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# ***JPRS Report***

# **Latin America**

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# LATIN AMERICA

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## INTER-AMERICAN AFFAIRS

### BARBADOS, TRINIDAD-TOBAGO TRADE MAKING PROGRESS

#### Ease of Access

Bridgetown DAILY NATION in English 21 May 87 p 1

[Article by Reudon Eversley]

[Text]

BARBADIAN EXPORTS to Trinidad and Tobago are not running into as many difficulties as before in gaining access to that vital regional market.

News of the trade ease came yesterday from Minister of Trade and Commerce Evelyn Greaves after informal talks in Bridgetown with his Trinidadian counterpart Ken Gordon.

At the same time, Greaves said he would like to see local manufacturers adopt "a more positive attitude" to take advantage of available trade opportunities, rather than harping about problems in the system.

The informal meeting at the Trinidad and Tobago High Commission also involved the St. Kitts-Nevis Minister of Trade, Fitzroy Jones, and the Grenada Minister of State responsible for Labour, Felix Alexander.

Greaves told reporters: "To some extent, the system is working much better than it has worked before. We would want to see, naturally, a continued improvement in this particular area."

The improvement follows new trade arrangements worked out by the two countries, in which Trinidad and Tobago agreed to automatically grant foreign exchange in relation to licences approved for imports of Barbadian goods.

Local manufacturers had blamed a sharp fall-off in exports largely on the old system in which there was no guarantee foreign exchange

would be approved to cover licences.

Greaves said there were some snags in implementing the new system, and these have been brought to Gordon's attention. He also said Barbados had direct access to "a very high official" in Gordon's ministry to refer problems as they arose.

"We are hoping that with the passage of time, we will be able to eradicate as many of the snags as possible and that we will be able to get the automatic grant of licences and the necessary foreign exchange," he said.

In the meantime, Greaves urged local manufacturers to get on with the business of trading with Trinidad, making use of the existing opportunities.

"A government can do so much in terms of setting an environment for trade, but ... it remains for the manufacturing sector to get up and really push and one would expect that our manufacturing sector would be able to take advantage of what opportunities there are," he said.

"We know that there are complaints but we also think that there are possibilities for trade, and we would like to see a more positive attitude being displayed by our manufacturers."

Barbados incurred a BDS\$60 million trade deficit last year with Trinidad and Tobago, the largest export market in the Caribbean Community (CARICOM).

Greaves announced that he would be meeting soon with the Barbados Manufacturers Association (BMA).

## List of Products Involved

Bridgetown DAILY NATION in English 21 May 87 p 1

[Text]

PRIVATE SECTOR representatives from Barbados and Trinidad and Tobago have put together a list of products that should be eligible for preferential treatment in each other's markets.

Trinidad and Tobago's Minister of Industry and Enterprise Ken Gordon, in making the announcement here yesterday, indicated the list would play a vital role in efforts by the two countries to resuscitate and expand wider Caribbean Community (CARICOM) trade.

The list, which was completed at the meeting here last weekend, was requested by the trade ministers of Barbados and Trinidad and Tobago, following talks last month on ways of resolving bilateral trade problems.

"The problems of CARICOM trade in the Eastern Caribbean were largely between Trinidad and Tobago and Barbados more than anybody else, because they have a larger productive base," Gordon told reporters.

He went on: "We thought if we could create a basis of understanding, then it would make it easier for the other CARICOM countries to participate.

"That basis of understanding has now been created in so far as the private sector is concerned. They have made recommendations to their respective governments, and the proposal now is that you should take that further step forward and throw it open to everybody in CARICOM who wants to participate."

He said other CARICOM governments, not represented at yesterday's meeting, would be informed of the list and they would be free to make amendments so that the final document was genuinely reflective of all CARICOM countries.

The idea is that the list, about which the minister declined to give details, would be formalised at July's CARICOM Heads of Government summit in St. Lucia.

The list was drawn up after three meetings involving the Barbados Manufacturers Association (BMA) and the Trinidad and Tobago Manufacturers Association (TTMA).

The objective of the Barbados/Trinidad initiative is to expand the volume of CARICOM trade by 50 per cent from the present 12 per cent of total trade.

## Barbados Manufacturers' Comments

Bridgetown BARBADOS ADVOCATE in English 22 May 87 p 1

[Text]

PORT OF SPAIN, Trinidad, Thursday, (CANA) — Despite the dwindling consumer market in Trinidad and Tobago, Barbadian manufacturers will look increasingly here for sales, Barbados Manufacturers Association (BMA) President Al Knight said here today.

According to BMA officials, who arrived here today for an evening meeting with the local business community, there has been an increase in

the number of Barbados manufacturers seeking markets in Trinidad and Tobago in 1987.

"All of a sudden, over the last few months, the private sector and the public sector between the two countries are recognising that this is the way to go, that we cannot keep looking to the third countries for what we want to do," Mr. Knight told a news conference in Port-of-Spain this evening.

Mr. Knight and BMA Garment Group chairman, Lalu Vaswani, flew into Trinidad to try to persuade the business sector to attend Barbados' Manufacturers Exposition (BMEX) later this month.

### Up to private sector

"Maybe it is just up to the private sector to hit the road and start doing business," Mr. Vaswani said.

"In our own garment sector, we have already seen our buyers taking buying trips into Trinidad and this is a very new thing for us to hear. Typically, people go overseas meaning outside of the region and (it is) obviously a pleasant development that our buyers are obviously looking in the CARICOM market," Mr. Vaswani said.

"It is a market that we know and it is more difficult now to look at extra-regional sources to get into — a North American market where a one minute advertisement on a football game may be a million U.S. dollars," Mr. Knight said.

"I think that Trinidad is a market that we know and once there has been removal of the barriers, as seems likely, then you will see more and more Barbadians coming to Trinidad and

vice versa," Mr. Knight said adding that Barbados manufacturers would accept similar invitations to attend trade shows here.

The BMA representatives said promised removal of Trinidad and Tobago's 12 per cent stamp duty on Caribbean Community (CARICOM) goods and other promised changes in regional trade restrictions would take some time to begin showing concrete results in the respective manufacturing sectors.

### Can gear up

"Once things are happening then the manufacturers can gear themselves to those promises," Mr. Knight said adding that the private sectors now seemed willing to take part in the "framework of trust" being put together at the government level.

Barbados' High Commissioner to Port-of-Spain, Frank DaSilva, said the removal of the controversial duty by the new administration, scheduled for next month, would mean a "substantial" rise in employment levels in Barbados.

"If Barbados deepens its markets for Trinidad products, it means we can impact positively on each other and thus prepare ourselves for penetration of third countries," Mr. Da Silva said.

Exports of Barbadian garments fell from Bds\$16.9 million (Bds\$1 — 50 cents US) in 1984 to \$1.2 million last year, Barbadian officials said.

Mr. Vaswani said Trinidadian manufacturers had a high regard of "the quality standards we place on the rules of origin criteria."

/9274

CSO: 3298/244

BRIEFS

CARIBBEAN AIR CARGO--Georgetown, Guyana--Caribbean Air Cargo (CARICARGO) has been granted a licence to operate a freight service linking Barbados, Trinidad and Guyana. The licence was issued by the Director of Civil Aviation in Guyana yesterday, the Office of the President announced. The issuing of the licence to the jointly-owned Barbados and Trinidad and Tobago airline was a direct result of bilateral discussions Sunday and early yesterday between Guyana's President Desmond Hoyte and Prime Minister Errol Barrow of Barbados. The statement said the discussions were "on topics of bilateral interest" and that among the subjects discussed were co-operation in the field of civil aviation and fisheries. "The President and Prime Minister Barrow also explored new areas of economic co-operation," the brief statement said. The licence to CARICARGO, it added, has been issued "in the context of the talks" between the two leaders and the service "can begin immediately". President Hoyte, who flew to Barbados on Sunday for the talks, returned home early yesterday morning. [Text] [Bridgetown DAILY NATION in English 19 May 87 p 1] /9274

ILLEGAL CARIBBEAN FISHING--Road Town, 19 May (CANA)--Problem of illegal foreign fishing in the waters of countries of the Organisation of Eastern Caribbean States (OECS) is proving to be an increasing source of worry for the various member Governments. This was the focus of a meeting here, involving a four-member OECS task force and top Government officials. According to research officer, Brian Challenger, the OECS Governments have been concerned, for sometime now, about the level of illegal foreign fishing in their waters. "Under the new Law of the Sea, we are granted considerable marine space, and unfortunately, the countries lack the enforcement capability to protect those resources, leaving the countries open to exploitation," he said. There had been instances of foreign vessels fishing illegally in OECS waters without any agreement. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 20 May 87 p 5] /9274

CSO: 3298/244

LUPA INTERVIEWS ARMY LIEUTENANTS ON EASTER WEEK EVENTS

Buenos Aires LA PRENSA in Spanish 19, 20, 21, 22, 23 May 87

[Interview by Daniel Lupa with two army first lieutenants on 17 May; place not specified]

[19 May 87 pp 1, 4]

[Text] The opinions attributed to the subordinate Armed Forces officers (more specifically the army officers) who played leading and supporting roles in the events at Campo Mayo have varied from black to white, from infrared to ultraviolet. They have been described politically as "the same old Nazis" or the "fundamentalists." In no instance, however, have they been thought highly enough of to compare these assertions with the facts. The silence of the political operators who so describe their ideology is the best proof of this. We have never learned directly and accurately what the actors in the drama themselves think. Aside from an isolated, apparently unofficial and very personal remark by an officer at the perimeter of the Infantry School (he said that "we are defending the army of San Martin, Rosas and Peron"), we have heard no other specific political views expressed by the young officers who were involved in the incident that dominated Holy Week.

Therefore, it is timely to transcribe the open, informal dialogue that I held on Sunday 17 May with two first lieutenants who were about to be promoted to the next highest rank and whose circumstances and experiences are strikingly different. They were aware that the interview was to be published.

One of them is an infantryman, the other an artilleryman. One was involved in the final bursts of the war on subversion, but not in the Malvinas war. The other was not involved in the former but did fight in the latter. One of them was at the Infantry School and the other was not during the events at Campo de Mayo. One serves in a unit in the federal capital, the other in a unit in the interior. They are, thus, strikingly different, showing how unlike members of the military can be. For obvious and professional military reasons their names have not been disclosed, and they are identified only by their military specialties. In any event, however, their replies reflect "only personal opinions," which just might shed the most light on the issue of the ideology imputed to officers. The following is our conversation:

## The Danger of a "Civil War"

Question: Was there a real danger of a "civil war" during the Holy Week episodes?

Artilleryman: I think so, but not because the people at Campo de Mayo or the military officers supporting them wanted one, but because of potential unforeseen incidents. If groups of armed civilians had tried to break into the Infantry School, the forces obviously would have defended themselves. After that it's like a nuclear chain reaction.

Question: That's the civilians. And what if other army sectors had tried to crack down?

Artilleryman: They would have not come alone, and this would not have happened. But civilian groups are spontaneous or directed. But no army unit would have agreed to crack down.

Question: So there was no danger of a civil war because the army refused to crack down?

Artilleryman: It was largely just for that reason.

Infantryman: What the people at the Infantry School were looking at was that if they risked a "civil war," it would not have been their fault, it would not have been the army's fault. It would have been the fault of the nation's president, for having sent civilians into Campo de Mayo...And perhaps it would not have been his direct fault either, but rather of the people who were around him, who took action without gauging the danger that it entailed. The people inside had decided that if anyone managed to penetrate the school, they would first fire to intimidate, so that anyone who had nothing to do with an organized effort, and there were many of them, or had no intention of fighting (you could see people drinking mate, young guys with their girlfriends, until "revolutionary Peronism" arrived) could get out of there. And if anyone stayed...it was because they wanted to fight. That was our fear: having to confront a populace incited by "revolutionary Peronism." But the ones who were going to stay behind were the "revolutionary Peronists," not the people who were irresponsibly brought there.

