introduction

"First we will kill all the subversives; then we will kill their collaborators; then...their sympathizers; then...those who are indifferent; and finally, we will kill those who are timid." (1)

Canadians—even those who are indifferent to the illegal activities of our national police force—will find it difficult to comprehend the mentality behind the above statement by the military governor of the Province of Buenos Aires, Argentina. Most of us know little about life under a repressive regime and even less about the country that is most closely a mirror image of Canada in the southern hemisphere.

Historically, economic and diplomatic relations between Canada and Argentina have never been important to the general position of either country. Now, things are changing. With the sale of a Canadian CANDU nuclear reactor to Argentina's military authorities, the two countries are drawing closer together as potentially important trading partners. The nature of that partnership will be of concern to all Canadians. The CANDU sale commits Canada to supplying materials of war to a regime which is at war with its own people.

The following statement was made by Patricia Erb, 19-year old daughter of American missionaries in Argentina, imprisoned by the Junta.

"...I was conducted as were many others, to rooms which we called 'the torture house'. There, men dressed in civilian clothing, would begin interrogations, using torture....That torture took various forms: beating with clubs, fists, kicking, immersing in water or in fecal substances to almost the drowning point and applying 'La Picana' (electric machine)...to the more sensitive parts of the body, like mouth, eyes, nose, ears, vagina, breast, penis, feet, and hands....After these interrogations we were conducted again to the 'barn'...I tried to memorize as many names as I could...they all were very badly nourished and tortured. Some with broken bones and wounds of which they complained. By night our sleep was accompanied by rats that run over and around our bodies. We were also at the mercy of being raped by the sub-officials."

Released by: Mennonite Central Committee
100 Maryland Ave., N.E. Washington D.C.

The deal remains the subject of much debate in Canada for several reasons. The contract between Atomic Energy of Canada Ltd. (AECL) and Argentine authorities will result in a loss of \$130 million to the crown corporation and ultimately to the public purse. It is now generally accepted that AECL and its Italian partner secured the deal by paying bribes to Argentine officials. Ottawa is actively supporting the loss-leader, free bonus transaction with financing from the crown-owned Export Development Corporation. Our federal Cabinet overlooks Argentina's refusal to sign the international Non-Proliferation Treaty and instead tries to make the sale more palatable by negotiating an unenforceable, bilateral safeguard agreement. The final rationale from our government leaders is that the sale of the CANDU to Argentina develops needed export markets for Canadian manufactured goods and uranium resources.

To a growing number of Canadian trade unions, development agencies, church groups and community organizations--members of the No CANDU for Argentina Committee--there is no justification for the sale at this time. The transaction grants respectability to a brutal regime that violates all human and civil rights of its people, smothers democracy and murders and tortures its opponents. It also puts a potential weapon of mass destruction into the hands of madmen like the governor of Buenos Aires province.

The military dictatorship of General Jorge Videla has ruled Argentina since early 1976. The country's current economic and political crises have been accelerated and accentuated by circumstances not shared by the Canadian experience. But an examination of the recent history of Argentina cannot help but stimulate recognition of the parallels between the development of the two countries. Both experienced an initial period of development based on the export of staples to Great Britain. Familiar to Canadian experience will be Argentina's transition from domination of its economy by British imperialism to effective control by U.S.-based transnational financial and industrial corporations. The consequences of that control for Argentina stimulates general concern about the economic and political effects of Canada's present development strategy. As Canadian unemployment and national debt rise, as our manufacturing sector withers and our resources are exhausted, as working people here see their economic position undermined by wage restraints and government spending cuts, it will be useful to anticipate the consequences by examining the Argentine experience.

The obvious parallels between Canada and Argentina are punctuated by important differences. The parallels facilitate an understanding of current developments in Argentina and the differences stimulate some fresh thinking about Canadian prospects. Finally, an examination of the impact of the CANDU sale bridges in solidarity the struggles of both Canadian and Argentine working people.

The Legacy of Perón

Juan Perón died on July 1, 1974, less than ten months into his second period of residence at the presidential palace of Argentina. He was succeeded by his widow, third wife and vice-president, Isabel Martínez de Perón; she was overthrown on March 24, 1976, by the military dictatorship of General Jorge Videla.



Supporters await Isabel's arrival in 1971. She was testing the waters for Perón's return to Argentina the following year.

Perón had returned to power in Argentina after 18 years of exile, amidst great, but divided, expectations. An increasingly self-confident working class movement saw his second presidency as a positive step in a continuing process of social revolution and national liberation. Argentina's smaller entrepreneurs and industrialists hoped a second Peronist regime would enable them to recover their losses to transnational corporations largely incurred since Perón was ousted by the military coup in 1955. To the most powerful Argentine corporations and the interests of international capital, Perón represented the last line of defense against impending revolution.(2)

The succession of military and non-Peronist, civilian administrations which followed the ouster of Perón had been unsuccessful in controlling strikes and armed resistance to repression. In 1969, strikes in the industrial centres of Cordoba and Rosario developed into full-scale insurrection against the military regime of the time. In November 1970, the General Confederation of Labour (CGT) called an official general strike which was 82% effective. Increasing guerrilla activity in the cities directly challenged the ability of the armed forces to impose their repression.(3) In 1971, in order to control the situation, they were forced to announce the elections which brought the Peronists back to power in 1973. The ghost who had haunted Argentine politics from exile in Spain since 1955 was invited to materialize and confront the reality of an increasingly chaotic economy. Many Argentines, powerful and powerless alike, believed that only Perón could establish the unity necessary to control the political situation.

The struggle for economic and political power which has characterized the whole of this South American country's modern history had now to be carried out amongst the ranks of the Peronists. The class interests which allied to form the Peronist movement could not be reconciled in 1976 any more than they could in 1955.

Then, as now, the country could no longer afford to buy the allegiance of the working class and attend to domestic and foreign business interests. Then, as now, Peronism was not prepared to alienate the business element of its support. Then as now, political and economic order had to be imposed on the working class by force. The difference is that this second failure broke the myth of "el peronismo".

Strengthened by 20 years of struggle against repression, the trade union movement and other elements of the working class were now prepared to recognize that Peronism could not secure their freedom or economic well-being. The irony is that the myth had helped to sustain them through that long period. The legacy which remains is that the achievements of Perón's first regime made a vital contribution to the development of a strong, socialist movement in Argentina.

The Roots of Resistance to Military Rule and Imperialism

For its first hundred years as an independent nation, Argentina was dominated by the commercial and agricultural elite which grew rich on trade with Britain. But their power had to be secured, ultimately by force, from manufacturing interests which had been established during the period of Spanish rule.

Spain's colonial interest in the provinces which presently make up Argentina was limited to their ability to service the mining districts of the Andes. Buenos Aires developed as the major port and transportation centre; the interior provinces concentrated on small-scale manufacture of equipment and consumer goods required in the mining communities.

The independence of the "United Provinces of South America" was declared on July 9, 1816, following Napoleon's defeat of Spain.(4) Although Buenos Aires was the capital and economic centre of the "United Provinces", it did not have effective political control of the region. Under Spanish rule, the provinces had remained relatively autonomous in their relations with each other.



Buenos Aires was the only port for a vast area of the interior of South America. Its early policies of free trade enabled the British to flood the interior provinces with relatively cheap manufactured goods. Following independence from Spain, domestic industry had continued to grow by supplying the needs of cattle producers, but could not compete with cheaper imports. The interior provinces resisted efforts to establish political unity of the country because it served the commercial and cattle producing interests centred in Buenos Aires.

The commercial and agricultural elite temporarily accepted a compromise trade policy under the administration of Juan Manuel de Rosas (1835-52) to facilitate unification of the country. Chains had to be placed across the Río Paraná to prevent smugglers from undermining tariffs designed to protect domestic manufacturing.

Emboldened by the initial compromise which brought him to power, de Rosas developed a reputation for ruthlessly and brutally imposing the authority of his regime; that reputation survives in the popular history of today. (5)

Ultimately protectionist policies could not prevail against the interests of the large cattle-producing landowners of Buenos Aires province. They could grow richer by selling their agricultural produce to the British than by relying solely on the domestic market. Rosas was himself a large cattle producer. His own immediate interests may have blinded him to the potential of developing a domestic industrial base in the interior provinces. Whatever the explanation, the revenues generated by the tariffs were directed to the benefit of his home province of Buenos Aires.

The protectionist interlude ended when British and French warships smashed the chains across the Río Paraná and blockaded the port. Rosas' presidency came to an end shortly afterward in 1852. There was an immediate return to free trade with Britain.

The growth of trade in meat and hides to pay for British manufactures necessitated a more orderly organization of agricultural production. The process of change was not unlike the taming of the American West. In the early part of the 19th century, gauchos freely roamed the pampas. A decree of 1815 proclaimed all propertyless countrymen, servants to the landowners and required them to register every three months or face enlistment into frontier battalions. Many gauchos formed rebel bands to resist these measures and the efforts to centralize the country. They became known as "Montoneros"--the popular name of Peronist elements in the armed resistance to today's military dictatorship.

In 1862, President Bartholome Mitre, sent troops out from the capital to exterminate the last bands of rebel gauchos. (6) Having established control by force of arms, the conservative oligarchy regularly used brutal military intervention to defeat the struggles of agricultural workers for better working conditions.

The mythology of the gaucho has been compared with the cultural importance of the cowboy of the "wild west". They are both symbols of independence but, unlike his North American cultural equivalent, the gaucho has also become a symbol of resistance against imperialism and rule by force.

Development of an export-oriented, agricultural economy had required property lines on the "open range" and effective control of the interior provinces by the commercial and agricultural interests of Buenos Aires.

Table 1: SOME BASIC FACTS ABOUT ARGENTINA

LOCATION: Shares the strategic southern cone of South America with Chile.

