

To die for

Being a trade union organiser in bottling plants used by Coca-Cola in Colombia is a dangerous business - they are prime targets for death squads. Can Coke be held responsible? Mark Thomas follows the trail from Bogotá to New York

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Downtown Bogotá may proclaim itself a modern city with skyscrapers and a financial centre, but the world of international commerce seems far away as we pass old men selling cigarettes from trays and cramped shops with their stock spilling out on to the pavement. In minutes we move from the morning havoc of the backstreets into Teusaquillo, where the roads are slightly wider and the craters fewer. The well-to-do used to live here, but they moved on long ago, leaving it to human rights lawyers, civic groups and non-government organisations. We stop at a house with a low brick wall.

The graffiti that used to read “Death to trade unionists!” has been painted over. Now there is nothing to announce that this ordinary house is home to Sinaltrainal (Sindicato Nacional de Trabajadores de la Industria de Alimentos - the National Union of Food Industry Workers). This is the biggest trade union in the “Coca-Cola system” in Colombia, representing more than half the organised Coke workers - although, after more than a decade of attacks and intimidations, the membership is nothing like as big as it once was. Current membership in plants where Coca-Cola is bottled is only 350.

This building is where we meet two men, Giraldo and Manco. They arrive on different days and give their testimonies separately, but they tell the same story. Campaign posters in the room where we talk demand boycotts and justice; the images are of handguns painted in the company colours of red and white. The names and pictures of dead trade unionists are everywhere. Giraldo and Manco knew these men, they were friends and relatives. Now they speak of how they died.

Oscar Alberto Giraldo Arango is 42, but he carries a few more years on his shoulders. Colombia is the most dangerous place in the world for trade unionists - since 1986, 2,500 of them have been killed. “To be a trade unionist in Colombia is to walk with a gravestone on your back,” the two men told me the first time we met - and they looked as weary as if they had physically borne their stone.

Giraldo was raised in Carepa, Urabá, in the north-west of the Colombian countryside near the Panama border. He started work bottling Coca-Cola in 1984, at the Bebidas y Alimentos de Urabá (Drinks & Foods of Urabá) bottling plant. When he told his friends, they congratulated him on landing such a good job. And it was, too. The union had done well for the men, securing bonuses, overtime and health benefits. But this was not to last. Graffiti announced the paramilitaries’ arrival in Carepa in 1994: “We are here!” Shortly after the graffiti appeared, so did the bodies.

The first Coca-Cola worker and trade unionist in Carepa to be assassinated was José Eleazar Manco, in April 1994. The second was killed days later on April 20. He was Giraldo’s brother, Enrique. In the mornings, Enrique travelled to work on the back of a friend’s motorbike. Three men emerged from the side of the road and aimed guns at the bike, forcing it to stop. Enrique was dragged off into the bushes.

When Giraldo got to work, everyone was talking about the kidnapping; soon, anxious speculation turned to mourning. Another man arriving had seen Enrique’s body dumped at the side of the road.

The Colombian paramilitary groups were spawned in the conflict between the state and revolutionary guerrillas. In 1982, officers under General Landazábal, the defence minister, worked with multinationals and cattle ranchers to organise and fund “defence groups”. Ostensibly they were to fight leftwing insurgent groups, but increasingly the paras, as they are known, became entwined with the drug cartels and the army. They formed death squads, attacking and killing anyone considered to support the leftwing guerrillas - basically anyone working in human rights or trade unions. It is a common refrain among the establishment and security forces that the guerrillas and trade unionists are one and the same.

Carlos Castaño, leader of the paras, claimed that 70% of his organisation’s funding came from the cocaine industry. But he was also an ardent supporter of neoliberal economic policies and of multinational investment in Colombia - so why shouldn’t national and international companies support them? In a newspaper interview, Castaño maintained there was always a reason for the paras’ attacks. “Trade unionists, for example. They stop the people from working. That’s why we kill them.”

The International Trade Union Confederation (ITUC) puts the conviction rate of trade union murderers at 1%. Certainly President Alvaro Uribe has shown little inclination to rectify this situation. “There are no assassinations of workers in Colombia,” he has stated, adding that there are “rotten apples” in the trade union movement.