Question: What difference did "revolutionary Peronism" make?

Infantryman: At first people arrived spontaneously. A half-hour later "revolutionary Peronism" (the political wing of the "Montoneros," to put it bluntly) arrived and started verbally attacking the people inside. At one point they pushed the front line of people who did not belong to "revolutionary Peronism" in a bid to force them into the school. But the people dispersed thanks to the provincial police, who did an outstanding job. Then, "revolutionary Peronism" remained alone in the front line.

## Civil War and the Future

Question: So there was no danger of civil war, aside from the pressure of "revolutionary Peronism." But is there a danger of "civil war" now, as congressional and political circles have been saying in debating the "due obedience" law?

Infantryman: I think so, but not from the Armed Forces or the government itself. There's a third party here, the Left, which is the most interested in seeing some sort of incident, a confrontation between the Armed Forces and the people, because they would profit the most. We know perfectly well that the leftwing movements are strong, even if they don't have many people behind them. Everyone they have is a combatant. If they send 1,000 people to a demonstration (there were 1,000 to 1,200 when the "due obedience" law was being debated in Congress), they're all combatants.

Artilleryman: And they can drag a whole lot of people along with them, people who have been tricked or whatever, but their ranks can swell.

Infantryman: And you can tell from their public acts, statements and proclamations in the papers: they're the only ones who don't want a reconciliation between the Armed Forces and the people.

## Coup D'Etat

Question: Was there also the danger of a coup d'etat during Holy Week?

Infantryman: No, because the people in the school never had any intention of staging a coup d'etat. One sector of the Armed Forces was making a statement as a representative of the entire military. Although there may have been some disagreement about the method, all sectors agreed on the objective, and at no time did the people who headed up the movement have any intention of winding up with a coup d'etat. The thing is that it was an "armed force," which creates an impression. But if you look at it differently, it's the same as when the group of "the 15" disobeys the CGT [General Confederation of Labor] or Ubaldini and raises its problems directly with Alfonsin.

Question: Does this mean that the Holy Week movement was a grievance-oriented movement of "military unionism"?

Artilleryman: If you thought that higher salaries were being demanded during Holy Week, then you could lapse into that sort of misinterpretation. But that was not the issue.

Infantryman: I was referring in my comparison only to the mechanics. Let's leave the objectives aside. The objectives of organized labor are salaries, social benefits.

Question: ...or working conditions...

Infantryman: Yes, but we were after something else. The comparison is valid only from the standpoint of mechanics, the demands or the differences within the institution and because it was an internal institutional matter.

Artilleryman: A military institution has nothing to do with a labor union. The objectives and the workings are fundamentally different. The people in the school and the entire army, which upheld the same ideals, had no intention of staging a coup d'etat. Their objective was to join society under a fundamental law such as the constitution, in which we all believe. This must be made clear. But a constitution that was truly respected and fully operational. If the basic law that governs a democratic system is not observed or respected or is not observed in its entirety (Article 18 of the National Constitution is an example), then the law is not being observed, because you're shunting aside a given segment or part of society for the sake of something subordinate to that law; because winning an election or not, or diverting attention from the basic problems that are worrying people by seeking to attach greater importance to one issue than to others that are of concern to the country, is distorting the law itself. Because the foreign debt or economic and social problems worry me as they worry any other citizen. So this is an attempt to divert the public's and the entire nation's attention from fundamental issues. And they are taking as their banner an issue that is debatable and has been debated for a long time.

[20 May 87 pp 1, 4]

[Text] Question: Your opinions notwithstanding, TV stations and politicians from the two largest groups were proclaiming that a "civil war" and a "coup d'etat" were imminent. Why did they make these assertions if such dangers did not exist? A lack of communication? A lack of understanding? Misinformation?

Artilleryman: I think that the purpose of those statements was to fill the Plaza de Mayo?

Infantryman: The measures that the government took to stage its "countercoup of psychological action" were a bit hasty. Moreover, let's not forget that the people in charge of psychological action and publicity in the government are quite "Gramscian" in their approach to politics. They were too hasty, and this was not so much the responsibility of the government either as it was due to a lack of information, information that was supplied to the government by the intermediate echelons, which were between the government and the rest of the Armed Forces.

Artilleryman: I don't think they knew what was going on in the army. And I even think that they don't know now. For example, I heard some very pretty ideas about the army coming out of the mouths of certain politicians, but they are technically impossible. I heard Dr Manzano say that the programs of military studies ought to be revised and that military personnel ought to attend college to learn judicial standards. My thinking is this: if you try to train a soldier with the mentality of a lawyer, when he has to go into combat or obey an order from the Executive Branch, he's going to enter the battlefield with a gun, not with the Penal Code. This entails a very

different mentality and training. If you say to me that all of us Argentines have to think alike, I agree, as long as you're talking about the point of convergence called the constitution, respect for the law, etc. But if you want me, on the battlefield, to behave like a lawyer or a doctor, that doesn't make much sense. We can't all think alike, uniformly, because there are different areas of specialization: in business, in hospitals...A cardiologist, for example, does not practice pediatrics.

#### Army Reform

Infantryman: Some politicians have good intentions in wanting to reform the army. Our army is not tailored to the conflict hypotheses that we ought to have and that do not exist now because the government has not approved them. But the problem is how to undertake such a reform. A politician can have every fine intention in the world but if he isn't familiar with the military from the inside, it does no good.

Artilleryman: Nor if he's unwilling to listen to valid advice.

Infantryman: And the advice can't come from CEMIDA [Military Center for Argentine Democracy] or UALA [Argentine-Latin American Unity] or similar sectors, as it always has in recent years, because these military officers are resentful of the situation that they lived through and are thus constantly attacking the army.

Question: You said that the intermediate echelons, in the relationship between the officers and the government, were unable to explain thoroughly what was going on. Are you talking about the top echelon that acted during Holy Week?

Infantryman: Yes, because those people did not know the army. I have a story to tell. A general, a brigade commander from a branch other than mine and, therefore, with ideas different from mine, when I was a second lieutenant, felt that what was being done at that point was bad. I respectfully told him at the time that he was wrong. The first question he asked me then was: "Aren't you afraid of a general?" "No," I replied, "because you're a human being just like me; you've been in the army longer, studied longer and have more experience, but you're just another human being. So why should I be afraid of you?" That's how these people think: you have to be afraid of them.

Question: So you're not afraid of the generals today...

Infantryman: No. And do you know why not? They're soldiers just like us. With more experience. But human beings just like us. My father was in the military, but that's no reason for me to be afraid of him. These people lived in another army, a different one from today's. A general was someone who lived in a specific place, without much contact with the troops and left a lot up to subordinates, and this new army has a different approach.

#### The New Army

Question: So, is the current army a "new army"?

Infantryman: I think it's going to be a "new army." It isn't yet.

Artilleryman: The seed of this new army appeared in 1982.

Question: Yet the public's impression is that in 1982 the army couldn't fight, couldn't win or didn't do things well.

Infantryman: That's just part of the public. What we lacked in the Malvinas was leadership, planning. At the lower tactical level, at the level of the individual soldier, we fought well. But it does no good to throw punches unless you have a specific target. And in the Malvinas we lashed out wildly. There were a great many heroic deeds, but they were of no use because there was no coherent planning up above. Our generals were the commanders, but a soldier has to be in command. Command is an art that a person is not born with; he learns it gradually by getting to know people and having those people get to know him. This is the specific case of Lieutenant Colonel Rico. When I know my commander and he knows me, when my commander is at my side, not far away.

Question: Has this lack of a relationship, this mutual lack of familiarity between superiors and subordinates been remedied now?

Artilleryman: It may be on the way towards being remedied. The fact is that in the army, especially among the younger officers, there is a problem of mistrust; it arose in 1982. If a brigade commander who has his people in Prado del Ganso attempts to direct the brigade from Puerto Argentino, mistrust immediately arises. A general who orders his men to die cannot be 70 or 80 kilometers away.

Question: Are there closer ties now between the commanders and the officers?

Infantryman: I don't see them.

Artilleryman: It's too early to predict. Some 3 weeks have passed since the chain of command was restored.

Question: Is the chain of command restored?

Infantryman: Outwardly, I think so, but practically speaking, I don't know. I think so. But there's no reason to be hasty. Everything in due time.

[21 May 87 pp 1, 4]

[Text] Question: How much time does the government have to take the steps that you are demanding?

Infantryman: The government makes political decisions. And such political moves require time. We must not be so impatient as to demand everything "right away." We can't. Every player plays his game. They have their political game and need their "political time" to do a series of things.

Question: Does this imply that in the meantime you agree to the trials continuing and the prisoners remaining imprisoned?

Infantryman: Yes, in the meantime the trials continue and the prisoners remain imprisoned.

Artilleryman: And in the meantime, I think that serious mistakes are being made. For example, this "due obedience" law is exactly like the "punto final" and is going to cause more problems than it solves.

Question: Why?

#### Tactics and Strategy

Artilleryman: Because on the one hand there is a total ignorance, in my opinion, of what command or a chain of command means in the Armed Forces. They have sought to differentiate between tactical leadership and what they call strategic leadership. And so they said that from lieutenant colonel on down "due obedience" applies, and from lieutenant colonel on up, everyone will be tried. But there are colonels who are commanders of tactical units and have tactical responsibilities. Number two, if any politician cares to read the organizational and operational regulations of a staff, he will see that once a commander has made a decision, no one in the staff can question it. An order has been given. If the commander decides "I'm going to attack this way" and if the member of the staff does not obey the order, he is guilty of insubordination plain and simple...or disobedience; that depends on the specific infraction. Moreover, if a strategic commander receives a strategic military directive from his commander in chief, who is now the president, he cannot analyze the order and decide whether to obey it or not. As military personnel we analyze orders to determine how best to carry them out. If I'm ordered to take a hill, I decide what the best and fastest way is, how to minimize my losses and how to inflict the heaviest losses on the enemy. This is how orders are analyzed, not to decide whether they are just or unjust. We take it for granted that an order imparted by a superior is just; we do not ask for further details or try to find out higher-level details, because this would disrupt the entire planning process.

Moreover, however, the current horizontal rift in the Armed Forces is going to widen under this law. The law institutionalizes the rift because from a certain rank down it's "due obedience," and from that rank up, it's not. If you think about who the lieutenant colonels were back then, 10, 13 or 15 years ago, everyone excluded under the "due obedience" law is retired. This is going to cause a new division between active and retired officers. I don't know who could possibly say, "Well, now those of us on active duty are safe; let the retired officers work something out." No! No way! My father is a military man too, and even though he's not on trial, there's no way I want to see him called into question, just as I don't want to see anyone else called into question for loyally understanding and executing an order.

Question: A loyally imparted one too?

Artilleryman: That too.

Question: So this law would exclude the military juntas of the Process, which are accused of imparting the initial orders. And in your judgment they should not be tried and convicted either, should they?

Artilleryman: Correct. That's the way it should be. All of this confusion arises when combat shifts to the setting in which we live. It is this century's new type of war. Injustice reigns supreme in wartime. Therefore, soldiers, officers are often trained to tolerate injustice. That's what war is like: someone who doesn't have to die often dies.