AREA: 2,776,656 km²

POPULATION: 25,384,000 (1976)

GROSS DOMESTIC PRODUCT (1975) \$35,689.4
(1973 \$U.S. million)
per capita \$ 1,425.5

PER CAPITA INCOME (\$U.S.):	1960	1970	1972
Argentina	560	1,041	1,016
Canada	1,909	3,266	4,260

INFANT MORTALITY: 63.1 per thousand

LIFE EXPECTANCY: 68.3 years

LITERACY: 92.6%

NEWSPAPER CIRCULATION: 3,998,000

PRIMARY STUDENT - TEACHER RATIO: 19

DISTRIBUTION OF GDP BY KIND OF ECONOMIC ACTIVITY (1970):

	Argentina	Canada
() - Change since 1960		
Agriculture	12 (-3)	4 (-2)
Manufacturing	33 (0)	20 (-3)
Other Industrial*	4 (+2)	6 (0)
Construction	5 (+1)	5 (0)
Wholesale & retail trade	15 (-6)	11 (0)
Transport & Communications	9 (+3)	8 (0)
Other**	22 (+4)	33 (+5)

* mainly mining

** mainly public and private services

CONSUMER PRICE INDEX: 1965 32
1970 100
1974 425

GROSS INVESTMENT (1973 \$U.S. million): 6,950.7

TRADE (\$U.S. million) 1975: Exports 3,000.3
Imports 3,553.3

EXTERNAL PUBLIC DEBT
(31/12/75, \$US million): 4,925.0

Sources: UNESCO Statistical Yearbook, 1975; United Nations Statistical Yearbook, 1975; Inter-American Development Bank, Economic and Social Progress in Latin America, 1976 Report.

Argentina remained a politically sovereign but economically integral part of the British empire well into the present century. Not until Juan Perón came to power would the last important ties be severed.

Political and Economic Development

Argentina is a vast country of more than one million square miles, stretching from the Andes and high plains of the North and West across the legendary pampas to mineral-rich Patagonia in the South. Most of the country's 25 million people now live in cities, with 9 million concentrated in Buenos Aires alone. (See Table 1) Massive waves of immigration in the late 19th and 20th century have turned that city into one of the world's most cosmopolitan centres.

Most major towns and cities first developed as staging posts along transportation routes funneling agricultural products through Buenos Aires for export markets. The contrast between the country's agricultural history and the urban life of its people is sharpened by the almost total absence of towns and villages.

The agricultural economy was not developed on the basis of small independent producers, as was the case with our Canadian prairies. The distribution of land exhibited much more of the feudal legacy of Europe. Even today 3,400 families control 36% of the land; there are 250,000 family farms covering 46% of the land and 198,000 virtually landless peasant families. (7) In the 19th century, this class system of land tenure produced a politically conservative oligarchy.

The owners of the largest estates (*latifundios*) allied themselves with the British to develop an export-oriented, agricultural economy dependent upon the imperial power for manufactured goods. The alliance appears to have been effective. In the period 1860 to 1917, more than 35,000 kilometers of railroads were built; trade grew from 2,257 tons in 1857 to 28,401,000 tons in 1917. Prosperity attracted a steady flow of foreign investment; the peak was reached in 1898 when Argentina received between 40 and 50% of British investment abroad. (8) The merchants and bankers who prospered on trade completed an alliance of economic powers which maintained political control of the country until 1916. It has been estimated that Argentina attracted 8.5% of all foreign investment of capital exporting countries in the period 1860-1914.

The reserves of dollars and pounds generated by agricultural export sales also helped to finance the purchase of machinery for an industrial sector. The initial emphasis was on the processing of agricultural products. Only 10 of Argentina's top 50 corporations are controlled by domestic private capital, according to 1971 data; of these, 6 are primarily involved in food production or other agricultural processing. (See Table 2)

The requirements of trade and the profits of the landowners stimulated the development of domestically-controlled banking institutions. Foreign participation in the Argentine banking system has regularly emerged as a contentious political issue but, until recently, control remained in the hands of domestic capital.

The growth of a new national elite with an economic base in industry and finance, steadily undermined the political power of the conservative oligarchy. A new political party with a liberal orientation found support among the entrepreneurial and professional classes which emerged with industrialization. Industrial workers had begun to form union organizations but they were politically divided so much of their support also went to the new party.

Liberal Reform and Union Growth

In 1916, one hundred years after Argentina's independence from Spain, Hipólito Yrigoyen, leader of the Radical Party, was elected President. In some respects the defeat of the semi-feudal agricultural elite echoed the earlier struggles of gauchos and local manufacturers against the political and economic designs of Buenos Aires. In other respects the victory heralded the Peronist movement, 30 years before its birth.

The new government reflected both nationalist and protectionist sentiments in a variety of measures to stimulate domestically-owned manufacturing. A series of basic labour reforms effecting such things as hours of work and child labour were directed at maintaining Yrigoyen's broad base of support. However, these reforms did not stem a growing tide of industrial militance. Almost as though their reformist program justified tougher enforcement, the liberal regime responded to strike action with military force. In 1919, 3,000 workers were killed in the suppression of a general strike in support of Buenos Aires metal workers. Two thousand farm workers were killed in Patagonia in a struggle for better working conditions in 1922.

The previous conservative regime had responded to demands for political reform and the growth of trade unionism with the introduction of universal suffrage in 1916. When the subsequent reforms of the Radical government did not reduce worker militance, no doubt many conservatives saw the compromises as self-defeating appeasement.



September 1930, coup supporters greet soldiers.



Hipólito Yrigoyen 1928-30

owned Argentine corporation was established in 1935. (See Table 2)

The political struggle had clearly identifiable roots in economic developments but it was effectively stalemated. The liberal industrial and financial interests were in a fundamentally weaker position to the extent that they depended upon surpluses generated by the agricultural sector to finance development. If they were unable to generate sufficient surpluses for new investment from within the domestic industrial sector, their only alternative was to turn to foreign sources.

In 1930, embittered by the failure of reform and chafing under policies which favoured the industrial sector over agriculture, elements of the old oligarchy secured the co-operation of the military in overthrowing the Radical Party. Conservatives concluded that the liberal experiments in appeasing the industrial working class were too dangerous. They reclaimed economic and political power just as the cattle producers had after the Manuel de Rosas compromise on trading policy in the 1800's.



1930's, a decade of militant strikes and turmoil.

Much of the industrial development which took place in the period 1916-43 was based on substituting for imports by manufacturing under license from foreign corporations. The basis was laid for the present foreign domination of the industrial sector.

However, the industrial pretenders to power were not yet strong enough to replace the conservative oligarchy. The potential power of the industrial workers had not been consolidated. Unionization had proceeded rapidly during the period 1916-30 but no strong central organization had emerged and no political party could claim the allegiance of the working class.

Argentine trade unions have a long history of struggle against brutal repression and for better working conditions and basic labour rights. Early strikes for shorter hours and better pay did not lead to the formation of central labour organizations until the early 1900's when anarchist, socialist and syndicalist factions were formally established.(9) The industrialization of the country produced a decade of particularly militant activity which culminated in a general strike in 1909 lasting 8 days.

The conservative regime which followed Yrigoyen made further union growth extremely difficult, but the period did produce a single central body in 1936--the General Confederation of Labour (CGT).(10) Argentina's labour movement had established a record of militance but had not been able to create a unified political leadership for itself. Effective control of industrial labour had become a central problem for any government

and the new owners of industry could not muster the strength to oust the established conservative oligarchy without additional allies. The military had played a vital role in restoring the conservatives to power in 1930 and from its ranks would emerge the leaders to end the political stalemate.

In 1943, the military, increasingly impressed with its central role in maintaining order, overthrew the conservative government. Sharply increased strike activity had put the agricultural oligarchy's ability to control the economy into serious question. Among the colonels was Juan Perón who was first made Minister of War and subsequently Minister of Labour and Welfare. From this second position, he was able to build support within an increasingly unified CGT by encouraging unionization and improving working conditions. When Perón was fired and imprisoned by conservative elements of the military in October 1945, mass demonstrations of workers forced the regime to release him and call elections. Perón came to power as the successful candidate of the newly-formed Partido Laborista.

Argentina had remained neutral throughout the Second World War and had managed to build up immense foreign currency reserves by selling its grain and meat to European belligerents. One of the new government's first measures was to establish a state-operated trading agency which sold agricultural products abroad for 3 or 4 times the price paid to producers. These two sources of immense surpluses enabled Perón to nationalize vital sectors of the Argentine economy including railroads, electric power, other utilities and the Central Bank. Funds were also directed toward stimulating industrial production; most of Argentina's steel production is controlled by the state-owned SOMISA, the 9th largest corporation in the country. A social security system was introduced and pensions were improved. Peron won the support of Argentina's industrialists by centralizing the management of credit under their control.

The bargaining position of trade unions was improved by legal reforms and trade union leaders were brought into the government departments which directly concerned them. Workers wages rose steadily, both in real terms and as a percentage of Gross National Product. (See Table 3) Their spending generated higher incomes

February 1931, anarchist militant listens to his death sentence minutes before his execution.



Table 2: Top 50 Non-Financial Corporations in Argentina

(Source: Nacla, "Argentina: In the Hour of the Furnaces")

Rank	Top 50 Firms	Parent Firm	Parent's Nationality	Parent's % Equity	Date est. in Arg.	Parent's World Sales (\$ millions)	Parent's World Ranking	Parent's Local Sales as % of World Sales	Parent's Local Income as % of World Income	Economic Activity
1	YPF	State	Ar	100	1923	660*	336	NA		Petroleum
2	Fiat	Fiat	It	89	1954	272 (2,943)	49	9.2	3.7 (25)	Motor Vehicle
3	Shell	Royal-Dutch Shell	Ne	100		214 (12,734)	4	1.7	-8.9 (902)	Petroleum
4	Segba	State	Ar	100	1958	199			-3.2	Electricity
5	ENTel	State	Ar	100		184			5.7	Telephone
6	Esso	Standard Oil of N.J.	US	100	1911	182 (18,701)	2	1	-13 (1,462)	Petroleum
7	Ferroc. Arg.	State	Ar	100		182			-160	Railroad
8	Ford	Ford ²	US	100	1913	173 (16,433)	3	1	8.3 (657)	Motor Vehicle
9	SOMISA	State	Ar	99	1947	164			16	Steel
10	Gas del Estado	State	Ar	100		159			3.4	Gas
11	General Motors	Gen. Motors ²	US	100	1925	125 (28,264)	1	0.4	1.0 (1,956)	Motor Vehicle
12	CAP	Private	Ar		1935	120			-11	Meat
13	Molinos del Rio de la Plata	Bunge y Born	Ar	>50	1897	118 (384)	519	30.6	2.0 (21)	Food
14	Noblesa	British-Am. Tobacco	UK	85	1913	116 (2,262)	69	5.1	2.3 (177)	Tobacco
15	Agua y Energia	State	Ar	100	1947	106			3.1	Gas & Water
16	Salvati	Peugeot	Fr	100	1960	100 (1,685)	115	5.9	0.1 (34)	Motor Vehicle
17	Aerolineas Arg.	State	Ar	100		84			-4.1	Air Transp.
18	IKA-Renault	Renault State Amer. Motors Kaiser Jeep	Fr US US	38 11 4	1949	82 (2,747) ⁸	54	3	0.2 (-36) ⁸	Motor Vehicle
19	Acindar	Private	Ar		1942	76			2.8	Steel
20	Chrysler	Chrysler ²	US	99	1961	72 (7,999)	8	0.9	-1.1 (83)	Motor Vehicle
21	Mercedes-Benz	Daimler Benz	WG	100	1951	71 (3,460)	31	2	0.5 (116)	Motor Vehicle
22	Alpargatas	Private	Ar		1885	70			5.5	Footwear
23	Goodyear	Goodyear ²	US	100	1930	65 (3,602)	28	1.8	7.3 (170)	Tires & Footwear
24	Celulosa Arg.	Private	Ar		1929	63			3.4	Paper & Chemicals

for shopkeepers and higher revenues for the manufacturing sector. The combination of public investment and income redistribution programs stimulated rapid growth of the economy, repatriated key sectors from British control, and seemed to profer the transition to an Argentine controlled industrial economy. Perón's policies served as the basis for a political alliance which spanned all classes excepting the agricultural landowners, but including the owners of industrial capital. He further secured his position by making important concessions to the Catholic church in education and by extending the franchise to women. (11).