Giraldo has lived with the story of his brother’s murder for 14 years. No one has been charged with Enrique’s murder. “There wasn’t very much of an investigation,” he says. Almost a year to the day later, another Sinaltrainal leader working at the Coca-

Cola plant in Carepa was killed. His name was Enrique Gómez Granado, and on April 23 1995 he was shot on his doorstep in front of his wife and children.

When the surviving union leaders were threatened and intimidated, it became blindingly obvious that there was a campaign against the union at the Coca-Cola plant. These men were followed as they left work, cards were delivered to their homes saying, "Go now or face death!" The union leadership fled to Bogotá en masse, which left the workers at the Carepa plant with no effective union. So they began meeting in secret. "We agreed to set up a new underground union," Giraldo says. The president was Luis Hernán Manco Monroy (Manco), whom I was to meet in Bogotá a few days later.

As president of the newly formed union leadership, Manco helped draw up a proposed collective agreement, and the union came out into the open. "We informed Coca-Cola that we had new leadership, so we started having meetings with the management at the Coca-Cola plant."

The manager at the time, they allege, knew and socialised with the paramilitaries. On one occasion, Manco said, the manager sat drinking with the local commanders outside the plant. "There was a meeting with Cepillo and Caliche [the commanders] at the kiosk - they were drinking with the plant manager, and he said that if he wanted to end the union, it would be very easy." Giraldo says they were not overly concerned at the time: "We didn't know how bad it would get." They were soon to find out. December 6 1996 was Carepa's darkest day.

The body of Isidro Gil lay inside the plant. The first bullet had hit him between the eyes. The remaining five shots were fired out of spite or bravado. Another Coca-Cola union leader had been disposed of.

The two paras who killed him had arrived by motorbike and gone to the security hut by the main gates, where Isidro was working. Manco was working on a machine nearby. The manager had disappeared and was nowhere to be found. "The production line stopped," Manco says, "but we stayed there in the afternoon because we were too scared to leave ... Not working, just waiting there."

Another trade union organiser, Adolfo Luis Cardona, nicknamed El Diablo, a local footballer of some renown, had also seen Isidro killed. While his friends and workmates waited in the plant, he went to Carepa. The paras spotted him and called out that the local para commander Cepillo wanted to see him. "Come, nothing will happen," they said. "Get in the lorry, we will drive you there." El Diablo made a fateful decision. He ran. He took off down the village street, screaming, "Van a matar a mí!" - they are going to kill me. He ran towards the police station, four blocks away. Behind him, the paras gave chase, one on motorbike, the rest on foot. They were hunting him down in broad daylight. None of the onlookers in the street did anything. El Diablo burst into the police station begging for protection and sanctuary.

The police all but shrugged: "What can we do?" But they did escort El Diablo home, waited while his family packed and then drove them to the airport. The family went first to Bogotá and then on to the US, where El Diablo lives today.

The morning had seen the murder of Isidro Gil, the afternoon the attempted abduction of El Diablo. That night, Sinaltrainal's offices in Carepa were firebombed and burned to the ground.

Manco had gone into hiding, but the following day Cepillo sent out messages that he wanted to talk. Manco agreed. The meeting was held at an ice-cream shop in Carepa. Two other union men arrived with Manco to find Cepillo - a chubby man, aged about 25 - at a table with a group of paras. "Cepillo said they had killed Isidro and burned down the headquarters. And they said the union was over, that the union was the guerrillas," Manco says. The paras issued their orders. At 9am the following morning, all Sinaltrainal members were assembled at the Coca-Cola bottling plant. There the paras made them sign letters resigning from the union. The letters were apparently prepared by a man who worked for the company.

The union in Carepa was smashed. The leadership was in hiding, exiled or dead. The members, cowed by guns, threats and intimidation, had signed away their rights. Meanwhile, the managers of the plant introduced a pay cut - according to Sinaltrainal, the wages for experienced workers dropped from between \$380 and \$450 a month to \$130 a month: Colombia's minimum wage. When asked about this, Coca-Cola failed to respond.

In Bogotá, Manco and Giraldo tell how they lived for six months in the union office - there was nowhere else for them to go. Eventually, Giraldo's family came to join him in Bogotá and he moved out. He has not had a full-time job since. "I haven't been able to earn much. I have just been doing odd jobs with three- or four-month contracts ... Sometimes days go by where we have no food."