Other Countries Have Learned from Argentina

Question: Is there any provision in military regulations about the death of civilians in combat? What happens when innocent civilians die during combat?

Infantryman: Yes, there are lists of casualties for soldiers and for civilians.

Artilleryman: But they are lists for traditional combat. There is no precedent in the regulations for this type of war. The world has always called it revolutionary war. Here we have tacked on another word: subversive.

Infantryman: Argentina is the only country in the world that has defeated a revolutionary war. And just notice how ironic it is: countries that certain people in our government look to as examples, like Germany and France, came here to learn about how we combated that revolutionary struggle.

Question: What countries?

Infantryman: France, Germany.

Question: When?

Infantryman: During the Process. They came to learn from us how to combat revolutionary war, because they foresaw that they would be confronting that sort of problem in due time. And then, during this government other countries have come too: Peru, Mexico, Venezuela, Brazil.

Question: Are they finding out how to defeat subversion on their own soil?

Infantryman: Precisely. Unfortunately, though, here the victory was partial, in the armed arena. Because unlike other Latin American countries, in which subversion has been based mainly on the armed struggle, here in Argentina, although it had its armed facet, the hardest facet to fight is cultural. And I think that unfortunately they are winning in the cultural arena.

[22 May 87 pp 1, 4]

[Text] Question: Are you saying that the subversives have won in the cultural arena?

Infantryman: Yes, I think that they have won. I think so.

Question: Winning means being in control...

Infantryman: And I think that they're in control.

Question: It has been repeatedly stated, and the president has concurred, that those who were calling for a reassessment of the trials and underscoring the need for an approach other than the current official one, were "the same old Nazis" or that the officials who got together at Campo de Mayo were "fundamentalists." What really is the political thinking or the philosophy of life of the military officers in your generation or of those who were involved in the Campo de Mayo episode?

Infantryman: Our army is categorically not "Nazi," nor is the group that was involved there "Nazi." If we assume that one of the things that unite the army, the entire Armed Forces and the Argentine people in general is our religion, the Catholic religion, then you would be saying that one can be a Catholic and a "Nazi" at the same time. That makes no sense, because a "Nazi" is an atheist.

Artilleryman: But don't assume that our Catholicism means that we do not respect any and all religions.

Question: Or someone who has no religion?

Artilleryman: Or someone who has no religion.

Infantryman: Of course. The fact is that our traditions come from Spain. Spain is Catholic, and besides our constitution clearly states that our country's religion is Catholicism.

Question: There is a major debate about whether "sustaining" religion has the scope that you and others actually say it does.

"We Are Not Followers of Lefebvre"

Infantryman: Of course, but I also want to clarify for you that we are Catholic but we are not "followers of Lefebvre" or "fundamentalists." We are regular Catholics, like anyone else in our country. Some more practicing than others. As for political ideology, well...there's a little bit of everything in the Armed Forces. In the Infantry School specifically, some of my comrades are...with the UCD [Democratic Center Union]; others are Peronists. I myself am a Conservative. Others belong to the MID [Integration and Development Movement]. There are also Radicals. But a military officer who is a Radical feels a bit put-upon now, he feels he's between the devil and the deep blue sea. How can someone say "I'm a Radical" when the party to which he feels legitimately sympathetic is constantly harassing him? So he stops being one. Maybe that's why you don't see that many Radicals in the army nowadays. It's not their fault; it's the government's fault for attacking what is dear to them. In short, there are people of every political ideology, and they are all respected. The thing is that luckily in the army we not engage in

politics. We do not argue about someone being a member of the MID or a Conservative or a Peronist or a Liberal or a Radical. No, we avoid such things. This is something personal; it's a right that a military man has, like any other citizen. And it's important. A military man cannot be apolitical. He's a citizen, like anyone else who has a liking for a certain party, certain people or certain things.

Pluralists, not "Fundamentalists"

Question: Would you describe it as a pluralist environment?

Infantryman: Precisely. Yes.

Question: Pluralism is at odds with "fundamentalism" or "Naziism."

Artilleryman: I would like to make a comment about "fundamentalism." I think that there is no one who is not a "fundamentalist." What do we mean by "fundamentalist"? Someone who has certain "fundamentals." Otherwise, he's a hybrid, and hybrids are dangerous. Right now the nation's president is, like many others, a "fundamentalist" about democracy. Others may be "fundamentalists" about "human rights." Others are "fundamentalists" about divorce, for example. Everyone has "fundamentals" to guide their thoughts and actions in a given situation and, in general, in leading their lives.

Question: And what are your "fundamentals"?

Artilleryman: I can tell you about my "personal fundamentals" because, as my comrade just told you a moment ago, there is a respect for pluralism in the army, since no one is ever going to argue about someone belonging to one party or another. Never in my career have I heard anyone called into question for this reason. I personally do not belong to or associate with any party, because although certain parties, or all parties to a degree, reflect my ideas about the country, no single one reflects all of them. In any event, I'm a "fundamentalist" about my country. Let's take an example, one that we were talking about before. The "conflict hypotheses." I can understand why our citizenry decided that Argentina should be a peace-loving country. Fine. I agree. Soldiers are the last ones who want war. When there's a war, soldiers are the first to go, if they're devoted and intellectually and spiritually honest. This does not mean that the country should be peace-loving with blinders on and stare into a vacuum. As it has been proclaimed, the current mistakenly pacifist policy is that Argentina no longer has enemies. This is not true. Historically we have had enemies. And we have them right now, and their combat reaction time is much shorter than ours, as in the case of Great Britain in the Malvinas Islands.

The "Conflict Hypotheses"

Infantryman: The government says: "There are no conflict hypotheses." But we're at war. This is completely inconsistent.

It is also inconsistent to say that since there is a crisis, there are no "conflict hypotheses," because Brazil is in a crisis that is just as bad as or

worse than ours and they have Argentina as a "conflict hypothesis." The proof is that under its Armed Forces organization plans Brazil is bolstering and modernizing its troops. Its displacements are towards Argentina, not Venezuela, Colombia, Bolivia or Paraguay, because Argentina is the country that could some day confront it; we are a potential power that could overshadow it. This does not mean that they are going to attack us. The Romans had a very instructive proverb: "If you wish peace, prepare for war" (Vis pacem, para bellum). The same goes for Chile. Even if it had a democratic government, Chile would not alter its national objectives or its behavior towards Argentina. It is somewhat suicidal to contend that "we have no conflict hypotheses," which does not mean that we are going to attack someone, but the day that we are attacked, we had better be forewarned and prepared.

[23 May 87 pp 1, 4]

[Text] Question: You say that you respect political pluralism. Yet you are accused of not respecting it. Does this charge reflect a lack of information, for which the previous top echelon of the army is to blame, or is it the upshot of an ideology and a preconception of what the Armed Forces are like?

Artilleryman: I would like to think that it reflects a lack of information or knowledge or experience in running the government, but if I were to think the worst, to be on the safe side, it is very likely an ideological problem.

Question: What ideology? "Gramscian," as your comrade said?

Infantryman: I think so, as I said before. Aside from this, though, I think that there is enough freedom for each of us to develop ourselves politically. I'm not talking about going to the committee or to the basic unit or to the civic center, worse still, to be informed about what each political party thinks. I think that I'm in the same situation as everyone else in the army and the rest of the country at large. They don't know what a political party is. They rush to join a political party for reasons of family tradition or because they liked a candidate's face, but they really don't know the party. The same thing happens to us. This freedom is not the responsibility of superiors; it is each individual's freedom as a citizen, because aside from being a soldier, I'm a citizen.

Question: A citizen in uniform...

Infantryman: Exactly.

Question: Since you contend that the "due obedience" bill is inadequate, what would the outlook for the country be if the law is passed as it was submitted to the Senate?

Credibility

Artilleryman: I'll give you a sort of personal prediction. Assuming that the bill is passed as is (as it was sent from Deputies to the Senate, inasmuch as debate was under way last Sunday), the president or the top political echelon

could say that this is a "first step," that after the elections there is going to be an "amnesty law," a recognition that the war against subversion was a war, so that we can finally achieve "national reconciliation." Now then, I ask, who in the Armed Forces or in the army is this group (and let's personalize it as the president) going to talk to? The natural channel would be the chief of staff. Assuming that the president is sincere (because given past experience such sincerity is very doubtful, and the previous patch jobs have ultimately led us to this point) and that he gives them sufficient guarantees and that the chief of staff accepts them and believes him, what does he do to get the message to the people down below? Because now, with the breakdown in the chain of command and the mistrust, who at the other levels of the army is going to believe him? First there's the problem of getting the message across. Is the chief of staff going to convey it? Although I know that he's a very fine person and a brilliant professional of great merit, are they going to believe him? Assuming a much more ideal situation, having the president tell his troops, because he's the commander in chief, given past experience, is anyone going to believe him? Result: if the bill is passed as is, I would go so far as to predict a worsening of tensions, which would be quite dramatic, with incidents like at the Infantry School and perhaps worse. In that case we would be faced with the same situation that you asked about at the outset, civil war. Because once again, with civilian groups taking to the streets, the first shot would trigger a chain reaction, like when one atom smashes into another. In my opinion, if the bill is passed "no matter what," without modifications and without considering the situations that I indicated before, it's civil war. What happens in a civil war? A civil war ends. But it doesn't end so that we can say "it's over now" and begin where we left off. No. The winning side or sides are going to impose their rules, their political model, their model for the system, their ideological model. If we win (and I'm not just talking about the Armed Forces but a broad spectrum of citizens who think like the great majority of members of the Armed Forces), we will impose our system. And if the other side wins, it will impose its system or model. This is simply a "reevolution." A "reevolution" of everything that we are being offered. And it will not have come about by means of a "coup d'etat," as used to happen many years ago, but through a "civil war," and I don't know whether that's not a lot worse. This is precisely what would happen. At the same time, while the two sides are fighting a civil war, a "third side" could take advantage of the situation, climb to power and crush the other two. A lot of people are misled in politics and don't see the truth until it's too late. A radical step is needed: an "amnesty law," right now; acknowledge that there was a war and pay the political price for it. The "amnesty law" would even cover both sides that fought in that war.

Firmenich

Question: Does this mean that Firmenich, for example, could go free?

Artilleryman: ...Firmenich could go free. What difference does it make whether Firmenich is in Devoto or goes free, because he continues to control much of the situation, just as he would on the outside. In practice, it would be the same for the nation. What is more, the government would gain a lot by acknowledging that there was a war and an emergency, that the Armed Forces were given orders and carried them out as relentlessly as was thought

necessary at that moment, inasmuch as we must not forget that it's "man and his circumstances." We were in a specific situation back then. They said "charge," and "charge" we did. The big advantage to the president would be that, after he acknowledges the war, he would have the support not only of the mass of citizens who, in my opinion, want "pacification," but also of the Armed Forces, because he would no longer be calling them into question and because they would become part of the system to defend it. Even now, though, we are defending the system all out, because like my comrades I would be the last one to want to see a superior officer of mine standing on the balcony of the Government Palace. But even though we are defending the system in every way, we are in a way unappreciated, because we want this system and the people who theoretically make it up have called us into question. It's like being between the devil and the deep blue sea. And any reaction is possible from a man who's between the devil and the deep blue sea. I'll tell you again; this is my personal opinion.

"This Law Does Not Go Far Enough"

Question: Do you share his impression about the dangers of a civil war and the need for legislation to insure that the Armed Forces remain within the system by not attacking them and by acknowledging the war against subversion?