There has been considerable debate as to whether Perón was the leader of a South American variety of fascism. Direct links with European fascism make this a plausible assessment of his regime and the movement which survived it, but there are also important distinctions. At the time of the military coup of 1943, Perón had just returned from a visit to Europe impressed with the victories of Nazi Germany. He freely acknowledged his admiration of Mussolini but claimed that, "We shall create a fascism that is careful to avoid the errors of Mussolini." (12) Fascist political refugees were admitted into the country after their defeat in Europe and some were given important government jobs.

Perón offered an alternative to both capitalism and communism under the somewhat obscure label of "justicialism"--an undefined compromise between justice and equality--between spiritualism and materialism. This "third position" shared certain economic assumptions of social democracy; in particular, that growth and development could be stimulated by the increased

25	DucRo	DuPont ²	US	72	1937	61 (3,848)	23	1.6	4.1 (356)	1.1	Fibers & Chemicals
26	Pirelli	Dunlop-Pirelli	UK	1.1	1917	60 (2,365)	65	2.5	3.2 (3.24)	99.3	Tires & Cables
27	Sanacor	Private	Ar			58			1.6		Food
28	Siam di Tella	State	Ar	51	1910	57			-3.3		Electrical Appliances
29	Duperiel	ICI	UK	100	1935	57 (3,717)	25	1.5	3.0 (208)	1.4	Petrochemical
30	Elma	State	Ar	100	1960	55			-0.9		Shipping
31	Loma Negra	Private	Ar			54			0.3		Cement
32	Insa	Cargill	US	100		54 (NA)			3.8 (NA)		Food
33	Standard Electric	IT&T ²	US	100	1919	54 (7,346)	11	0.7	4.4 (337)	1.3	Telecom. Equipment
34	Olivetti	Olivetti Underwood	It	98	1932	52 (799)	260	6.5	2.1 (6)	34.4	Office Equipment
35	Massaluy y Celasco	Philip Morris	US	100	1900	52 (1,210)	176	4.3	0.8 (101)	0.8	Tobacco
36	Santa Rosa	St. Gobain-Pont-a-Mousson	Fr	50		51 (1,914)	94	2.7	1.2 (66)	1.8	Steel
37	Firestone	Firestone	US	>50	1931	47 (2,484)	60	1.9	4.0 (120)	3.4	Tires
38	Saseiru	Private	Ar			47			1.4		Food
39	Nestle	Nestle	Sw	>50	1930	46 (3,541)	29	1.3	1.9 (130)	1.4	Food
40	Philips	Philips	Ne	>50	1935	46 (5,189)	15	0.9	1.1 (98)	1.1	Electrical Appliances
41	Indo-Arg. de Electricidad	Motor Columbus	Sw	>50	1911	46 (NA)			4.9 (NA)		Electricity
42	Refinerias de Maiz	CPC Intl.	US	>50	1928	42 (1,500)	131	3.1	3.9 (52)	7.6	Food
43	IBM	IBM ²	US	100	1923	41 (8,274)	6	0.5	-0.9 (1,079)		Office Equipment
44	Citroen	Citroen	Fr	77	1960	41 (1,792)	105	23	-3.9 (1)		Motor Vehicle
45	Garmendi	Private	Ar		1919	40			2.0		Steel
46	Usiminas-Siderca	Techint Finsider	It	>50	1964	38 (NA)			4.9 (NA)		Steel
47	SAIDE	Gen. Electric ²	US	40		38 (9,425)	5	0.4	1.8 (472)	0.4	Industrial Construction
48	Siemens	Siemens	WG	>50	1908	37 (3,815)	23	1	0.7 (63)	1.1	Telecom. Equipment
49	Giul	Private	Ar			37			0.9 ⁹		Beverages
50	Piccardol	L. Jett & Myers	US	<50	1913	37 (586)	368	6.3	0.5 (35)	1.4	Tobacco

consumption flowing from income redistribution. However, the nationalizations undertaken by Perón seemed to be motivated by a desire for economic independence and not the socialist principle of public ownership of the means of production. "National socialism" provided a superficially convincing label for the new regime's policies.

Table 3: Share of Wages and Salaries and Capital in the Argentine Gross National Product, 1946-54

Year	Wage and Salaries (%)	Capital (%)
1946	38.7	59.8
1947	37.3	55.5
1948	40.6	51.8
1949	45.7	46.3
1950	45.9	46.0
1951	43.0	49.6
1952	46.9	45.2
1953	44.8	46.6
1954	45.6	45.5

Source: ECLA, Economic Development and Income Distribution in Argentina (New York, United Nations, 1969) p. 169.



Perón backed by CGT insignia

Aspects of Perón's political style were perhaps a more important source of speculation as to his ideological identity. Perón and his wife provided a flamboyant and charismatic leadership which produced images of father and mother of the nation. The Partido Laborista was reconstituted as the Partido Peronista. Perón used a vehemently anti-communist rhetoric. The Communist Party

had allied with conservative forces in the elections which brought him to power. Perhaps the communists feared the birth of Latin fascism but their action invited accusations of anti-nationalism and pro-imperialist.

Peronism was elevated to the position of national ideology and instruction in its principles was included in school curricula. The regime became increasingly impatient with opposition--newspapers were seized and organizations were banned. It appeared to many that Perón was closing the door on democracy and paving the way for a one-party state.

Against this record must be set the major advances which the trade union movement achieved during Perón's rule. Union membership doubled from 1.5 million to 3 million in 1951.(13) Improvements in wages and social security consolidated working class support for Perón. The massive post-war surpluses enabled Perón to serve the interests of all economically powerful groups for a time. Eventually, however, the reserves ran out. The agriculture-based bonanza broke in 1949; agricultural exports lagged and prices fell. The state could no longer meet the increasing needs of the industrial sector for capital and the owners began to look abroad for interested investors.(14)

Growth had been sustained for many years by domestic and foreign investment in the production of substitutes for imported manufactures. But the domestic market was not large enough to generate the surpluses required by most manufacturers for investment in productive facilities which could compete in international markets. New Technology and massive injections of capital were required if the industrial sector was to continue to grow. These would almost certainly have to come from foreign sources in the absence of some form of protection for the domestic manufacturing sector and/or direct state planning of investment.

When Perón was arrested, Evita Duarte spoke out in his defense on Radio Belgrano in Buenos Aires and helped mobilize the workers' demonstrations which brought him to power. She married the colonel and administered the



Evita speaking on Belgrano Radio

Eva Perón Foundation--a nominally private charity which concentrated on building Peron's popularity. She died of cancer on July 27, 1952 and became an almost madonna-like figure for the Peronist movement.



Evita received by Pope in 1947

The turnabout of the economy began in 1949 and was as dramatic as the original boom. The peso was devalued in an effort to stimulate exports. In spite of his nationalist utterances, Perón was forced to seek a loan of \$125 million from the United States and the cooperation of Standard Oil of America (EXXON) in the development of the state owned petroleum industry--an important symbol of national pride for the middle classes. Serious droughts struck the country. Imposition of a wage freeze initiated a period of labour militance--strikes produced only 313,343 days lost in 1952 but more than 1.3 million in 1954. (15)

As the material basis of the Peronist alliance crumbled, the regime accentuated its troubles with political blunders. The church was offended by a divorce law and Peronist control of education. Important elements of the working classes were alienated by interference with basic political freedom. The army played an increasing role in controlling labour disputes.

In September of 1955, after two earlier attempts, the military seized power and exiled Perón. He had not been able to deliver on the promise of an independent industrial economy. Agricultural surpluses could no longer finance growth stimulated by increased labour incomes and meet the demands of the industrialists for capital investment.

It is not adequate to understand Peronism simply as a South American example of fascism. The advances made by the working class during the period of Perón's rule contradict the superficial parallels. In some respects, his policies simply postponed the day of reckoning between the workers and the corporations in a fundamentally capitalist economy. The compromises of his last years in power indicate that his allegiance was ultimately to the economically powerful.

Perón's first major actions as President were to confiscate the material basis of the power of the conservative oligarchy and to buy out the remaining vestiges of British imperialism. Without denying their importance, the drama of these measures may have obscured the fact that Perón never sought to control the profits of the industrial sector, whether domestic or foreign, in the same way.

The Peronist regime did give the working class a new strength and self-confidence which better equipped them to deal with the struggles against foreign corporations and their domestic allies which lay ahead. But opposing ideological tendencies were contained within the Peronist movement, as might be expected in an alliance of opposing class interests. Perón's exile spared his movement from the necessity of resolving this conflict and enabled the mythology of "el peronismo" to survive long after it had ceased to be a viable political alternative.

The Inter-Regnum

American and other foreign controlled industrial corporations had established a foothold in Argentina in the early 1900's, attracted by policies which favoured local manufactures over imports. That position was consolidated before the Second World War. However, they were inhibited from assuming a dominant position in the economy by the continued importance of agricultural export markets and later by the national investment policies of Perón. Perón's nationalizations had also diminished the importance of British capital considerably.

The military coup of 1955 signaled not only the failure of the Peronist economic strategy but also a fundamental shift in the forces which dominated the economy. There was a new alliance of Argentine and foreign industrial capital. The landowning interests were still important but their links with British imperialism had been undermined and their own position considerably weakened by Perón's control of export trading.

By 1971, 29 of Argentina's top 50 non-financial corporations were controlled by foreign interests and these were in the key sectors of automobiles, petroleum, chemicals, electronics and rubber. (11 were state owned and 10 owned by domestic capital.) (See Table 2)

In the period since 1955, a succession of civilian and military governments have vacillated between an "open door" policy toward foreign investment and marginal advantages for national capital. But whatever the fine points of economic policy, the central problem for all governments was to control the increasingly militant and politically self-confident working class.