Manco says it's horrible being forced to remain in Bogotá. "I lost my house, my family, everything." His family stayed in Carepa. "Serious charges demand a serious response," said the Coca-Cola company CEO Neville Isdell, referring to allegations of abuse by the company's Colombian bottlers. According to Sinaltrainal, the murders at the Carepa plant were part of a countrywide campaign against the union. They claim seven trade unionists have been killed by paramilitaries, the bottlers have links with the paras, and the bottlers are accused of union-busting, intimidation and harassment of workers.

What was the Coca-Cola Company's response? Its website displays the only public audit by the Coca-Cola Company into their bottlers in Colombia. This was conducted in spring 2005, more than eight years after Isidro Gil was shot dead. Intriguingly, the

audit conducted by the Cal Safety Compliance Corporation focuses on compliance issues: the report notes several health and safety breaches, including the absence of a protective guard on a syrup container at one plant, the incorrect number of fire extinguishers at two plants, and incorrect documentation for an employee at one plant. I am happy to report that the appropriate remedial action has been taken to comply with health and safety regulations. To this day the Coca-Cola Company itself has not investigated the alleged links of Colombian bottling plant managers with the paramilitaries.

From the outset, the company's Atlanta headquarters denied "any connection to any human-rights violations" and distanced itself from the bottlers, saying, "The Coca-Cola Company does not own or operate any bottling plants in Colombia." This is the standard use of the "Coca-Cola system", operating as an entity but claiming no legal lines of accountability to the Coca-Cola Company. Coca-Cola does not own the bottling plants; the bottlers operate under a franchise. But the case here is similar to that of Gap and Nike in the 90s. In these instances, the clothes giants had outsourced their production to factories in the developing world that operated sweatshop conditions. It was not Nike or Gap that forced the workers to do long hours for poor pay, it was the contractors. However, campaigners insisted the companies should have enforceable human rights standards applied throughout the supply chain, compelling the companies to take action. The argument was then, and is now, that no matter where the human rights abuse occurred, if it's your name on the label, then you're responsible for sorting it out.

In the Coca-Cola Company's case, the argument is made more compelling by the fact that although it franchised Coke production to Bebidas y Alimentos and Panamerican Beverages (Panamco), Coca-Cola held 24% of Panamco's shares - a controlling interest. Which gives it considerable clout in how the business is run.

This view of the company's responsibilities is shared, in particular, by Councilman Hiram Monserrate from New York City. He represents a large Latino community and became aware of the situation through some of his constituents. And so I visit New York for the first time, to talk to him.

Monserrate represents District 21 in Queens, across the East river from Manhattan, where the houses and salaries are much smaller. An ex-marine, he has the politics of a Queens Democrat, a combination of liberalism on issues such as immigration mixed with a strong populist streak. He has been a persistent critic of the Coca-Cola Company since 2004. He worked with New York City's pension fund on how they might use their stockholding in Coke to influence the company, tabling critical resolutions at shareholders' meetings. He has spoken out against the company on US campuses, with students subsequently boycotting Coke.

The councilman was introduced to Sinaltrainal's officials in New York in 2003 and found their tale compelling enough to help organise a delegation to Colombia in 2004. "I wanted to know more," he says. "At the very least it seemed to me there had to be some truth in what the workers were telling me. That labour reps and workers were being killed." While planning for the delegation, Monserrate decided he ought to invite the Coca-Cola Company along, too. "We have to have some fairness. They could have been a partner in this delegation. They refused."

Monserrate's 2004 report found a lack of action by the Coca-Cola Company and the bottlers, and an alarming laissez-faire attitude. Although the delegation was denied access to Coke's bottling plants, Juan Manuel Alvarez and Juan Carlos Dominguez, representatives of Coca-Cola Femsa (a huge bottling company operating in several central and South American countries, including Colombia) did meet them. The delegation asked what they had done to investigate the allegations of ties between plant managers and paramilitaries. At first "these allegations were vigorously denied", the report states, but continues, "Alvarez and Dominguez acknowledged that Coke officials had never undertaken any internal or external investigations into these assertions, nor into any of the hundreds of human rights violations suffered by the company's workers."