Infantryman: My opinion is quite similar to my comrade's. I think that the "due obedience" bill (as it left the Chamber of Deputies on the morning of Saturday 16 May; the debate took place the next day) obviously does not go far enough. There should be a bill for total amnesty. The problem, I will repeat what I said at the beginning, is the political time that the government needs, but we have to know how much political time we have too. We need proof, because after having been deceived for so long, we are obviously entitled to demand proof of the promises...and the deadlines.

8743

CSO: 3348/366

MILITARY CRISIS: POSTMORTEM; OFFICIAL, MILITARY ATTITUDES

Amnesty Recommended

Buenos Aires LA PRENSA in Spanish 29 May 87 p 9

Commentary by Alvaro C. Alsogaray: "Before It's Too Late"]

[Text] The Holy Week episodes are a manifestation of the deep-seated crisis that we are in. It had been latent since the inauguration of the current government, more specifically since the enactment of Decree No 158 whereby President Alfonsin ordered the prosecution of the commanders on the first three military juntas "for crimes of homicide, illegal deprivation of freedom and torture." The decree charted a path for eliminating the consequences of the war that was waged against subversion in the country during the previous decade. That decision is the fundamental cause of the crisis.

The crisis has not been resolved and, in my opinion, cannot be resolved as long as certain erroneous or false approaches that have disrupted the process of eliminating those consequences subsist.

When the due obedience law was taken up in the Chamber of Deputies, I discussed the issue at length. I would now like to talk about certain crucial points; for reasons of space and time I will limit myself to setting them forth and proposing the options that arise therefrom.

Clarification of this fundamental issue does not admit delays. There is a real danger of serious new confrontations, and it must not be underestimated. Political artifice or deceit has no place here. We must go straight to the heart of the matter, even if this means throwing overboard distorted preconceptions and images that have been created by the systematic, divisive publicity campaign that has been waged over the past 4 years.

The Military Intervention of 24 March 1976

The military intervention of 24 March 1976 took place in two spheres:

- a) The civilian sphere, in which the Armed Forces ran the government, and
- b) The military sphere, in which they had to wage a war on subversion.

These two spheres must be considered separately. In the first there was a usurpation of power and a breakdown of the constitutional order. I never agreed with this move. On 19 March 1976, 5 days before the coup d'etat, I drafted a public declaration that was filed with every newspaper at the time and later published: In it I said:

"Nothing would be more at odds with the country's interests than precipitating a coup right now. The Armed Forces knew enough to withdraw from the political scene in May 1973 and should not return unless the survival of freedom is really in danger. They constitute the 'last reserve' and should not be risked except under those circumstances. They handed over power to political leaders, including the labor and business leaders who perform political functions, and it is these leaders who have created the current chaos. Therefore, they alone are truly to blame for Argentina's great failure, and it is incumbent on them to face the consequences and resolve, if they can, the tragedy into which they have plunged the country."

Regrettably, that prediction and that warning were borne out. The military governments that emerged from the coup d'etat led the country to a major failure. They were characterized by enormous waste, by an oversized government that amassed a foreign debt that will burden the population for many years to come, and by an escapade in the Malvinas that led to the lowering of our flag for the first time, our rights notwithstanding and in spite of the heroism and sacrifice of those who fought there. I for one made my criticism heard during these governments to the fullest extent of my possibilities.

The situation in the military sphere was quite different. The Armed Forces fought hard against one of the most aggressive subversive movements in the world and defeated the guerrillas and terrorists, thus saving the country from being enslaved by Marxism-Leninism. Were it not for that effort and that victory, Argentina today would be another Cuba or Nicaragua. Our individual freedoms and rights and our way of life would have been irretrievably lost.

#### The Falling Out

When the constitutional order was restored on 10 December 1983, a reaction against the Armed Forces was spurred by all of the leftwing groups that had been defeated in the military battle. They were seeking to avenge themselves and, at the same time, to achieve politically the objectives that they had been unable to achieve through armed conflict. Regrettably, this clearly divisive effort was tolerated, if not encouraged by the government and the democratic parties, which failed to see the tragic mistake that they were making. The technique that they used was to compound the discredit of the military governments in the civilian sphere, mainly in the economy, with accusations that they had committed aberrant excesses and crimes during the military struggle. They thus succeeded in creating a widespread, all-encompassing rejection of those Armed Forces and, in general, of "the military." Society thus turned on those who had struggled to save it.

How could such a falling out have come about? In my opinion, the fundamental mistake, spurred by the Left and committed by the government and almost the entire Argentine political class, was to judge the actions of the war against subversion in the light of peacetime laws, codes and procedures. That decision was simply absurd. From it have stemmed the serious confrontations that have been brewing over the past 3 years and the crisis that exploded during Holy Week.

#### The Attack on the Strategy and Methods Used in the War

The logic of that sort of decision leads to a conclusion of paramount importance: the denunciation of the strategy and methods that won the war as inhuman and depraved. No one says what strategy and methods ought to have been employed. Only vague generalities are occasionally hinted at in this regard. The condemnation also centers on another point. They say: "We are not criticizing the armed action, just the atrocities, torture and excesses committed during it, which violated even the laws of war." Aside from the fact that a real investigation would prove that if such acts were actually committed, there were far fewer of them than is alleged, we must bear in mind that that war necessarily had its own rules, which are not the same as the laws of a conventional war nor, of course, as the rule of law in peacetime.

The subversion, terrorism and guerrilla activity that are now ravaging many countries require waging a war by methods that are totally different from conventional ones and for which rules of procedure have not yet been established. If we wish to understand this situation, we must not argue about isolated actions; we need to consider the overall nature of the war that is being waged. Things that would not be done in another kind of war probably have to be done in a struggle against subversion. Of course there are limits and consequently there may be excesses. But how are they to be established? In accordance with what codes? I have already pointed out that such rules have not yet been established for war against subversion. Therefore, the judging of acts that are regarded as reprehensible requires very special consideration that does not admit generalities or the application of norms that are valid in other situations which are, to be sure, quite different from those surrounding such acts.

#### The Armed Forces in the Pillory

The decision to judge the actions of a war against subversion in light of a peacetime rationale raised this problem of strategy and methods. But they were drafted and approved prior to the 24 March 1976 coup d'etat, and the president and ministers at the time are responsible for them. Why legislate exclusively now for the period from March 1976 to December 1983? Why not start with the order to "destroy the enemy" that was imparted by Dr Luder and Maria Estela Martinez de Peron as presidents of the republic? Why conclude that the strategy and methods from mid-1975 to 24 March were proper and that after that date they were aberrant and depraved, when it was the same ideology and strategy? Here we can clearly, unquestionably see the conscious or unconscious desire to condemn the entire Armed Forces by blaming them for all of the ills that we suffered. This desire was systematically pursued for almost 4 years by the government and most politicians, through countless

official declarations and mainly through the mass media, some of which were handed over to well-known activists and agents of the Marxist Left. No one can deny that during this period a relentless campaign was waged to discredit the Armed Forces and to distort the ends and nature of the war that they fought. Nor can anyone ignore that the elements that were defeated in that war were seeking revenge. The Executive Branch regards those methods and that strategy as aberrant and depraved and thus concludes that the orders to control subversion were "illegal." Yet those methods and that strategy are very important and touch the superior officers of the Armed Forces and the innermost feelings of military personnel. These officers are not being tried for specific crimes (none of them tortured, committed homicide, raped or attacked property) but for having designed and ordered the procedure that won the war but that allegedly led to the commission of such crimes. Moreover, they are accused of having exercised irresistible disciplinary and psychological coercion on their subordinates in forcing them to commit these crimes. All of this is absurd and has nothing to do with the facts or the truth, nor with the basic principles of military organization or the spirit that motivates Armed Forces personnel.

### Possible Solutions

From the above arises a fundamental, total disagreement in assessing the events that took place. On the one hand there is the military's point of view, which is now beginning to be shared by a good part of civilian society that had been deceived until recently by persistent, cunning propaganda. According to this viewpoint, the Armed Forces, with the tacit support of the majority of the population, waged a tough war on subversion that saved the country and enabled the constitutional order and democracy to be restored. On the other hand, leftwing groups are applying pressure and promoting the disintegration of the Armed Forces as an indispensable step towards taking power, thus endeavoring to win through political channels what they lost in the military confrontation. These groups, supported by a segment of public opinion that has been confused by the systematic propaganda, keep on portraying the war against subversion and, in particular, its strategy and methods, as a series of atrocities attributable to the Armed Forces and military personnel. The attack on the strategy and methods is the cornerstone of this new approach by the subversives. By extrapolating the comparatively few cases that are truly intolerable to all military action, they can broaden their denunciation. No one, of course, defends such cases, but their tactic is to see all the Armed Forces and all military personnel condemned, thus triggering the reaction that led to the Holy Week episode and that is keeping the crisis alive.

Such reaction, which has nothing to do with coups d'etat (some have raised this specter to mislead and confuse the public), can no longer be checked. Now that the channel has been opened, the waters will overflow it. They must be channeled back. Euphemisms, finesses or delays will no longer do. We must proceed to definitive solutions by getting to the root of the problem. The root lies in the aforementioned disagreement. There are only two ways to resolve this situation:

1) Go back to square one by revoking Decree No 158, which ordered the prosecution of the first three military juntas, and the laws that gave rise to trials of wartime actions in light of the rationale of peacetime institutions, or,

2) Pass an amnesty law in accordance with the provisions of the constitution and with the exceptions that they provide.

The first option is a pipe dream. Political circumstances no doubt make it impossible. Therefore, only amnesty is left. If we consider that under the pressures of current circumstances amnesty is unlikely too, then a law would have to be enacted suspending the trials for 180 days, during which time the pertinent law or any other procedure that would have the same effect could be drafted and debated. Such a debate would provide an opportunity to review what has been done to eliminate the consequences of the war against subversion, the key to the problem, and to lay the groundwork for true pacification. All segments of society were involved in the war, and therefore each and every one of them must assume its responsibility. The danger is not the possibility of a coup d'etat. What we really have to fear is anarchy within the Armed Forces and, consequently, their inability to defend society from an attack by those who would tear it apart as a prior step to the establishment of a totalitarian Marxist-Leninist regime. A great deal of headway has been made along this path. We must react before it is too late.

Alfonsin Blamed

Buenos Aires AMBITO FINANCIERO in Spanish 25 May 87 p 7

[Article by Carlos Tortora: "Feud Between Maffey and Captains"]

[Text] The army crisis that surfaced during Holy Week is now being reflected in serious political feuds.

Some days ago, the director of the Superior War School, Col Jorge Maffey, called together the officers studying there to tell them of his conclusions about the crisis.

As we know, 23 of the 300 captains who are studying at the school took part in the takeover of the Infantry School, as a result of which they were ordered not to continue their studies this year.

Maffey begins his 17 conclusions by stating that the Campo de Mayo incidents divided the army horizontally, turning it into an undisciplined and unreliable force and also paving the way for similar actions perhaps by noncommissioned officers or enlisted men.

He then indicated that what happened discredited the army by again portraying it to the country and to the rest of the world as desirous of a coup, adding that "a great many honorable and worthy superior officers were forced to retire."

Another of the charges that Maffey leveled at the rebels is that they sought to establish "soviets" that would impose their will on the branch's leadership, thus triggering a massive reaction from the citizenry and even furthering the plans of politicians whose intention, according to the colonel, is none other than to justify the arming of special groups of civilians.

Maffey also noted that the Campo de Mayo incidents "strengthened the figure of the man who is principally responsible for the campaign against the army in recent years."

In his other conclusions, all of which are unfavorable, he referred to the reduction in the army's operational capacity; the deterioration of the infantry and the emergence of internal rifts, criticism, suspicions, insubordination and even violence against commanders in situations in which a choice had to be made between two opposing loyalties.