Between 1955 and 1958 the military governed under General Aramburu. He removed all restrictions on the flow of capital into the country and of profits out of the country. A brutal repression was imposed on the most active elements of the Peronist and union movements but the workers responded with strikes totalling 5 million work days in each of 1956 and 1957.(16) Elections called in 1958 brought Arturo Frondizi to power on a nationalist and anti-imperialist platform which attracted support from many Peronists. He promptly did an about-face and signed contracts with 8 foreign oil companies; the trade union movement responded with a general strike.

The Frondizi government sought to normalize the political situation by allowing peronist participation in the provincial elections of 1962. The military intervened to annul the elections when the Peronists achieved an overwhelming victory. In national elections the following year, a continued ban on Peronist candidates assured the election of a new president, Arturo Illia of the Radical Party. His government introduced measures to stem the tide of profits out of the country but foreign corporations were so dominant by that time that the major effect was to stimulate takeovers of domestic firms.

Throughout this period, union leadership was divided over the extent to which they would cooperate with the government of the day. Uncooperative leaders were regularly replaced by government decree. In 1966, Augusto Vandor, the general secretary of a seriously divided national labour organization (the CGT), reached an agreement with the military which resulted in the overthrow of Illia by General Onganía. Vandor's complicity contributed to disillusionment with the CGT leadership and attempts to establish an alternative central organization in 1968. But a succession of strikes, which became politically significant because of military intervention, forced the estrangement of the CGT leadership from the government of General Onganía and his successors. In November 1970, an official general strike was called which was 82% effective.

The military leaders of the country found it increasingly difficult to resist the proposition that only Perón could reunify the country and establish order. Elections were called in 1973 in which Perón's candidate, Hector J. Cámpora, achieved an easy victory. His success had been assured by pasting together the old alliance.

A formal agreement between representative organizations of labour and business was to substitute for the more meaningful popular alliance which had been created by Perón in 1945. A social pact was signed between the CGT and the General Economic Confederation (CGE). The CGE was then an association of small and medium-sized business. It represented domestic interests and did not include the largest corporations whether domestic or foreign.

Cámpora made a valiant effort to reinstitute the progressive policies of the previous Perón administration but his program could not be financed by the surpluses which had been available in 1945. In fact, Argentina had accumulated a total foreign debt of \$7.3 billion by July of 1973. Cámpora and his leftist colleagues were tossed out within two months of their inauguration to be replaced with an administration dominated by the CGE. New elections were called and Perón returned to power. (17)

José López Rega



In June 1975, a general strike in Buenos Aires brought two major victories--substantial wage increases and the resignation of José López Rega, Minister of Social Welfare. Rega had been a low-ranking officer assigned to the presidential guard during Perón's first regime. He disappeared following the 1955 coup until 1965 when

he met Isabel Martínez, Perón's third wife. He then joined the colony of Peronist exiles in Spain as her private secretary.

Rega was instrumental in removing Cámpora from the presidency following his brief attempt to implement the progressive platform of the Peronists in the 1973 elections. In June 1973, 3 million people gathered at the Ezeiza Airport to welcome Perón's return. Elements of the Peronist youth organization and workers were fired upon; the colonel who led the attack was a close friend of Rega's.

Rega has been accused of organizing the massacre which took place. He came to symbolize the reactionary administration which followed the death of Perón--the real power behind Isabel Martínez de Perón. Under his control the Perón regime progressively adopted more repressive measures until they ultimately were able to rule only under state of seige regulations. It was a Rega-inspired austerity program which led to the general strike in June 1975. His program did nothing to stop inflation. It rose from 335% in 1974 to about 700% at the time of the coup.

He is presently wanted in Argentina for embezzlement.

The Ghost is Laid to Rest

The new Perón regime did make a significant effort to establish national control of the economy. Some industrial sectors--mainly resources and communications--were closed to foreign investment and others were severely restricted. Profit outflows were limited to 12% of offshore capital invested. Without the reserves or agricultural surpluses which had been available in 1945, these policies compelled Perón to rely on Argentina's national industrial elite and to delay any significant new social measures or wage increases to secure the support of the working class. The country's already serious foreign debt position and dependence on foreign sources of finance capital was also aggravated. More than \$1 billion had to be obtained from the World Bank to finance railroad, agricultural and energy developments. The implied sanction of the new regime by the prestigious international financial institutions facilitated additional loans from private sources including several Canadian banks. (18)

Jose Ber Gelbard, founding president of the CGE, was appointed Minister of the Economy. He had been the chief negotiator of Perón's

return to Argentina. The CGE's grip on economic policy became so tight that the Argentine Industrial Union (UIA) representing the largest Argentine and foreign corporations was forced to merge with it.

The new administration legislated new controls on the trade union movement to allow direct intervention in their affairs and equipped itself with more wide-ranging powers for dealing with subversion than had been legally available to the previous military regime. These economic and political policies alienated the socialist elements of the Peronist movement and led to increasingly bitter confrontations between striking workers and the government. The cycle of repression and resistance had been given a new push. Several left wing newspapers were closed. Perón moved to establish a special force to protect foreign and local industrialists from intensifying guerrilla activity.

Perón's death in July, 1974, deprived the regime of the loyalty of significant sections of the working class. Isabel Perón's administration was ultimately only able to govern under "state of seige" regulations. The armed forces became progressively more involved in the control of industrial disputes. In September, 1975, the police intervened, arresting more than 200 trade unionists when metalworkers elected new leadership opposed to the government. Five thousand workers responded by striking for two months. (19) It became normal practice for strikes to be repressed by arrests and firings.



The armed forces came to power on March 24, 1976, not because of some dramatic turn of events, but because the civilian government relied more and more heavily on the use of force to maintain industrial order. Isabel Perón and her most powerful minister López Rega, were quite prepared to take action against individual militants and particular strikes under the guise of dealing with subversion. However, they needed the support of the CGT leadership and could not further curtail the rights of unions and workers and still maintain that support.

José Ber Gelbard



Jose Ber Gelbard emigrated from Poland to Argentina in his teens and became a successful entrepreneur. In 1954, with the help of the Perón government, he organized a national union of small business owners, the Confederación General Económica (CGE), and became its first president. Gelbard had considerable influence with the Lanusse military dictatorship (1971-73). In October 1972, he undertook the negotiations for Perón's return to power. Gelbard was also the CGE signatory of the social pact with the trade unions which assured the Peronist success in the elections of 1973. Gelbard and an associate controlled 51% of a proposed aluminum project which did not have the favour of the previous military dictator. The project was approved two weeks after Lanusse came to power in March 1971.

One of the last official decrees of the Lanusse dictatorship following the election of Cámpora required that future development of Argentina's nuclear industry would rely on the natural uranium process used in the CANDU reactor.

In December 1973, Atomic Energy of Canada Ltd. (AECL) and its partner, Italimpianti, concluded an agreement with Argentina's Atomic Energy Commission to supply a CANDU reactor and fuel. On March 7, 1976, Gelbard and Perón ratified the agreement. On March 11, 1974, Italimpianti confirmed to Lorne Gray of AECL, that an initial payment had been made to their Argentine agent. On April 19, 1974, AECL issued a cheque for US\$2.5 million which was ultimately deposited in a Swiss bank account called "Opera".

Gelbard resigned in October 1974, after Perón's death and was subsequently forced into exile. In July 1976, less than one month after being issued travel documents by the United States, he made an unexplained one-day trip to Geneva. He died recently amidst accusations that he had been the recipient of the "agent's fee".

Life Under the Junta

The military was quick to apply the repressive measures which only it could enforce after the coup of March 21, 1976. The main target has been the trade unions but the church, the press and the academic community have also been seriously affected. In a report published September 21, 1977, Amnesty International estimates there are now 8,000 acknowledged political prisoners in Argentina. That organization has fully documented the cases of 900 persons who have disappeared after being arrested and reports that reliable sources claim there have been 15,000 such cases. This estimate was reported as reliable to the United Nations Commission on Discrimination and Protection of Minorities by Professor Antonio Cassese of the University of Florence in August 1977.

The Argentine Ambassador threatened the commissioners with reprisals if they accepted the report. The Junta had tried to influence the position of the Colombian delegate by threatening economic sanctions against that country. The ambassador was invited to leave the conference—an action which is unprecedented in United Nations history. In closed session, the Commission unanimously adopted a motion rejecting the intimidation used by the ambassador and the Junta—again unprecedented. (20)

In its 1977 year-end report, the New York-based Council on Hemispheric Affairs concluded that the situation of political prisoners and violations of human rights were worse in Argentina than any other country.

Under the thin disguise of a program of "national reorganization" the Junta has issued a number of decrees which directly impinge upon the most basic human and trade union rights. Others attack the economic position of various groups.

- Law No. 21356: prohibits trade union elections, congresses and meetings; permits intervention in the affairs of any trade union; under this provision, the CGT and 68 of its affiliated organizations have been placed under the direct administration of military officers.
- Law No. 31400: provides for prison sentences of from 1 to 4 years for anyone participating in a strike, occupation or union meeting.
- Law No. 21426: provides for prison sentences of 3 to 10 years for anyone encouraging strike action.
- Law No. 21278: suspends the right of teachers to negotiate their conditions of employment; cancels earlier social and economic gains and eliminates job security provisions.
- Law No. 21260: provides for the lay-off of any public employee without cause and without recourse to appeal.
- Law No. 21476: eliminates many social and economic gains of public employees by cancelling their collective agreements.
- Law No. 21274: provides for the dismissal or suspension of any public employee for unspecified reasons.
- Law No. 21460: transfers administration of justice for "subversives" to military tribunals from the civil courts; "subversives" are defined as anyone pursuing ideological ends by means other than those specified by earlier decrees of the Junta.

- Laws No. 21322 & No. 21325: ban 48 organizations; make all political activity illegal and subject to criminal forms of punishment.
- Law No. 21276: provides for the direct government appointment of university administration; bans all academic activity, "...at variance with the basic objectives and purpose determined for the process of national reorganization."
- Communique 19: provides for indefinite detention of, "...anyone who through any medium whatsoever defends, divulges or propagates announcements of views coming from or attributed to illicit organizations or persons or groups notoriously dedicated to subversive activities ..." and up to 10 years detention for anyone who, "...defends, propagates or divulges news, communiques or views with the purpose of disrupting, prejudicing or lessening the prestige of the activities of the armed forces..."