Monserrate leans forward: "Isidro Gil was killed inside the bottling plant. That alone, to me, puts the onus on the Coca-Cola Company..." He nods his head and stares at me, as if he were Robert De Niro. "There's a causal relationship between the trade unionists' deaths and working at Coca-Cola. So, at the very least, the company in Atlanta has an obligation to try and get to the bottom of it ... Coca-Cola, just like any other major corporation, has a responsibility to be responsive corporate neighbours. You can't just chalk it up to the politics of the country. You're Coca-Cola and your logo is worldwide and it started here in America.

"I mean, we wouldn't accept it in America. Could you imagine if, in a Coca-Cola plant in the US, a worker was killed because he was part of the union - what kind of outrage there would be." Coca-Cola represents American capitalism, he says. "And American capitalism should never be about allowing your workers to be subject to violence or death because they are organising to defend their rights. What does it say about America?"

The Carepa murders were the starting point of a new saga of violence and intimidation for the union. Sinaltrainal decided to take action. In July 2001, they brought a lawsuit in the US against the Coca-Cola Company and its Colombian bottlers; and in 2003 they initiated a call for an international boycott of Coca-Cola products.

The bottlers retaliated by taking the union to court, claiming that in bringing the US lawsuit the union had libelled and defamed them. The bottlers even went after 500 million pesos in damages. In 2004, the case was dismissed as being without merit. According to Coca-Cola, over the years the Coca-Cola bottlers have frequently and publicly denounced violence against union members.

Sinaltrainal's lawsuit has had mixed fortunes. It began in July 2001 when the United Steelworkers of America union and the International Labor Rights Fund filed an Alien Tort Claims Act (ATCA) suit on behalf of Sinaltrainal in the US Federal Court in

Miami. (The act allows for companies and individuals to be taken to court in the US for complicity in the crimes of kidnap, torture and murder committed outside the US.) The suit, claiming \$500 million compensation for the plaintiffs, alleges that the bottlers Panamco and Bebidas y Alimentos “contracted with or otherwise directed paramilitary security forces that utilised extreme violence and murdered, tortured, unlawfully detained or otherwise silenced trade union leaders”, and that the Coca-Cola Company as the parent company bore indirect responsibility. The Colombian bottlers deny the charges.

The Coca-Cola Company argued that the Colombian bottlers were separate companies, so Coca-Cola had no case to answer, stating, “We deny any wrongdoing regarding human rights or any other unlawful activities in Colombia or anywhere else in the world” and adding that, “The Coca-Cola Company does not own or operate any bottling plants in Colombia.”

The union’s legal team argued that the Coca-Cola Company exerted control over its bottlers by way of a legal agreement, called “the bottlers’ agreement”. The argument went thus: the Coca-Cola Company licenses the production of its drinks, it provides the syrup with which to make them, and dictates the types of bottles, cans, industrial processes, adverts and promotions that the bottlers are to use. Thus it exerts a degree of legal and economic control. Furthermore, the Coca-Cola Company not only possessed “a controlling 24% interest” in Panamco’s stock, but had two seats on Panamco’s board.

In a landmark ruling in March 2003, District Court Judge Martinez ruled that the case against Panamco and Bebidas y Alimentos could go ahead - the first time a US judge has allowed a case against a company for alleged human rights violations committed overseas to be heard under the ATCA. But the judge dismissed the case against the Coca-Cola Company on the grounds that the “bottlers’ agreement” did not give the company explicit control of labour issues over the bottler.

Neville Isdell, Coca-Cola chief executive officer from 2004-2008, and current chairman of the board of directors, told the 2005 annual meeting of shareholders, “There are no threats or attempts by management to attack or intimidate workers for being affiliated with a union ... The people employed by our Colombian bottling partners work in facilities where their labour and human rights are respected and protected.” It was noteworthy that the CEO of the world’s most popular brand felt compelled to defend the company, which also says that it meets regularly with Colombian government ministers in an effort to stamp out violence directed at union organisers.

In 2006, Judge Martinez reversed his previous decision and dismissed the case against the bottlers, now arguing that the case could not be brought in the US because of “lack of ... jurisdiction”.

Sinaltrainal lawyers submitted an appeal on both rulings on March 31 2008, and a result is expected by the lawyers in 2009. If successful, it means the case can be heard and Sinaltrainal will have its day in court in the US with both the Coca-Cola Company and their bottlers.