Finally, the director of the War School remarked to his officers that Col Aldo Rico's action aborted an option that the army could have channeled politically at an opportune time.

In a lengthy document that circulated internally, some 50 captains drew their own conclusions about Maffey's assessment of the crisis.

They indicate that "the horizontal division of the army was not caused by the Campo de Mayo incidents. That sort of division cannot be created in a matter of days; its origin was the arrival of Rios Erenu in the staff."

They go on to say that "the underlying discipline no longer existed, owing to what we mentioned previously, but it is absurd to assume that what was done out of necessity could be arbitrarily repeated," thus responding to Maffey's prediction about uprisings of noncommissioned officers and enlisted men.

As for the army's image as a coup plotter, the document says that "this accusation has been developed by the mass media and denied by the president himself, who said that the rebels did not intend to stage a coup."

Regarding the retirement of the officers, the text contends that "if the officials in question had been as worthy and honorable as he says, they would not have been outpaced by events nor would they have lost control over their units. Either one is in command or one is not. There is no middle ground in critical situations."

The officers also deny the charge that they had formed "soviets" and assert that "the mobilization of the citizenry is due to an erroneous campaign by the mass media based on a false option. The groups that were ready to assault the barracks, they continue, "were positively identified as belonging to the ERP [People's Revolutionary Army], MAS [Social Affirmation Movement], the Communist Youth Federation, the Montoneros and the Workers Party; this alerted the Armed Forces and the government to the likelihood of a renewed outbreak of subversion."

## Walking Cadaver

The captains note later on that "in referring to the person principally responsible for the campaign against the army, Colonel Maffey is obviously talking about the nation's president. We need only emphasize that the strengthening of the figure of the president is not at odds with and does not take precedence over, self-evidently, the restoration of the honor and dignity of the army."

The mid-level officers also referred to the alleged reduction in the army's operational capacity.

"On 15 April 1987," they say, "the same Colonel Maffey, speaking to the second-year class in the assembly room at the Superior War School, asserted that 'as far as mobility and effectiveness are concerned, the Argentine Army is a walking cadaver.' What does he mean then by reducing the operational capacity of a cadaver?"

The officers also asserted that "true discredit comes when all or part of an institution renounces its essential obligations and morally abandons its subordinates."

They add that "the fact that the Infantry School was the site was incidental; the important thing was that all branches, services and specialties were represented there to demand justice."

Regarding the "manhandling of the highest army officers," they said that these officers "had already been manhandling themselves" by not exercising their command efficiently and honestly." They then recalled "the mysterious end to prosecutions, the abandonment of comrades in the name of minimizing costs, and the attempt to divide active and retired personnel."

Concerning the foiling of a potential "institutional option," they argue that "when headed by the generals, it would have wound up being an uprising against the Executive Branch, not an act of indiscipline."

They also maintain that "there is less antimilitarism in the country today than when Rios Erenu was chief of staff."

They conclude with this response to the charge of insubordination: "Military personnel do not have two loyalties. They have a single loyalty: the loyalty dictated by their own honor, by the honor of their institution and by the defense of the homeland."

## Administration Faulted

Buenos Aires LA PRENSA in Spanish 27 May 87 p 9

[Commentary by J. Iglesias Rouco: "Dialectic of Power Without Power"]

[Text] The administration seems determined to make its confrontation with the military sectors that it calls "fundamentalists" the centerpiece not only of

its current election campaign but also of the policy that it will begin pursuing after 6 September. Hence, probably, its reluctance to accept the idea of an amnesty, even a partial one, inasmuch as such an amnesty would very likely remove the dialectic element (the alleged adversary, if you prefer) on which it is endeavoring to base its "democratic" power.

"No system can develop without an enemy in sight," a prominent Alfonsin man told us just recently. "Enemies make a system at least as much as friends do. The only thing one must be careful about is that the chosen enemy does not become too powerful. In this regard, the military at the moment is an excellent enemy, because on the one hand it emerged from the 'process' politically, economically and militarily thrashed and, moreover, divided, and on the other, no longer even regards itself as a valid political alternative. In other words, even if it fights, it will never vie for power. Thus, the established government will always ultimately represent a limit to its actions."

This line of reasoning perfectly explains the improvisation and even the gentle frivolity, compounded by the underlying nonchalance, that have characterized almost all of the actions of the Alfonsin administration in almost every sphere since the very start of the "democratic" era in late 1983. It also explains the strange and confusing sensation that many of us Argentines get from the Casa Rosada and that can be described as follows: Mr Alfonsin and his party are governing as if they had nothing to govern. And sure enough, in keeping with their approach, the only thing that counts is to remain in power and, to that end, to have proper enemies. Furthermore, this approach enables and even obliges the administration to do as it pleases in the domains of law or in accordance with the passing fancies of mere circumstances of power or what it believes is power. We can now understand, for example, the phenomenon that we witnessed in recent days in connection with "due obedience." What induced the Casa Rosada to submit a bill that besides contradicting its own ranting about the law, is considerably more aberrant than any amnesty bill? Simply its desire that its "chosen enemy" not become a friend, thus depriving it of its dialectic pivot, and that the enemy be weakened in two ways, both political: a) By accepting the law, which would deprive the military of its last stronghold: honor, and b) By protesting or resisting the law, which would make the military look irrational to many unaware people, in other words, deaf to any government "effort" towards a so-called "arrangement." And all the while, the administration calculates, the military would have no real capacity to rebel because attaining political power is not its goal.

#### A Policy of Individuals

Let us say that this "program" for the military does not differ substantially from the program that the Alfonsin administration is following in all of the other affairs of State, be it foreign relations (particularly with the United States and NATO), social problems or economic issues.

The Casa Rosada does not pursue a policy for the Armed Forces but for military personnel, and certain military personnel at that. It does not seek to position or reposition Argentina in the West, but vis-a-vis Washington, more

precisely Reagan and the CIA. It does not seek a social accord but an accord with certain labor leaders and, above all, discord with all others, as well as discord among all labor leaders themselves. It does not seek to rebuild the country's economy or production machine but to erect new economic poles of management and labor power that are its partisans and, most of all, subordinate to forces for impoverishment.

As it has already demonstrated in its dealings with foreign banks on rescheduling the debt, it feels, in short, that its strength lies in the weakness of others and even in its own weakness, to the extent that it cannot be replaced. Therefore, it pursues a policy of individuals aimed at individuals, not a policy as a nation, much less as a maker of history.

Now then, there is a flaw in this approach, which is based more on enmity than friendship and is thus circumstantially effective from the standpoint of exercising power in times of widespread deficiency. It leaves the nation and history to fend for themselves. Obsessed by the dialectic of power, it does not bear in mind that the dialectic, as Lenin rightly said, is only a tool of power, never power itself, and that where there is no creative power, but just the exercise of power, social, economic and military forces will seek their own outlet in chaos, just as the river seeks the sea, if necessary by overflowing its banks and causing a flood. We fear that this is what is happening in Argentina today. Let us take a look at a few examples:

#### Alarming Behind-the-Scenes Activities

1) Even though the president was reportedly wary about and even rejected the proposal by certain "youth" leaders of his party to send groups of armed militiamen into the streets during the Holy Week events, the militias have not been dissolved and, according to Radical sources, have even expanded their ranks at two training camps in the province of Buenos Aires and Cordoba and reportedly have around 4,000 men and 40 or 50 highly specialized "commandos" from overseas. As far as we know, military officers close to the capital city Coordinating Board, like Lieutenant Colonel Del Pino, repeatedly advised their friends against maintaining these groups, but they were always ignored. Concurrently, SIDE [Secretariat for State Intelligence] and the Interior Ministry were denied access to quite accurate information on this matter and thus could not inform the president. The same thing has happened with reports on the activities of ERP guerrilla "commandos" in Tucuman, which have recently stolen fuel from the YPF in that province, company officials have indicated to us.

2) Mr Sourrouille, Mr Olivera, Mr Alderete, Mr Trucco and the Central Bank disagree strongly about economic and social policy, "privatizations," wage policy and certain specific economic projects, such as energy development (the average extraction per well this year will be down 15 percent from 1986 and down 30 percent from 1981). Their increasingly intense squabbling threatens to completely break up the current economic team after and even before the September elections. Moreover, several of the president's advisers are forecasting that because wages were linked to inflation under the "social pact" with an eye towards September, after the elections the country will again enter into the hyperinflationary spiral that marked Mr Grinspun's tenure

in 1984 and the first half of 1985, but this time with no return possible. As if this were not enough, several members of the cabinet believe that Alderete will resign before the elections and speak out against Alfonsin's economic and social policies, thus blocking the paths of the "pact" (at least as Alfonsin conceived it) and, at the same time, reducing Mr Casella's chances at the polls in the province against Mr Cafiero, who is reportedly already several points ahead of the Radical candidate. In light of this contingency, however, a new idea has taken shape among the president's entourage: oust if not Sourrouille, major members of his team, such as Mr Canitrot, who according to our informants has already decided to leave the administration.

3) According to a confidential report of the Interior Ministry and military intelligence services, the chiefs of the 250 or 300 "Montonero" activists who, as was reported, went underground after Holy Week, have decided to launch "selective" attacks, after the sentence handed down against Mario Firmenich and a secret meeting they reportedly held a few days ago in Porto Alegre.

These are some of the fruits of this dialectic of power that lacks real power and that when applied in a society like Argentina's also lacks natural power structures. The Casa Rosada imagines that it will thereby assure its "democratic millennium." Impromptu readers of Gramsci, these dialectic Alfonsin people are showing that they are very poor students of history.

#### Retired General's Views

Buenos Aires LA PRENSA in Spanish 30, 31 May 87

[Article by Daniel Lupa on comments by Gen Augusto Alemanzor, retired]

[30 May 87 pp 1, 4]

[Text] Perhaps because of their conceptual and analytical consistency and because they were made by a man from the artillery branch (like General Caridi, who is just 2 years younger) who has had a long career in the army, the remarks that Gen Augusto Alemanzor, retired, made at the meeting of the Analysis and Thought Group (GAP) a few days ago showed us a new way of looking at the wideranging military crisis. In addition, the ensuing debate, in which well-known civilian and military figures took part, provided substantive input on the issue.

In General Alemanzor's view, "the gravity of the problems lies more in the army's passive attitude than in the (Campo de Mayo) rebellion itself, inasmuch as the latter is now over, whereas the reasons for such passivity remain latent."

He described the panorama immediately after Holy Week in five points: 1) It obliged the constitutional government to tackle the deepest crisis since it took office"; 2) "It threatened the stability of society"; 3) "It showed that the institutional system is not yet consolidated enough"; 4) It revealed "a serious breakdown in army discipline" and 5) "It evinced spiritual solidarity among all members of the branch" and, technically speaking, "tacit agreement with the substance of the demands."

Alemanzor feels that over the past 50 years, after they intervened in government, the following developments have taken place in the Armed Forces: 1) "Discipline has suffered"; 2) "The highest-level command has been weakened"; 3) "Joint leadership has been impeded"; 4) "Responsibilities have been assumed in other than strictly professional areas"; 5) "The functional relationship between the government and the Armed Forces has been vitiated and overridden"; 6) "The image of the Armed Forces in the rest of society has become tarnished and blurred"; according to Alemanzor, the Armed Forces had by and large developed this image as of 10 December 1983.