NOTE: More detailed information on these decrees and others is contained in the Amnesty International report of September 21, 1977 and in a March 1977 report of the International Confederation of Free Trade Unions (ICFTU).

We know from the direct testimony of foreign nationals and others who have been released because of international pressure on the Junta, that physical torture of political prisoners is standard practice in the unofficial detention centres that have been set up. The brutality of the military regime cannot be described more eloquently than by the people who have experienced it.

ISABEL GAMBA DE NEGROTTI, 27 year-old nursery school teacher, was severely beaten in spite of the fact that she was pregnant. Her husband had been abducted with her and she could hear him screaming.

"They took me to another room where they kicked me and punched me in the head. Then they undressed me and beat me on the legs, buttocks and shoulders with something made of rubber. This lasted a long time; I fell down several times and they made me get up and stand by supporting myself on a table. They carried on beating me. While all this was going on they talked to me, insulted me and asked me about people I didn't know and things I didn't understand. I pleaded with them to leave me alone, or else I would lose my baby. I hadn't the strength to speak, the pain was so bad."

"They started to give me electric shocks on my breasts, the side of my body and under my arms. They kept questioning me. They gave me electric shocks in the vagina and put a pillow over my mouth to stop my screaming. Someone they called the 'colonel' came and said they were going to increase the voltage until I talked. They kept throwing water over my body and applying electric shocks all over."

Two days later she miscarried. She was still in detention when her case was reported by Amnesty International in November 1976.

Extract from an open letter to the Argentine Military Junta, March 24, 1977 by Rodolfo Walsh, journalist and novelist, arrested March 25, 1977.

15,000 people missing without trace, 10,000 political prisoners, 4,000 dead, and tens of thousands of exiles are the bare statistics of this terror.

Having filled the existing prisons, you created virtual concentration camps in all the principal military bases, where no judge, lawyer, journalist, or international observer may enter. The military secrecy of the proceedings, which you claim to be essential to your investigations, means that most arrests are in fact kidnappings, which allow torture without limit, and executions without trial.

More than 7,000 Habeas Corpus petitions have been denied during the past year. In thousands of other cases of disappearances, no Habeas Corpus petition has been presented, either because it seemed useless or because no lawyer could be found to take the case. The reluctance of lawyers is not surprising because 50 or 60 of them have themselves been kidnapped for intervening in political cases.



Torture centres to liquidate opposition

In this way you allow torture to continue indefinitely. The arrested person does not exist. There is no possibility of the prisoner being brought before a judge within ten days as the law requires, a law which was previously respected even during the darkest days of the former dictatorships.

There is no limit on the time, neither is there any restriction on the methods used. These are a throwback to the middle ages, when torturers amputated the limbs of their victims or eviscerated them. Now it is done with surgical and chemical instruments which medieval executioners did not have at their disposal. The rack, the thumb-screw, flaying and saws of the inquisition reappear in prisoners' testimony, along with the electric prod, the 'submarine' and the air-compressor of contemporary torture.

The premise that the extermination of the guerrilla justifies all methods of repression has led you further and further into the metaphysical realm, in which the original objective of extracting information through the use of torture is subordinated in the perverted minds of those who administer the torture to the need to utterly destroy their victims, depriving them of all human dignity, which both the torturers and yourselves have already lost.

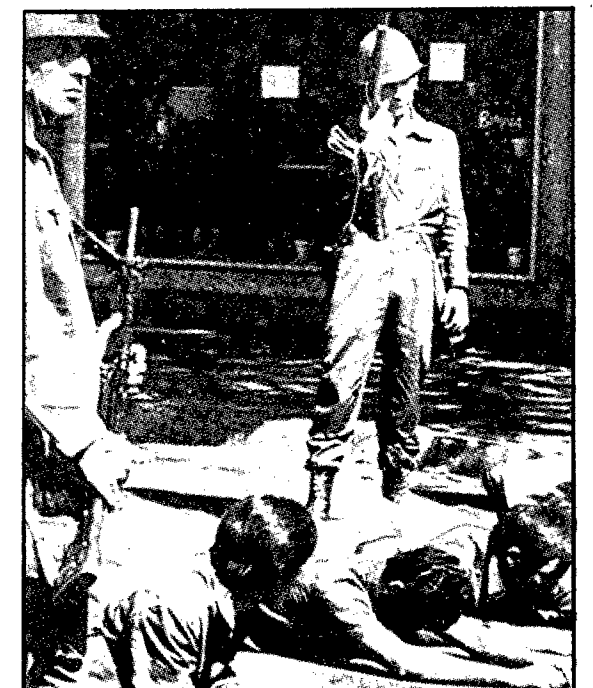


Simulated executions: Psychological Torture

The following statement was made by Patricia Erb, 19-year old daughter of American missionaries in Argentina, imprisoned by the Junta.

"...I was conducted as were many others, to rooms which we called 'the torture house'. There, men dressed in civilian clothing, would begin interrogations, using torture.... That torture took various forms: beating with clubs, fists, kicking, immersing in water or in fecal substances to almost the drowning point and applying 'La Picana' (electric machine)...to the more sensitive parts of the body, like mouth, eyes, nose, ears, vagina, breast, penis, feet, and hands.... After these interrogations we were conducted again to the 'barn'.... I tried to memorize as many names as I could... they all were very badly nourished and tortured. Some with broken bones and wounds of which they complained. By night our sleep was accompanied by rats that run over and around our bodies. We were also at the mercy of being raped by the sub-officials."

Released by: Mennonite Central Committee
100 Maryland Ave., N.E. Washington D.C.



Life under the Junta.

It is impossible to obtain any accurate accounts of the number of people who have been abducted, tortured or murdered. However, there is some information which can give us an idea of the scale of the repression.

At the time of the coup, approximately 3000 persons were being held under state of siege regulations invoked by the regime of Isabel Perón. The constitution would normally entitle persons whose civil rights had been suspended in this way "the right of option"—to go into exile rather than remain in prison. The Junta has effectively erased even this right.(21) In August 1976, the Junta established a register in which missing persons could be reported by their relatives. They were obliged to limit its use to 40 entries per day. The regime has officially reported 1,354 deaths due to political violence in 1976 alone. Amnesty International has been able to establish that many of the disappearances remain unexplained because the detainees have been unofficially executed. The regularity of this practice is confirmed by the frequency with which unidentified bodies are discovered. Unexplained disappearances of family members have become such a widely understood experience that people have begun to acknowledge the grief of their neighbors by embracing them in the streets as a form of silent protest.

Workers Face Economic and Political Repression

The military junta has attacked the trade union movement on several fronts. Various decrees have made it impossible to carry on even the most routine kinds of union activity. Physical repression has immobilized much of the most active and militant leadership in prisons and unmarked graves. Tight wage controls have been imposed. In spite of these extraordinarily difficult circumstances, the economic and political measures imposed on workers have been persistently if not always successfully resisted.

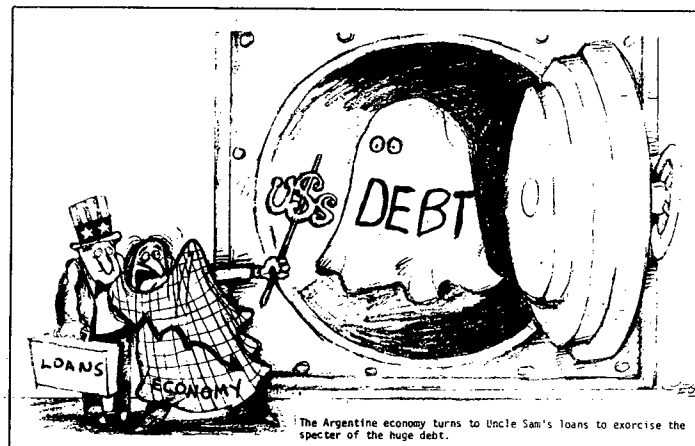
The pattern of resistance in the auto industry has been typical of private industrial concerns. In September 1976, 20,000 workers struck General Motors demanding pay increases to help meet higher prices, the release of fellow workers who had been arrested, and a normalization of union activity. The strike ended four years later when the Junta decreed up to 10 years imprisonment for participating in strike action. General Motors fired 200 of the most active unionists.

With all legal alternatives closed to them and their jobs on the line, workers turned to slowdown tactics. To minimize the effects of this kind of resistance, many private employers have found ways of granting under-the-table increases 10-20% above the official limits.(22)

Strikes in the industry are still occurring. In October 1977, 6000 workers at the Renault factory in Cordoba went out. The military intervened to end the strike and Renault fired 146 of the most active leaders.(23) Maintaining this capacity to resist must be considered as a measure of strength of the Argentine trade union movement.

The generals have been particularly tough with public sector workers, because they could not secure credits from the International Monetary Fund (IMF) without agreeing to hold the government deficit to 3% of the Gross National Product. The Junta needed the blessing of the IMF to renegotiate the country's foreign debt repayments. The IMF had denied an application for credits by the Isabel Perón government because it would not carry out the public sector cutbacks which would be required.

The Junta did not share the objections of Isabel Perón's labour supporters and the IMF approved balance of payments adjustments just 3 days after the coup. In August of 1976 the Fund extended U.S. \$296.4 million in stand-by credits; \$186 million was conditional upon implementation of budgetary reforms.(24) Argentina became the largest third world recipient of IMF credits in that fiscal year.



For workers in the public sector, budgetary reform has meant facing massive layoffs on top of all the other repressive measures against labour. In Argentina, there is no unemployment insurance. The Junta announced a freeze on wages and the gradual dismissal of 300,000 public employees. Two thousand telephone workers were fired immediately. The work week for employees of the state electricity company was increased from 35 to 42 hours and many of their fringe benefits were cut.

About 15,000 railway workers lost their jobs. The Minister of the Economy, José Martínez de Hoz, suggested that tracks be torn up and railway land sold so that no future government could reopen the lines. The government-owned railway has been pursuing a policy of rail line abandonment to meet conditions for a loan from the World Bank. (25) In July 1976, Martínez de Hoz announced a wage increase of 20% for public sector workers; slightly higher increases were allowed in the private sector. Inflation can confidently be expected to exceed 150% in 1977. (26)

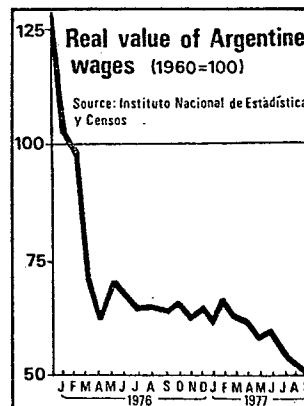
It is hard for public sector workers to resist the Junta's austerity measures, since they are always in danger of losing their jobs but they have refused to submit silently to the generals' orders. On Wednesday, October 26, 1977, some 40 railway signalmen on a line running south from Buenos Aires, struck to protest the inadequacy of a 15% wage increase even though they faced stiff jail sentences. They were



Renault workers marching to a demonstration

quickly joined by rail and subway workers throughout Buenos Aires. The strike reached a national scale by the weekend, when they were joined by airline pilots and oil workers.