Across the world, the Coca-Cola boycott had mixed results. In Dublin, Trinity College and University voted to “Kick Coke off Campus” and refused to stock its products in student-run facilities, as did New York University and Michigan University in the US. They were joined in the UK by Sussex, Manchester and Middlesex universities, and London’s School of Oriental and African Studies. Even though the contracts with US universities are usually worth millions, kicking Coca-Cola off campuses is unlikely to dent the balance sheet of a company that last year made \$5.98 billion profit. But the accompanying media attention, and headlines such as “Has Coke become the new McDonald’s” in the Guardian, and the Nation calling Coke “the new Nike”, must surely be part of the reason it has seen its “brand value” drop. (Brand value is what turns a sweet, fizzy brown liquid into a product that is desirable and saleable worldwide. In 2007, Coca-Cola’s brand value was estimated by Business Week/Interbrand at \$65,324 million - top of the league, but \$2,201 million less than in 2005.)

Something had to be done. Publicly, Coca-Cola increasingly described the lawsuit brought by Sinaltrainal as an “out of date” allegation or “an old story”. But behind the scenes, it was involved in negotiations with the union to settle the case. Crucially, Martinez’s 2006 decision was not at a hearing of the case itself; instead, it was to decide if the US courts were the correct venue for the trial. And once Martinez decreed that the US courts did not have jurisdiction, this left the union lawyers free to launch their appeal, bringing the company back into the dock.

If the union lawyers were successful in their appeal, then the case would go to full trial and the Coca-Cola Company would face the legal procedure of disclosure, forcing it to hand over internal documents detailing its relationship with the bottlers. I can’t speak for the company, but I would imagine this prospect was about as appealing as syphilis. Six weeks before Martinez’s ruling, the Coca-Cola Company began to negotiate with Sinaltrainal, on August 19 2006.

When I asked Coca-Cola about these talks, it portrayed them as “fruitful and informative”. The purpose of the talks, the company said, was “to assess whether a mediated resolution of the parties’ differences could be achieved”. In short, it was looking to settle out of court, and with a settlement such as this comes money - a lot of money. How much? A barrowful. Although I cannot disclose the exact sum offered to Sinaltrainal and the plaintiffs in the lawsuit, it is my understanding that it had six noughts at the end of a dollar sign and a couple of digits in between.

If the company was offering money, what were the conditions attached to it? I spoke to Ed Potter, the Coca-Cola Company’s global workplace rights director, a man with intimate knowledge of these negotiations. I said to him that the company had history in this department: “Financial settlements are reached, but part of that financial settlement is that you don’t criticise us again, you

shut up, you go away.” Potter replied, “All I will say, as a general matter, is we’ve had several different resolutions ... You’ve described one of them.”

Sinaltrainal did not use the words “fruitful and informative” to describe the talks. “We were in a process that lasted almost a year and a half, where we talk and talk with them in order to find a solution to the conflict - and it didn’t give us any result at all,” says Edgar Paez, the union’s international officer. He is sitting in his office, by the same table where Giraldo and Manco gave their testimonies. The only reason Coca-Cola negotiated, he believes, was “because they don’t want us to keep reporting them [campaigning] ... What the company wanted was to buy the silence of the people involved. They give some money to the victims in order not to denounce the problem.”

The negotiations broke down in early 2008. Coca-Cola said “no final resolution was possible. An impasse was reached and no further discussions are anticipated at this time.” Arguably, the impasse was a result of the conditions of the settlement: Coke would pay millions of dollars, but anyone working for Coca-Cola Femsa and involved in the lawsuit had to leave their jobs - they could no longer work for Coke’s contractors. But more than this, they would be legally bound never to criticise Coca-Cola again. According to Paez, this would apply “not only in Colombia but everywhere in the whole world. They wanted us to sign an agreement that no one would denounce Coca-Cola any more, for the rest of their lives.” In effect, the agreement, if signed, would prevent them from campaigning against any multinational that Coca-Cola had business with. From the moment they signed until the day they died.

The end result of key members of the union having to leave - in effect, being gagged - would mean the end of the union. Sinaltrainal would cease to exist in the Coca-Cola plants.

The money was on the table and all Sinaltrainal had to do was agree and take it. So the men and women who had fought for the right to be in a trade union would become silent. For men such as Giraldo and Manco, the prospect of compensation was money they literally could only dream of.

The union refused to sign. They refused to be silent. Leaving the Coca-Cola Company with an “old story” that would not go away.