#### Alfonsin's Policies

After 10 December 1983, General Alemanzor identified the following elements of the military policy that Alfonsin has pursued:

- 1) "The posts of commanders in chief of the Armed Forces were abolished."
- 2) "The top echelons of the army and navy were decimated, as generals and admirals retired."
- 3) "The decision was made to prosecute for everything that had been done in the war against subversion."
- 4) "The budget for the Armed Forces was cut, but the organizational structure remained the same."
- 5) "The military pay scale was modified."
- 6) "Arbitrarily different criteria were employed for the management of the enterprises that came under the Armed Forces."
- 7) "An aggressive campaign was orchestrated, directed and encouraged against the military and its personnel, using all of the mass media."
- 8) "Regulations were violated in ordering promotions to the highest posts."

Alemanzor said that the indiscipline originated from the fact that a superior officer "took a political stand on behalf of his subordinates," thus "abusing his command, inasmuch as his authority over his subordinates is exclusively professional." In contrast, his action made subordinates "jointly responsible for their superior's political decisions, without having been consulted."

If this was the situation before 10 December 1983, the retired general felt that "it has worsened geometrically as a result of the constitutional government's attitude towards the Armed Forces" and "the aggressiveness, high-handedness and partisanship with which it has handled the military issue in the name of democracy."

As a backdrop to the crisis, General Alemanzor said that both the triumph over subversion and the Malvinas war should have given rise to "a special approach

to restore discipline as soon as possible," as in every victorious or defeated army.

#### No Commanders in Chief

"So far during the constitutional government," he cautioned, "the weakening of command at the highest level has reached dangerous extremes, because when the posts of commander in chief were abolished, specific powers were taken away from the highest authorities of the branches without new functional channels having been created to replace them."

He also detected "atrophy in the system of institutional relations," which caused the "beheading of the army."

"At the moment," he indicated, "one of the serious problems facing the army is its lack of the minimum number of generals to fill its most important posts, and the highest level of the government is considering the possibility of calling on retired personnel," which would be "an unjustifiable insult to high-level officers and a subordination of professional values."

In this regard he recalled that the start of the constitutional term of office was marked by the retirement of 40 generals, "without anyone gauging the adverse consequences that this hasty move would have for the government itself and for the army."

Elsewhere in his remarks the retired general pointed to the cut in the military budget as an equally critical issue. "The government ordered it before looking into cost-cutting priorities to reconcile what was needed with what was possible." This forced it "to adopt compromise solutions that enabled it to cope with the emergency of maintaining the same operational deployment with minimal funding."

"The upshot," he underscored, "has been the almost complete shutdown of specific activities, as reductions have been made in schedules, troop strength and equipment. This has served to intensify the professional frustration that already existed and has further widened the discipline gap."

As we will see in the next installment, however, the underlying issue in this aberrant policy is unquestionably the war against subversion.

[31 May 87 pp 1, 4]

[Text] The war against subversion and the official policy towards it were the last and perhaps most serious point addressed by General Alemanzor, retired, in his reflections on the military crisis.

This "is the issue that has most affected relations between the government and the Armed Forces." The retired general wondered: "What is the problem in this regard? What is really happening?" He answered his own questions with the following rundown of the "policies implemented" by the administration and of the stands taken by the Armed Forces:

1. The administration "decides to punish the excesses of the struggle," regarding them as "aberrant actions punishable under the Penal Code.

"2. The Armed Forces feel that "the struggle against subversion was a war and, therefore, that the criteria for evaluation and judgment cannot be those of peacetime."

3. The administration "begins reviewing what happened" under Decree 158, which prosecuted (and virtually convicted) the commanders who defeated subversion.

4. The Armed Forces feel that the prosecution of the commanders is "a virtual prosecution of [military] institutions."

5. The administration creates CONADEP.

6. The Armed Forces regard CONADEP as unconstitutional, stating that "in light of its membership and owing to the manner and setting in which it submitted its accusations, it has a strong ideological bias and, by taking a piecemeal and superficial approach, has presented a distorted version of events."

7. In his accusation prosecutor Strassera "speaks of a sinister organization whose members employed aberrant methods to rob and kill."

8. The Armed Forces contend that "it was an institutionally waged war, in fulfillment of our mission in society and in which all of our members took part because they were convinced by ideals and principles that they were defending a legitimate and just cause."

"The government complemented its moves with scathingly aggressive propaganda and publicity. The Armed Forces put up with it by turning inward for support. By mid-April, however, the pressure could no longer be contained, and a dangerous situation arose for society, the institutional system and the president's authority."

#### Army and Society

In his final observation on this point-by-point rundown, General Alemanzor noted that "this crisis stems from two different views of the war against subversion." He then asked: "What role has society played in this controversy?" and replied: "So far, through its encouragement, its silence or its indifference, it has gone along with the government." He then posed this question: "Will it continue along this path?"

Perhaps just as important as his brief rundown of the issue was the debate that followed. Dr Luis Garcia Martinez, for example, analyzed the core of the issue, the final point that Alemanzor made in his address, stating: "What is special about this situation is that those who triumphed in the struggle against subversion lost politically as an institution. There is a dichotomy between the triumph in that struggle and the subsequent political failure, which seems to be much more closely related to the Malvinas issue than to the entire history of the military era, because if the Malvinas issue had not arisen, the government would have proceeded differently."

Garcia Martinez, a philosopher and economist, went on to say that "I think that we are clearly headed towards a showdown. Most political leaders don't want anything to do with an issue like amnesty, because their rhetoric and support were based on exactly the opposite: criticism of everything that had been done, whether there was a war or not, what the subversives represented, what the subversives were and are after. All of this is no longer important, not even to society. Society has forgotten this issue and said: 'I'm looking elsewhere and I see a scapegoat.' And who's the 'scapegoat'? The Armed Forces. There is a very wide gap. How can it be narrowed? Civilian society has to change. And how can such change come about? It takes time, and time is running short. Thus, I think that regrettably we are headed towards a showdown between the government and the military."

#### The Bounds of the Issue

General Alemanzor disagreed with Dr Garcia Martinez' reference to the split between the Armed Forces and society. He rejected the notion of "belonging to a different society from that of my father, my wife or my children. That is a negative, divisive stance. Society is not run by rallies in the main square, nor can rallies represent a society because they are an aberration from a democratic viewpoint." His remarks prompted a terse reply from Dr Garcia Martinez: "You don't think that there's a split between civilian society and the military? If so, what's the problem? If so, there's no conflict whatsoever."

Dr Walter Klein joined the exchange of opinions. He agreed "with General Alemanzor that there is a single society and that at the moment Argentina is largely obsessed with seeing things in black and white, seeing the military as either the savior of the homeland or as the depraved destroyer of the homeland. Military personnel are just like the rest of us: Argentines who have their virtues and their vices, just like the rest of society."

He agreed with Dr Garcia Martinez, however, inasmuch as in his judgment the economist and General Alemanzor had not said different things. "For 3 or 4 years there has been a campaign here to strongly discredit the military. The campaign has been successful. At the moment our Armed Forces, which have played a well-known and far-reaching role in our history, are viewed with a good degree of antagonism by a large segment of the Argentine citizenry, and I think that this is what Luis Garcia Martinez is saying in a way. The fact is that when political leaders speak behind closed doors, they can say things that by and large coincide with what we are saying here, but when they talk into a microphone before the public, they say something else."

As the GAP organizations wanted, the lively debate, in which General Castro Sanchez, retired, and Admiral Fraga, retired, also voiced opinions, was an update on the most critical issue facing the country at present.

## New Military Policy Urged

Buenos Aires LA RAZON in Spanish 7 Jun 87 p 10

[Commentary by Pablo Martinez: "Due Obedience and a New Military Policy"]

[Text] The defense minister does not tire of repeating that the prosecution of military officers is not an issue over which he has exclusive jurisdiction, much less is it his ministry's main problem. Jose Horacio Jaunarena underscores that it is a problem for the entire society. Since it really is, it is worthwhile to recall the setting in which the due obedience law was passed early last Friday morning. A no-nonsense police unit threw up a tight wall of security around Congress, just in case there were disturbances. But only a hundred or so people congregated at the corner of Rivadavia Street and Callao to voice their opposition to the imminent passage of the bill.

A tense calm prevailed inside. As if they were all handling Sevres china, a carefully studied use of words predominated, and gestures designed to facilitate this new, and supposedly last, concession by the civilian government abounded. The president said some time ago that he did not like this bill either, and almost all of the deputies (from both the opposition and the ruling party) gave the same impression during their debate. The speech by the head of the renewal bloc, Jose Luis Manzano from Mendoza, set the tone. When he finished, the Radicals breathed easier, because by then it was clear once and for all that the session would hold no surprises.

How was this almost old-world conduct elicited from the main opposition party, which through some of its deputies from the orthodox bloc helped to provide the necessary quorum and, what is more, facilitated a muted debate? How were the Radical Party dissidents kept quiet, because except for Cordoba's Jorge Stolkner, they opted for silence or left their seats deliberately empty? Is it perhaps that the entire society, still shocked by the Holy Week crisis, has come to the conclusion that the new appeal to bury the hatchet is necessary, even though certain military sectors still insist on rubbing salt in the as yet open wounds from which a wide majority of Argentines are suffering? The days to come will provide the answer, when we can expect the administration to regain the initiative.

### A New Alfonsin

The Radical deputies who disagreed with the due obedience bill marched over to Olivos last Tuesday to meet with the president and found that Alfonsin was somewhat different than he has been recently. The chief executive appeared relaxed, ready to listen to them all, noticing perhaps that dissent was on the rise among the ranks of his own party and that he is going to need them all in the future to regain the ground that he has lost since 19 April.

The moment of truth has now arrived. Not a single person in the government fails to realize the need to resolutely promote a new military policy, because they are admitting without euphemisms that there has been a major gap in this arena. Now that they all accept due obedience as the lesser evil, they are also asking: Then what? The president says he has an initial answer. He has

reportedly told his intimates the following: I can't become secretary general of the CGT or president of the UIA [Argentine Industrial Union], but I ought to be commander in chief of the Armed Forces, because the constitution so empowers me."

The first signal that the administration sent out was the imminent appointment of Raul Alconada Sempe as future defense secretary, replacing Alfredo Mosso, a decision that should come through early this week. Alconada Sempe has had a systematic approach to defense problems for some time now. And on more than one weekend Alfonsin has traveled to City Bell for a barbecue with his fellow Radical, who belongs to the Buenos Aires Coordinator and with whom he has a very cordial and, one would say, even paternal relationship. Up front, resolute, a real Alfonsin foot soldier, the man who is still Foreign Ministry undersecretary for Latin American affairs will have as his fundamental mission to help spell out a military strategy and to do an exhaustive rundown of loyal and disloyal Armed Forces personnel.

#### Visits and Retirements

As in 1985, the president will again visit battle units, bases and stations. He will make direct contact with commanders and superior officers to learn first hand what is going on in the military. And at an as yet undetermined point there will be a new list of retirements. Secrecy in all this is somewhat relative, and the people around Lt Col Aldo Rico are talking about a future purge as "the death ray" that would oust the Holy Week rebels from the ranks of the army. The response will be steady pressure for amnesty. In the immediate future there is talk that active officers will refuse to appear before federal courts to testify as witnesses at trials of serious human rights violations. In light of this eventuality, provisions have already been made for the officers to testify in writing, and the corresponding request has been sent to the military tribunals.

The administration also admits that the army is 90 percent of the problem. It is the largest branch and the one that will have to undergo the most traumatic changes to remain in line with the military modernization. The navy and the air force can adapt more easily to the new arrangement already under study.