The Junta at first refused to negotiate but on Monday the water and electricity workers joined and the generals decided to sit down at the bargaining table. A back-to-work agreement came after 9 days and a wage offer approaching 40%. This was a significant victory for the workers in the public sector but the Junta could not resist reminding them of their position. On the same day as the agreement was concluded, they released the following communique: "... a patrol of legal forces surprised an activist who was inciting the (railroad workers) to strike and trying to hinder workers from going to their work places. He was shot to death. His identification is being sought. The legal forces are carrying out their mission of assuring the right to work."(27)



The blame for the economic situation can hardly be placed entirely on the military regime, but it is easier to understand why a civilian government could no longer keep the workers on the job when the real value of wages had fallen so rapidly in the first months of 1976. In September 1977, the value of wages was one-half what it had been 17 years earlier. Labour's share of the national income has dropped from 44.8% in 1975 to 31.0% in the first half of 1977.(28)

The economic effects of the policies of the military government and the Peronist regime which preceded it are beginning to show up in the available statistics. The accompanying graph dramatically illustrates the effect on workers' incomes. After initially stabilizing the plummeting value of labour incomes, the policies of the Junta have produced a steady downward trend in 1977.

The situation is serious enough that the Argentine Federation of Judges has published a document claiming that their salaries have fallen to such low levels that many court officials are seeking other employment. Consumption dropped by 9% in the first quarter of 1977 and the courts have been jammed by a record number of bankruptcies.(29) The fall of labour incomes is clearly hurting the small business sector and having its effect on that part of the industrial sector which depends on the domestic market. It has been reported that many industrial establishments, including the automobile industry, are operating on a short work week further aggravating the decline of wage incomes.

The Junta will have to change its approach to physical repression. After nearly two years of military government and with 15,000 disappearances, and 8,000 political prisoners, workers are still resisting the brutality of the regime. Detention centres are full, known militants and activists have already been dealt with, and international reaction to their repressive measures has been growing. Recent reports suggest that the Junta will begin to release some political prisoners in the weeks ahead. From the Junta's perspective this strategy has two virtues; it will appear to respond to the international pressure and it may intimidate Argentinians who have escaped their grasp by making them more aware of the brutality being experienced in the detention centres.

There have been rumblings within the Junta that it may be easier to control labour if larger wage increases are granted before strike action develops. Some Argentine businessmen and industrialists may have cause to support this view if their activities are oriented toward the domestic market. The approach which the Junta was forced to adopt by the railway workers in Buenos Aires may become the overall strategy for control in the weeks ahead. This would hardly be a satisfactory conclusion of the workers' struggle in Argentina but it does point to the importance of their continued resistance and international support. The hand of the more homicidal elements of the Junta is still poised and the economy is in danger of collapsing altogether.

"Argentina is the anchor of the continent, and, more specifically, of the Inter-American System. This country is necessarily important to anyone who studies the strategy of the Free World. Argentina is the battle-front of the hemisphere, and its strategic routes in the South Atlantic are vital for the future of oil shipments."

capitalize on its strategic importance and energy reserves to recover the national dream which neither Perón nor the succession of civilian and military administrations which followed him were able to realize.

Argentina's foreign debt can only be paid off by increased exports. The generals hope to gain what they see as their rightful international economic position by export-oriented development based on relatively cheap and secure energy supplies. They are banking on their strategic importance in both economic and military terms but they must demonstrate their ability to control internal opposition if their new national project is to get off the ground.

Argentina's military has intervened directly in a number of the country's important institutions including trade unions and universities. While social services and public employee wages are being cut, the police forces are expanding rapidly. There have been 16,000 new positions created in Argentina's national and provincial police since the Junta came to power.(32)

In spite of their difficult economic position, the generals are maintaining high defense budgets and are developing their capacity to produce weapons. Military aircraft, guided missiles, armoured vehicles and tanks are currently being manufactured. Argentina has developed and produced an anti-guerrilla aircraft, the "Pucara", which is being exported to South Africa. In cooperation with West Germany, they are also producing a 30 ton battle tank and ultra-modern light tank.(33) Their arsenal does not yet include atomic weapons, but the admiral who heads their nuclear project, Castro Madero, recently announced that they have the technical capability to produce the bomb.(34)

The junta has consistently refused to sign the international non-proliferation treaty. The same admiral who heads the nuclear project claims that, "All it does is disarm the disarmed."(35) They have entered into a bilateral safeguards agreement with Canada and a regional "peaceful purposes" agreement with other Latin American countries but neither of these treaties provides any real enforcement.



Argentine Army: Modern and well-equipped.

Argentina is developing its own nuclear reactor using the same process as Candu. Admiral Madero estimates that the country is capable of producing 90% of the components of a nuclear reactor without outside assistance. They have already entered into an agreement with the military government of Peru to sell an experimental nuclear facility to that country. The military hopes to exploit their technical pre-eminence over other Latin American countries to secure a strong economic and political position in the continent. Canada is helping them to develop that capability more quickly and giving them the capacity to produce plutonium, the basic ingredient of the atomic bomb.

Nuclear power plants are unlikely to meet a significant proportion of Argentina's domestic energy requirements for many years to come. The major objective in this area is to replace the present heavy dependence on oil-fired electrical generation with hydro developments. No doubt one of the reasons is that oil is more exportable than the water power which is largely undeveloped at this point.

Plans actually call for a reduction in the dependence on nuclear power generation from the present 10% to 5% by 1980. Geological studies have indicated uranium reserves sufficient to run 40 reactors for 30 years, over and above Argentina's own requirements.(36) These reserves would be available for export. The junta clearly has strategic reasons for wanting to develop its nuclear technology. It can give them long-term flexibility in meeting domestic energy requirements; it can provide export earnings; and it can give them military power in the southern hemisphere.

ARGENTINE WOMEN: SILENT RESISTANCE

Government officials, annoyed with their persistence, call them the "Mad Women of Plaza de Mayo." Other Argentines view them as an example of resistance. Every Thursday, at 4 p.m. they gather with unique punctuality by the monument facing the Presidential Palace. They are hundreds of wives, mothers and relatives of some of the thousands of people who have disappeared since March last year, when the military coup brought a reign of terror to Argentina. They have been meeting at the park, silently standing in front of the government palace, without placards or banners awaiting an answer. When they congregated for the first time they wanted to have a meeting with General Videla. Now, their intentions have changed; as one of them told a correspondent from Venezuela: "We are here so that they (the government across the street) will be reminded at least once a week that there are at least 10,000 people missing from their families. Also to make our problem known to passers-by and journalists so that someone will do something to find out what happened to our relatives."

For the international press their presence went unnoticed until Terence Todman, Assistant Secretary of State for Inter-American Affairs, visited Argentina last August and met with General Videla. It was a Monday, but the women gathered at the Plaza de Mayo to try to talk with Mr. Todman. Heavy security surrounding the secretary did not allow the women to talk with him, but dozens of foreign correspondents interviewed

"Our principal aim in Latin America is to aid, wherever necessary, the constant development of local military and para-military forces capable of providing, together with the police and other forces, the necessary internal security."

Robert McNamara

The strategic importance of Argentina to maintaining the United States power in the world economic order suggests that they will be prepared to finance a national project based on development of energy resources, an export orientation for the economy and military control of the work force. The Americans have, in fact, done exactly that by facilitating re-financing of Argentina's foreign debt through an extension of credits from the International Monetary Fund. The World Bank has also extended new loans to finance the development of hydro-electric resources.

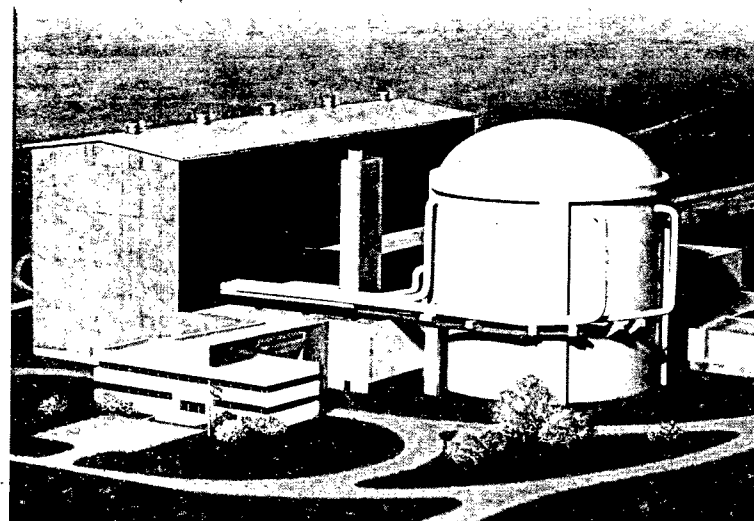
Perhaps it is useful to recall that Robert McNamara, President of the World Bank, was formerly the American Secretary of Defense. It was he who in 1967, in that earlier capacity, said, "Our principal aim in Latin America is to aid, wherever necessary, the constant development of local military and para-military forces capable of providing, together with the police and other forces, the necessary internal security.(37)

them in spite of police efforts to prevent it. For the first time news of their plight reached the international community. All over the world, the press reproduced their testimonies on the kidnappings of their relatives.

Mrs. Rosa Burztein gave the correspondent of the Venezuelan newspaper El Nacional a detailed report on the kidnapping of her two sons, both students. "They blindfolded me," she said, "and took away everything we had. When they left I saw an army truck blocking the traffic in front of my house. I saw them marking swastikas with their weapons on three cars parked by the sidewalk." One year has gone by and she has not heard from her sons. "At first," she said, "they told me it was too soon to inquire about them, that I had to wait at least five months before they could tell me anything. Five months later I went to the police again and an officer told me that after such a long time they must be dead."

The women are pacifists. They know that demonstrations are prohibited by state of siege regulations and do not carry placards or banners with them. However, their presence irritates the government. On August 25 police attacked them with machine guns and tear gas. Sixteen women were arrested. The next Thursday, they were warned that they were not allowed to congregate in groups of more than three. Thus, they now stand quietly in small groups facing the Presidential Palace, waiting.