How will Jose Caridi, the army commander, proceed in connection with this entire plan? The Radicals miss Hector Luis Rios Erenu, but he belongs to a past that can never return. For the time being they have merely given Caridi the room he needs to regain control over the chain of command and consolidate the corps of generals and the ranks of superior officers. Hence the latest amendment to the due obedience bill, which has already been baptized the Ramallo Amendment, in an obvious reference to the army auditor who reportedly authored it.

In any event, the civilian government (both the ruling party and the opposition) has realized that it must have a sound military policy and apply it without tiring, patiently but firmly, because it can lead only when it has a clear-cut, well-defined policy.

## Colonel Criticizes 'Process'

Buenos Aires LA RAZON in Spanish 8 Jun 87 p 4

[Text] In a letter addressed to the Army Staff, Col Enrique Schinelli Garay asserts that the army is not plotting a coup, criticizes the economic policies of the Process and discusses the war against subversion.

LA RAZON has seen the complete text of the letter, which reads as follows:

"In light of the special circumstances in which the army finds itself and the overall confusing news coverage, which among other things portrays the branch as plotting a coup, I ask the commander to take the necessary steps to thoroughly clarify the following points to the public:

"1) The army does not want a coup. The Holy Week incidents were strictly military in nature. Although the motivations for them were severely distorted, it is clear that the government was not the target nor was there any intention to stage a coup d'etat.

"The incidents were, however, a categorical demonstration of the branch's spiritual unity.

"This spiritual unity was made patent by the fact that it was impossible to stage any crackdown. The army's great strength must be interpreted properly, however; these incidents clearly reveal the deep-seated aspirations of military personnel.

"2) We military personnel feel that we are no more and no less than one of the integral parts of the Argentine People. We belong to it and we owe ourselves to it.

"We in the army must now decide whether we are going to remain permanently on the fringes of society or whether the current situation will be the starting point of the longed-for recovery of our own legitimate space within a community that wishes to make up for lost time. The dignity of the army is also part of national dignity.

"3) As an integral part of Argentine Society, the army has more than enough reasons to claim credit for the struggle against terrorism, which it waged in compliance with orders from above. We cannot, in contrast, assume improper responsibilities or give silent consent to the commission of common crimes; nor can we fail to bear in mind that "the commander is the sole person responsible for what his troops do and for what he allows them to do," to quote the words of our regulations.

"4) It is urgent to state categorically that our army at present has no ties or commitment to those who in recent times imposed a political system at odds with the sentiments of the rest of the Argentine people. The so-called Process pursued a self-style 'Economic Plan of the Armed Forces' that diminished us as a country and impoverished us all by increasing sixfold a foreign debt of dubious provenance.

"This pernicious initial mistake was compounded later by the mistaken attempt to cover up grave irregularities by describing them euphemistically as 'alleged illegalities,' as is general public knowledge.

"That false esprit de corps was very costly to our army's prestige. It seriously intensified frictions that were not new. The 'Process' has not yet been prosecuted.

"5) It should be clear that we are aware of our overall responsibility for our involvement in the 'Process,' which we wish to relegate to the past by looking to the future. Inasmuch as we all regret that past, it is imperative that we say so.

"At a time when the People's Representatives have analyzed legal instruments in a quest for hard-to-find answers, it is important that the military issue be debated with nationwide enthusiasm and as broadly and as openly as possible. Let there not be false fears or groundless qualms.

"Let no one think that the specter of coups d'etat is haunting official corridors. It is not.

"6) We aspire to close the dangerous gap that has opened up in the national fabric between civilians and the military; it is a false alternative.

"To close it we will have to cross the bridges that have been built towards unity.

"The army that looks to the 21st century has nothing to do with 'processes' or 'fundamentalisms' or resentments. It wants only to be involved in every respect in bringing unity and peace to the Argentine national spirit."

[Box, p 4] Schinelli: "The Rico Line, But Not a Fundamentalist"

Col Enrique Schinelli Garay was in the same graduating class as Col Mohamed Ali Seineldin. Yet those who know him say that although Schinelli is a devout Catholic, he is not aligned with fundamentalist sectors. They add that he is a "moderate nationalist" and that he "probably has the best background in philosophy of any active military officer." Others place him with the "Rico line," but give no further details. Schinelli Garay served until last year as the director of the Andean Training School, which he left after suffering heart trouble. He currently serves in the Army General Staff on extended sick leave.

#### Study Commissions Formed

Buenos Aires AMBITO FINANCIERO in Spanish 26 May 87 p 13

[Text] The so-called "interior bloc" of Peronist deputies has agreed to sit on the five commissions that will look into the nation's military. The commissions were proposed by renewal Peronism and accepted by the ruling party.

Around 35 legislators from renewal Peronism agreed last week to sit on the five commissions: Liaison with the Armed Forces, Defense, Production for Defense, Restructuring of the Armed Forces and Military Reform. The interior bloc named Jose Luis Manzano was coordinator, and he will be accompanied by Antonio Gino Cavallaro. The proposal to sit on the commissions will be debated today at the plenary meeting of the renewal bloc. The next step would be passage of the bill by the Chamber of Deputies, which was debating due obedience when it was submitted last week, and the finishing touches, with input from Radicals and the other blocs. A proposal has been made to extend some of the commissions to the Senate, the idea being that a bicameral effort would be more effective. Radical senators were more than willing to sit on the commissions after President Raul Alfonsin gave them the green light at his most recent supper with lawmakers at the Olivos residence.

It is taken for granted among renewal Peronists that Deputies Ruben Cardozo, Oscar Fappiano, Hector Damlaui, Carlos Grosso and Miguel Alterach will be on the study groups.

#### Defense Law

One of the commissions' first tasks will be the Defense Law, which has bogged down in the Chamber of Deputies after the amendments that the Senate introduced.

Ruling party spokesmen said that once the law is voted on, the five commissions would have to begin work "immediately." The Defense Ministry is remaining silent for now on the commissions, whose sphere of activity will overlap the ministry's.

#### Trial Shift Criticized

Buenos Aires LA RAZON in Spanish 7 Jun 87 p 2

[Article by Analia Zvik]

[Text] "I am not going to argue with a judge's decision, but I think that the incident was more than mere insubordination," stated Prosecutor Julio Cesar Strassera when LA RAZON asked him about the transfer from civilian courts to military jurisdiction of the case involving the Third Army Corps that gave rise to the military crisis of Holy Week.

"If Judge Becerra Ferrer feels the case should not be handled by civilian courts, I am not going to argue with his decision, but another judge (Alberto Piotti) ruled in favor of the criminal court, and the Supreme Court will have to decide," Strassera added, referring to the prosecution of former Lt Col Aldo Rico.

When asked whether the two cases are the same, the prosecutor clarified that there are differences, because former Major Barreiro became a fugitive from justice whereas the second case was a "rebellion; it was not mutiny or insubordination."

One of Federal Judge Gustavo Becerra Ferrer's hypotheses was that there was a violation of Article 230 of the Penal Code, which states that "those who rebel publicly to prevent the enforcement of national or provincial laws or the resolutions of national or provincial public officials shall receive 1- to 4-year prison sentences, when the act does not constitute a crime that this (penal) code punishes more severely." He ultimately ruled, however, that the military personnel involved in the incidents of 15 and 16 April in Regiment 14 of the Airborne Infantry in Cordoba did not commit any crime provided for in the Penal Code.

The Campo de Mayo case is being tried by Judge Alberto Piotti and comes under Article 246 of the Penal Code, rebellion, for which there is a 1- to 4-year prison sentence, or Article 687 of Military Justice, which describes it as mutiny, which carries a 5- to 15-year sentence.

President Raul Alfonsin described the Campo de Mayo incident as a mutiny, while Judge Piotti called it a rebellion. The Supreme Court, which will render the final decision, has had the case since last Monday.

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OFFICIAL CITES FEAR OF COUPS FOR PLANS TO 'DISBAND' ARMY

London SUNDAY TELEGRAPH in English 24 May 87 p 6

[Article by Norman Kirkham]

[Text]

IN THE sleepy holiday island of Barbados, plans to disband the local army are being stepped up after the attempted military take over of Fiji, 5,000 miles across the Pacific.

For the events in Suva where an elected Government has been forced out of office by soldiers are seen by Mr Errol Barrow, Prime Minister of Barbados, as confirmation of his view that large armies in small Commonwealth states can prove a threat in peace time.

Like Fiji, Barbados has the Queen as head of state and looks to Britain and the West for protection, but has formidable defences of its own as a "micro state."

The Barbadian army was built up to 1,500 and the navy 500 drawn from a population of 252,000 while Fiji has an army of 2,500 and 170 navy personnel to protect 700,000 people.

A Barbados Government official said last week: "Mr Barrow believes that during peace time soldiers in small territories have little to do and can be tempted easily to take power into their own hands or act on behalf of political factions.

"He is determined that this will never happen in Barbados and that the troops will be more usefully employed elsewhere."

Most of the army on Barbados will be merged with the Navy during the next few months to be allotted coastguard duties in the Caribbean drive against drug trafficking and several hundred of the troops are expected to join the police force.

Mr Barrow, 66 leader of the Barbados democratic Labour Party, who took office last summer after 11 years in opposition, has upset President Reagan with his insistence on disbanding the land army.

America saw the Barbados

troops as the strongest force among the small Caribbean islands and promised generous aid and military assistance if the Army could be developed as the nucleus of a regional defence force.

The island Government provided important help and diplomatic backing for America's invasion of neighbouring Grenada during the 1983 crisis sending 100 men to back the American marines who moved in against Cuban and Marxist forces.

But the new leadership in Bridgetown is much more critical of Mr Reagan's military strategies for the Caribbean and Latin America. Mr Barrow went so far last year as to describe the President as "that cowboy in Washington."

Despite the criticisms, America is pressing on with its programme of military aid for Barbados, keeping a team of military advisers there and is expected to offer patrol craft and the loan of a spotter plane to work with the Navy in future.

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CSO: 3298/245

# DLP ADMINISTRATION ASSESSED AFTER FIRST YEAR IN OFFICE

## Broad-Brush Review

Bridgetown BARBADOS ADVOCATE in English 28 May 87 p 6

[Article by Eric Smith]

[Text]

The Democratic Labour Party administration celebrates its first year back in office today.

Having achieved some of the things it promised the electorate, the party is still trying to grapple with the country's economic, and social problems. Politically, the ruling party has come across as a cohesive group with clear leadership.

The DLP took office last year against the background of rising unemployment, the growth in the national debt, a decline in the moral fibre of the society and the need to put integrity into public life. Some effort has been made in correcting these deficiencies, but it has been a difficult passage.

Some positive results were seen almost immediately after the election when Finance Minister Dr. Richie Haynes kept his party's promise of making law the proposals he had presented in reply to the Budget earlier in the year. The relief in individual and corporate taxation was welcomed by most and it has been generally accepted that the ease resulting from these measures was responsible for the good performance of many businesses during 1986.

But it has not been all plain sailing for the DLP which had to put up with severe criticism as it went to Parliament to seek authorisation of certain foreign borrowings which it pointed out had been negotiated for prior to its taking office. Indeed, this matter of foreign borrowings has become a contentious issue. By March

of this year, Government had borrowed a total of \$105 million from external sources and had paid back as much as \$176 million to service its foreign debts during the past year.

## Scaling down

Against such a background, Government decided to scale down its capital works programme and made a determined effort to stimulate the productive sectors of the economy agriculture, industry and tourism.

Unemployment, which was undoubtedly the major social problem afflicting the country prior to May 28 last year undoubtedly retains that position today. In spite of the belief given the private sector and the generation of more money into the economy, job creation has not been as forthcoming as had been anticipated.