The Bargain Basement Nuclear Reactor



An artist's conception of the standard 600-megawatt CANDU station developed by AECL for domestic and foreign utilities.

In 1975, it was revealed that the contract would result in a loss of \$210 million to AECL and ultimately to Canadian taxpayers if it were not renegotiated.

The efforts made by the Canadian government and its various agencies to secure the sale of a Candu reactor to Argentina have been extraordinary. The details became a matter of public record following allegations that Atomic Energy of Canada Ltd. (AECL) paid bribes to Argentine officials but it may be useful to recall the main elements of the deal.

In 1973, AECL and an Italian partner, Italmimpianti, contracted with the Argentina Atomic Energy Commission to supply a nuclear powered generating station. The value of the Canadian part of the contract was approximately \$160 million and included provisions for the purchase of \$110 million in Canadian goods and services including supplies of uranium. In 1975, it was revealed that the contract would result in a loss of \$210 million to AECL and ultimately to Canadian taxpayers if it were not renegotiated.⁽³⁸⁾

Canadian negotiators had apparently not known that their government was at the time arranging a cartel to force up the world price of uranium. The contract did not take adequate account of the declining value of the Argentine peso and included a limit on the amount of price escalation that would have to be covered by Argentina.

The Liberal government had approved financing of the sale through the crown-owned Export Development Corporation (EDC) and directly provided interim financing while they negotiated a bilateral safeguards agreement following Argentina's refusal to sign the International Nuclear Non-Proliferation Treaty. If the government did not know what AECL was doing, they should have.

AECL contracted with manufacturers for the supply of the various components of the CANDU reactor at prices which escalated with increasing costs. All of the equipment suppliers are foreign owned. AECL did not negotiate a similar contract with Argentina and was left holding the bag. They were able to renegotiate the contract with Argentina and rescue the loss to \$130 million -- still more than the original value of Canadian goods and services involved in the contract.

The nuclear industry in Canada operates one of the most powerful lobbies in the country. The Board of Directors of the Canadian Nuclear Association includes senior executive officers of major manufacturing and mining companies in the industry, provincial power utilities and AECL. This association runs a sophisticated and well-financed public relations campaign to promote the development of the industry. However, this powerful lobby alone cannot explain Ottawa's willingness to use a loss-leader approach to the international market for nuclear technology.

In the early weeks of 1978 there have been a number of moves to free-up the international market for uranium inhibited by the refusal of several countries, including France and Japan, to provide meaningful guarantees that imported supplies would be used only for peaceful purposes. The 15 nations of the Nuclear Supplier Group recently signed what the Toronto Globe and Mail calls, "a high-sounding but loose code of ethics"⁽³⁹⁾ for international sales. The code has no purpose to serve other than to make it politically more feasible to sell nuclear equipment and fuel to countries which refuse to sign the Non-Proliferation Treaty.

The Canadian government is particularly interested in stimulating world trade in nuclear fuel because it hopes to give a boost to the lagging mining industry. They have come under considerable political pressure because of rising unemployment and especially the layoffs in Sudbury and elsewhere. In a fashion loyal to our history, the Liberals hope to bring us out of the current economic malaise with yet another boom based on exporting resources.

There might have been some consolation in Canadian ownership of many of the uranium mining companies except that they seem to be more inclined to invest overseas than to create jobs at home.

Some, and perhaps the executives at AECL are chief among them, still cherish a fond hope for an internationally competitive manufacturing industry based on our nuclear capabilities. It seems more likely that AECL's major foreign-owned suppliers will only be interested in export sales when the Canadian tax-payers are footing the bill for bargain-basement prices. There might have been some consolation in Canadian ownership of many of the uranium mining companies except that they seem to be more inclined to invest overseas than to create jobs at home.

One of the ironies of the CANDU sale to Argentina is that our governments seem to share the same export-oriented, energy-centered strategy for economic development. This similarity appears more than accidental when we consider our respective relations with the international bankers. Canada borrows more money overseas than any other country and Argentina tops the list among third-world nations. Both countries face the necessity of increasing exports to pay off their debts. The difference is that the Canadian government has adopted the export strategy to sustain our prosperity while the junta in Argentina is desperately trying to avoid bankruptcy.

The following companies were involved in the manufacture of components for the CANDU reactor sold to Argentina. They are all foreign-owned.

**Canadian General Electric
I.T.T. Grinnell
Babcox and Wilcox Canada Ltd.
Standard Modern Tools
Bingham Willamette Ltd.
Westinghouse Canada Ltd.
Canadian Vickers
Britol Aerospace
Combustion Engineering Superheater Ltd.
Taylor Forge Canada Ltd.**

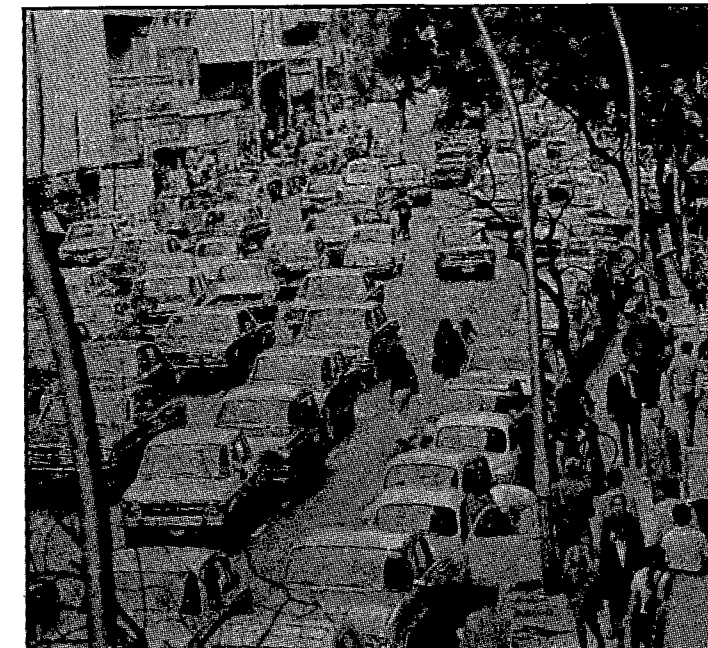
Conclusion

There are several aspects of Argentina's history which will be easily understood by Canadians. The consequences of developing an economy on the basis of exporting staples - furs, wheat, wood, minerals, oil - are as familiar to the prairie farmer as they are to the northern miner who has just been laid off. In both cases, the international market determines his well-being and the usual pattern is a cycle of boom and bust.

We can visualize the importance of railroad building in establishing the centres and patterns of economic development. Buenos Aires has served as an even more important centre of export trade and transportation than Montreal because it was the only outlet to Europe and North America for the lower half of South America.

Protection of domestically owned industry with tariffs and other measures has always been a central issue of Argentine political life. There, as in Canada, the agricultural interests fought for free trade to secure access to foreign markets and relatively cheap imports. In both countries, manufacturing interests sought to control the domestic market for themselves. The consequences for who owns and controls our respective economies have been remarkably similar even though the political consequences have been quite different.

In economic terms, Argentina's domestic manufacturing interests seem to have been in a better position in relation to foreign competitors and investors than



Modern Buenos Aires

were their Canadian counterparts in the early part of this century. The implicit tariff raised by the distance of the Argentine market from European and American suppliers may partly explain this strength. The concentration of agricultural wealth in the hands of a small class of landowners helped to create large pools of domestic capital for investment in manufacturing. However, domestic industrial interests have never been able to consolidate political power in Argentina.

The agricultural landowners won the free trade dispute in the 1850's when Manuel de Rosas was overthrown. The conservative oligarchy which established its political control of the country with that victory also threw out the liberal regime of Yrigoyen in 1930, with the help of the army. In both cases, the domestic manufacturing sectors were undermined by the free trade policies of the conservative regime which followed.

It is tempting to suggest that the semi-feudal system of land tenure in Argentina's early development made the conservative (free trade) economic and political interests stronger than in Canada. They also took a different form in as much as Canada's small agricultural landowners became the base of a progressive political movement after losing to the manufacturers in the fight over free trade. Canada's industrial interests had won protective measures in the form of the National Policy at a much earlier stage than their Argentine counterparts. Paradoxically this may have hastened the process of foreign takeover in Canada although Argentina's experience suggests that it could not have been avoided in the longer run.

It is also tempting to suggest that conservative influence in the armed forces enabled the agricultural interests to maintain themselves in power. They survived beyond the time when their relative importance in economic terms had been outweighed by the development of a large industrial sector. The willingness of the conservative oligarchy to use force to maintain themselves in power will seem bewildering to Canadians and cannot be satisfactorily explained here. However it seems appropriate to point out that few societies have made the transition from a feudal to an industrial econ-

omy without considerable political violence. Whatever the explanation, Argentina's industrialists must have felt that the political corollary of their economic power was being frustrated by the armed allies of the old oligarchy.

The subsequent importance of the military in Argentina's political life can hardly be denied. The current militarization of daily life in Argentina must make us all exceedingly wary of the consequences of the use of armed force in the settling of domestic political disputes.

Parallel to the development of Argentina's elite classes, was the growth of a working class movement which is today fighting for its life against the military regime. Like the military, the roots of its history lie in the semi-feudal economy. The agricultural workers who were drawn or driven to the industrializing cities of Argentina carried with them a history of struggle. The first industrial workers were not the sons and daughters of small, independent producers as in Canada. Argentina's agricultural workers had to fight the landowners and their armed allies for living wages and decent working conditions. Many of them died in the battle.

Juan Perón's initial popular support came from the "descamisados" - "the shirtless ones" who had come to the city in search of work with that legacy behind them. They were called "descamisados" because they had nothing to lose - not even the shirts off their backs. Perón was able to build their hope for a better future into mass support from the labouring classes of Argentina for his economic and political program. However, mass support was not enough to sustain Perón's regime when his economic designs faltered.

The industrial elite, with its political designs stymied, had seen some hope for their own futures in the anti-communist and anti-imperialist elements of the Peronist project. Argentina's agricultural elite resisted the political consequences of industrialization; the industrialists attempted to resist the consequences of foreign penetration of their economy by allying themselves with the working class. Both the agricultural and industrial elites learned to use the armed forces in the pursuit of their interests.

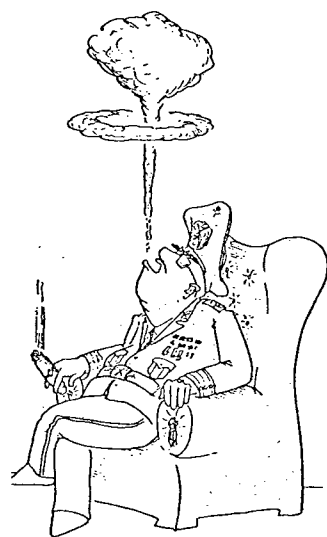
Thousands of Argentina's working people died in struggles against the landowners; thousands more have been butchered in industrial struggles. Today the armed forces seem to be pursuing the legacy of rule by force in the interests of their own national project.

Canada's CANDU reactor is a potent symbol of that new design. It embodies the junta's ambitions for military power in the southern hemisphere and their economic development strategy. The reactor will not go into operation until 1980 and requires the continuing cooperation of AECL to be successful. The No CANDU for Argentina Committee has called on the Canadian government to suspend that cooperation until full human and trade union rights are restored, all political prisoners are freed and new elections are called.

The Canadian government can stop Argentina's CANDU from going into operation; they can stop a regime which is at war with its own people from developing the capacity to destroy many more. On behalf of Canada's working people, they can protest the use of force by Argentina's military junta against the people of that country by striking at a powerful symbol of their oppression. The government will not do it unless we demand it. The No CANDU for Argentina Committee deserves the support of all Canadians.

FOOTNOTES:

1. Latin American Political Report, April 29, 1977.
2. A more detailed discussion of the basis of the alliance which brought Peron back to power can be found in the *Latin American Perspectives* special issue, "Argentina: Peronism and Crisis", v. 1, no. 3, Fall 1974.
3. NACLA, "Hour of the Furnaces", pp. 14.
4. A useful and brief discussion of Argentina's early history appears in Marcel Niedergang, *The Twenty Latin Americas*, (Pelican Books, 1971).
5. Eduardo Galeano, *Open Veins of Latin America*, (Monthly Review Press: New York, 1973) pp. 200-06.
6. Ibid.
7. Juan Eugenio Corradi, "Argentina and Peronism: Fragments of the Puzzle", *Latin American Perspectives*, op. cit., pp. 9.
8. "Hour of the Furnaces", op. cit., pp. 20.
9. Ibid., pp. 20-1.
10. NACLA, "Argentina: AIFLD Losing Its Grip", *Latin American and Empire Report*, v. VIII, No. 9, November 1974, pp. 3.
11. *Argentina: the Trade Union Struggle*, available from the Argentina Support Movement, 1 Cambridge Terrace, London NW1.
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14. Niedergang, op. cit., pp. 147.
15. "AIFLD Losing Its Grip", op. cit., pp. 4.
16. Alberto Ciria, "Peronism Yesterday and Today", *Latin American Perspectives*, op. cit., pp. 24.
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19. For a more detailed examination of this period see "AIFLD losing Its Grip" and Ciria, op. cit., pp. 25-34.
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21. Amnesty International, Report of November 1976.
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24. NACLA, *Latin America and Empire Report*, Jan. 1977.
25. *Argentina Outreach*, Sept.-Oct. 1977.
26. *Latin America Economic Report*, Nov. 11, 1977.
27. *Latinamerica Press*, Nov. 24, 1977.
28. *Latin America Economic Report*, Nov. 11, 1977.
29. *Latinamerica Press*, Nov. 24, 1977.
30. L. Shoup and W. Minter, *Imperial Brain Trust*, (New York: Monthly Review Press, 1977) pp. 138.
31. *Denuncia*, English Edition, Berkeley, Ca., Dec. 1977, pp. 4.
32. *Denuncia*, Nov. 1977, pp. 8.
33. *Denuncia*, Dec. 1977, pp. 4.
34. *Latin America Economic Report*, Nov. 25, 1977, pp. 222.
35. "Energy holds the key", *Canadian Business*, February, 1977, pp. 63.
36. "State Masterminds energy push", *Financial Post*, Jan. 21, 1978, pp. 11.
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38. *The Globe and Mail*, (Toronto: Nov. 26, 1975 and July 9, 1977).
39. *The Globe and Mail*, (Toronto: Jan. 20, 1978).



"Bargain Basement Candu and the Junta's National Dream" was produced by the Latin American Working Group for the No Candu for Argentina Committee 175 Carlton St., Toronto, Ontario (9605473)

The Canadian Government Supports the Military Dictatorship by Supplying Nuclear Technology

An important part of the Junta's approach to economic growth is the development of cheap energy sources. The Argentine generals plan to add 6600 MW by 1984. This growth will not benefit the Argentine people equally. The majority of households consumed more electricity 10 years ago than they do today. Prices are now going up an automatic 10 per cent every month to help pay for the new projects. The new capacity is designed primarily to supply relatively cheap energy for foreign-owned and financed industry producing for the export market, using cheap labour.

Most of the new capacity will come from conventional sources but 600 MW is expected to come from a Canadian CANDU reactor presently being installed near Cordoba, one of the country's most important industrial centres. Although it represents only a fraction of the planned generating capacity, developing a nuclear capability has strategic importance for the military government.

Atomic Energy of Canada Limited (AECL) recently renegotiated the CANDU sale but will still lose an estimated \$130 million on the deal. This loss will ultimately be born by the Canadian taxpayer. Anxious to close the deal, AECL put up \$2.5 million to help convince the right people in Argentina to buy CANDU. The money was apparently used for bribes. The sale was financed by the government-owned Export Development Corporation under special authority of the Cabinet. If the government didn't know what AECL was doing, they should have.

The Junta estimates they are capable of producing 90 per cent of the materials and equipment used in a nuclear reactor without outside assistance. Argentina has considerable uranium resources and will be able to produce most of the major components of a nuclear reactor by 1980 - if they have any scientists left. A number of scientists have been arrested, only to have their work brought to them in prison. Other scientists sent to Canada for training have chosen to remain in exile rather than return home to prison.

The Press Is Under Attack

Attacks on journalists and the press have made it extremely difficult to piece together from outside a full picture of political repression in the country. Kidnappings and unexplained disappearances of reporters have become commonplace. AMNESTY INTERNATIONAL, reporting on a mission to Argentina in November of 1976, estimated there were then between 5000 and 6000 political prisoners. The figure is closer to 10,000 today.

On October 2, 1977, the Canadian Council of the United Auto Workers passed a resolution calling on the Canadian government:

"...to cease doing business with these tyrants,....we shall not stand by idly and see our fellow workers in that country suffer this systematic destruction."

Disappearances are impossible to estimate accurately. The military government established a register for unexplained disappearances but set a limit of 40 per day to the number who could be reported. In the last week of May 1976 there were 200 writs of *habeas corpus* filed in Buenos Aires alone. No one has been able to estimate the number of deaths resulting from political violence. The Junta officially reported 1,354 in 1976.

The Church Has Spoken Out

The Roman Catholic Church, responding to the imprisonment and murder of priests and nuns, issued a statement in May 1977, condemning the military government's violations of human rights and economic policies. The Argentine Conference of Bishops decided silence "would be an act of infidelity. No theory of collective security...can nullify the rights of the person....a mistaken concept of personal or social security has led many to tolerate and even accept violations of the most elementary human rights. It has also led to the acceptance of murder of the enemy, moral and physical torture, the illegitimate deprivation of liberty, or the elimination of all those who are presumed to be aggressors."

The Military Junta Cannot be Trusted to Exploit Nuclear Energy Solely for Peaceful Purposes

The CANDU reactor and the

technology which is being developed by Argentina produces plutonium, the basic ingredient of an atomic bomb. The Junta has refused to sign the International Non-Proliferation Treaty. The military boss of their nuclear project claims that, "All it does is disarm the disarmed."

Allan J. MacEachen, former Minister of External Affairs, apparently agrees. "There are legitimate objections which can be taken to that treaty on the grounds of national sovereignty and the existence of dis-

crimination," he says. That's like saying we should finance the sale of guns to criminals because to refuse would be discriminatory.

Canada has no reasonable prospect of controlling the use of CANDU technology or by-products within Argentina. Nor are there assurances that the Junta will not export its own nuclear capability to other Latin American countries. Recently they agreed to transfer nuclear technology to the military government of Peru. Their intent is to develop a leading position in nuclear technology in Latin America and thus to secure economic and military power.

Canadian officials try to excuse their apparent disregard for the safety of the world by claiming that markets must be developed for Canadian manufactured heavy equipment. It is difficult to see how that objective will be served by the Argentinian sale when the Junta intends to develop their own reactor and perhaps market it to other countries. Buying CANDU simply enables the generals to develop their own industry more quickly.

Wouldn't Canadians rather produce for the peace and well-being of the world than for its destruction?

Is this the kind of deal that Canadians want their government to make?

Is the CANDU sale so important to Canada's economic future that we have to underwrite a huge loss and make ourselves party to international bribery?

Canada is supplying a technology capable of destroying the world to a regime which murders and tortures.

The sale of CANDU to Argentina must be suspended, all further shipments of materials stopped and no further assistance given in the development of nuclear technology until such time as:

1. New elections are called under the provisions of the Constitution.
2. Full trade union rights are restored including the right to strike and the right to free collective bargaining.
3. All political prisoners are released.
4. Adequate assurances that nuclear technology will be used only for peaceful purposes are provided, including signing of the Non-Proliferation Treaty.
5. Basic human rights including freedom of speech, assembly and fair trial are restored.

WHAT YOU CAN DO

1. We can assist you with speakers and films for a meeting of your union local, church group, service club, or other group. If you need additional material for any purpose contact us at:

**NO CANDU FOR ARGENTINA
175 Carlton St.
Toronto, Ontario
Telephone: (416) 960-5473**

Your financial support would be appreciated.

2. Pass a resolution supporting our demands and communicate your decision to Prime Minister Trudeau and the Honourable Don Jamieson, Minister of External Affairs, c/o House of Commons, Ottawa. Send us a copy.
3. Write a letter to the Prime Minister and the Minister of External Affairs expressing your personal concern and supporting our position.
4. Use this pamphlet as the basis of an article for your organization's newspaper or a letter to the editor of your local newspaper.
5. Organize a day of concern in your factory or place of work and include a study session using this pamphlet. Again, we can help with additional material and speakers.

This pamphlet was produced by the
NO CANDU FOR ARGENTINA COMMITTEE
a coalition of labour, church, civil rights and other organizations.

Initial supporters of the NO CANDU FOR ARGENTINA COMMITTEE include: Canadian Labour Congress (CLC), The Group for the Defense of Civil Rights in Argentina (GDCRA), The Latin American Working Group (LAWG), The United Auto Workers (UAW), Voice of Women (VOW), Project Ploughshares, Ontario Federation of Labour (OFL), United Electrical Workers (UEW).