The unemployment situation, while not as bad as a year ago, according to the available statistical data, has not improved as had been anticipated.

However, there seems to be some hope on the horizon with the growth and stability being experienced in the tourism sector. For the first time, in many years, summer tourism looks good in Barbados with a large number of visitors expected from both Europe and North America. The country therefore stands to benefit from a substantial increase in foreign currency.

Indeed, tourism can be viewed as one of the success stories of the new administration with the Minister, Mr.

Branford Taitt, himself spearheading the efforts to lure visitors here and also ensure year round employment for thousands who are directly or indirectly, involved in this vital sector.

Industry, dealt a cruel blow with the exit of INTEL the giant American electronic firm which had employed hundreds, has been slow in recovering especially with the Trinidad market still being sluggish. This has been aggravated by the difficulty being faced by manufacturers of furniture and garments in their efforts to break into the north American market.

### **Under pressure**

In Agriculture, sugar has remained under pressure even though there has been a better price for the commodity from the guaranteed European market because of the rising value of the currencies there against the US dollar to which ours is pegged. But the worldwide problem of sugar persists and the effort to diversify is greater than ever, hence the effort being placed on cotton, cut flowers and other exotic crops.

But the task has not been easy for the Government whether it was in encouraging people not to spend the extra cash on making trips to Venezuela or North America to indulge in shopping sprees; or encouraging people to invest in new ventures rather than just bank the money and get more involved in import substitution. After years of acquiring a taste for foreign goods, whether personal goods or foodstuffs, Barbadians have been finding it difficult to accept Government's message that anything local can be better than its foreign counterpart.

The performance of the DLP administration in Parliament considering its large size, especially in the elected chamber, has also been of interest. The quality of debate, from both sides has been generally high, with the contributions of Mr. LeRoy Trotman and Dr. Erskine Simmons in the Lower House and Senator David Commissiong in the Upper House, making quite an impression. The level of co-operation and indeed the smooth function of the people's business must be a tribute to House Leader Mr. Erskine Sandiford.

### **Bore the wrath**

While it might have been an easy settling-in time for the Government, at

least one member who has had to bear the wrath of both the Opposition and the Press has been Senator Harcourt Lewis, who had been given the task of reforming the public sector and an additional load following a minor Cabinet reshuffle. Despite the criticism, Senator Lewis has been pressing ahead with his assigned duty.

It was a directive from his Ministry of the Public Service in relation to ML Cars (Government owned vehicles) which raised some controversy while the Central Bank complained that the same Ministry had been getting too involved in its day to day functioning.

For Senate Leader, Sir James Tudor, the year must have been a most rewarding and successful one, for it was a period in which he was Knighted by Queen Elizabeth II. It was also under his Ministerial direction that some of the country's most eminent citizens took up diplomatic appointments among them being retired Chief Justice Sir William Douglas and Dame Nita Barrow.

### **Drug problem**

In the wider society, the drug problem so much talked about in the lead up to the last general election continued to be in the spotlight throughout the year. It has become a highly emotional and controversial subject, of concern to most Barbadians and not only the Government which has promised to help eliminate the scourge from the country.

As was generally anticipated following the election of a new Government, a number of changes took place not only in diplomatic personnel but in the directorship of the many statutory bodies and boards of management of schools.

The non renewal of the contract of the first Government of the Central Bank, Dr. Courtney Blackman earlier this year and the termination of Mr. Elton Mottley from the National Cultural Foundation are but too examples.

At the party constituency level, the DLP as a political entity rather than a Government, has set about consolidating its position. One of the best examples of this has been in St. James South where Mr. Keith Simmons, has successfully introduced a number of new systems, helping to shape the way for his party and the Government for the years to come.

## Forde Criticism

Bridgetown THE SUNDAY ADVOCATE in English 31 May 87 p 1

[Text]

The Leader of the Opposition, Mr. Henry Forde, has criticised the DLP Government for its lack of policy on drug abuse. He was addressing a Barbados Labour Party meeting last night at the junction of Farm Road and the Bypass in St. Peter, the second in the party's series of mass meetings to "keep the people informed."

Stating that the Government "had a lot to say" when they were in Opposition and even promised "to clean up the country," Mr. Forde charged that since May 28 last year, neither the Prime Minister nor his Attorney-General has given the country, the police or other relevant institutions any policy lead.

### *On increase*

"Meanwhile, the statistics say the use of cocaine continues to increase," Mr. Forde added.

He told the meeting that he had incontrovertible evidence that since the DLP had come into office, drugs had been offered for sale on the premises of at least one

statutory corporation.

The Opposition Leader said that the feeble leadership under Prime Minister Errol Barrow had produced in Barbados a situation, the likes of which had never been seen in the country before, and called on the Democratic Labour Party to do something urgently about the leadership vacuum in the party on the ground.

"While the DLP remains the party in Government, lack of leadership within that party reflects itself at Government level and in the lack of direction which the country is currently experiencing," Mr. Forde said.

Mr. Forde said that because there was no central direction and whatever decisions arrived at in their "hodge podge manner" were being implemented without reference to any overall framework, the party was confused, the Government was confused and the country was being confused by the number of contradictory statements and policies which were being promoted to the detriment of the economy and of

the people of Barbados.

Mr. Forde analysed statements made by Prime Minister Barrow on the Defence Force and also referred to his reversal of policy regarding state enterprises like Heywoods, the Barbados Hilton, the Arawak Cement Plant and Caricargo. Mr. Barrow, he said, had made a feeble attempt to take credit for turning round those businesses which he had said could not be turned round because they were "white elephants."

### *Condemns move*

Mr. Forde condemned Government for forcing Mr. Philip Goddard out of the chairmanship of the Pine Hill Dairy after he (Mr. Goddard) had rescued the company from bankruptcy and turned it into a money-maker.

He spoke of the interest which the youth of the country were manifesting in the BLP and said that the leadership was being revitalised and a large number of bright, young people were assuming leadership roles in the Party.

## St John's Evaluation

Bridgetown SUNDAY SUN in English 31 May 87 p 38

[Text] On May 28, 1986, Bernard St John woke up as Barbados' prime minister--less than 20 hours later, he was an average citizen, having led his Barbados Labour Party to its worst defeat in the history of Barbados politics.

Now, a year later and enjoying what has been described as "a very successful law practice," St John, in Part one of a question and answer session with SUNDAY SUN North American editor Tony Best, looks back at events of the past 12 months.

**Q:** LOOKING back on events in Barbados since May, 28, 1986, are you pleasantly surprised or disappointed by anything that has happened?

**A:** Well, I certainly was not surprised that the Government had taken steps to dishonour its promises to the electorate with respect to its ability to deliver services with reduced taxation.

As a whole, I think it is now clear to all and sundry that the

Government has started to renege upon the promises that it could run the country with a much reduced level of taxation.

**Q:** Could you be more specific? What are some of the promises to which you are referring?

**A:** The first promise, of course, was that they could have financed the loss resulting from the implementation of their taxation proposals, set out in the reply to the Budget in 1986, by a saving in Government expenditure, particularly by a reduction in the cost of the Defence Force, and by a reduction in the costs of the statutory corporations.

It is obvious that the Defence Force has not been reduced. It is also obvious that any savings gained by a reduction in the activities of Caribbean Airways, and any other statutory corporation, was insufficient to finance the cost of their proposals.

**Q:** But Mr. St. John, the former Governor of the Central Bank, Dr. Courtney Blackman, has been quoted as saying that the budgetary proposals to which you refer contributed to a five per cent growth in the economy last year. Weren't those proposals therefore a compensation factor, and something of a plus for the country?

**A:** The statement that I saw in the newspaper appeared contradictory. As Dr. Blackman said, the economy would have grown in any case, but the newspaper reporter stated that the economy would only have grown about three per cent, had it not been for the supply-side economic measures that were taken by the Government.

Of course, the supply-side economic measures, the tax reductions, would have stimulated the economy in the latter part of the year. But one must not forget that at the time of the Budget in 1986, it was clear that the economy of Barbados was on a growth path.

If you look at the Central Bank's quarterly reports, you would see that for the first half of the year when we (the Barbados Labour Party (BLP) were in Government, the economy was in fact growing. Now, the difference between the three, four or five per cent that has taken place, according to the newspaper report, Dr. Blackman has attributed to the supply-side economic measures.

You know, it is possible to have a short burst, but the race is not won or lost on a short burst of speed. The question, therefore, is, can it be sustained? That is the important point.

**Q:** Do you think the growth or burst can be sustained?

**A:** Already, the Government has had to take action to reduce some of the impact of its taxation give-backs. The administration has introduced measures that will result in taxation going up by some \$40 million this year.

Those measures are permanent. Secondly, there is absolutely no evidence that the economy will grow in 1987 by six or even three per cent.

Indeed, all of the evidence does seem to indicate that we are in a period of great uncertainty in Barbados because decisions which should be made are just not being taken. In particular, we are not making much progress in attracting manufacturing and we have not made much progress in improving our CARICOM trade. We have not taken advantage of our export capability created by the opportunities for access into Europe under the Lomé Convention or into the United States under the CBI (Caribbean Basin Initiative).

In short, the only areas of the economy which seem to be self-sustaining and in which there may be some evidence of growth, are services and some sections of non-sugar agriculture.

**Q:** Given all you have just said, do you feel that you have been vindicated by the events of the past 12 months?

**A:** Of course. I made an honest attempt, and the Government made an honest attempt at Budget time, bearing in mind our existing commitments, to do what we thought the economy could afford.

We tailored our taxation proposals to act as an incentive for exports. We introduced a large series of measures providing reductions, by way of rebates, in the normal corporation tax rate for export income.

If you look at the July Budget of the Democratic Labour Party, you will see that the Minister of Finance, (Dr. Richie Haynes) confirmed those measures.

In short, they were measures that were of such validity that the present Government had to recognise that it couldn't do better.

Secondly, and as we said at the time, we always recognised that there were two areas of expenditure that we had to bear in mind in our taxation proposals. The first was the salary revisions which were being negotiated with the civil service and the other public sector workers, and the second was the support for the re-organisation of agriculture.

It is of great interest to me to note that the cost of the salary revision, as was finally settled by the present Government and the union, was equal to the amount of the revenue that has been raised.

What is also of interest is the fact that unlike what we did in 1985 and 1986, the present Government has not given a grant to the agricultural sector to help it with its re-organisation.

So, there were two areas of expenditure which we had said had to be taken into account in the determination of what taxation concessions could be granted. Now that they are out, they will go to indicate quite clearly that we were correct when we said they would be of such an order of magnitude that they would be costly.

**Q:** When the recent second election was over in St. Lucia, that country's Prime Minister, John Compton, said his party and government had made a mistake by emphasising large projects and not paying attention to roads and other needs of people. Did your Government make a similar mistake?

**A:** It is difficult for me to call that a mistake. First, though, it must be recognised that Barbados is a country in which some 96 or 97 per cent of the people have access to electricity. Our situation is completely different from St. Lucia's. I think the water works connections is in the 90 per cent range.

It should be remembered that we (BLP) placed a great deal of emphasis on the development of playing fields and tenantry roads in all of the communities. What really had happened to us, and what is happening to other governments in the Caribbean is that communities feel the impact of the measures which had to be taken by governments in the post 1981 period to deal with the recession.

If you look at the statements made by such eminent Caribbean economists as Sir Arthur Lewis, William Demas, and Alistair McIntyre, you would see that they confirm an important fact. That is: Caribbean countries have to adjust to the fact their economies must be restructured to take into account the present world international economic situation.

Adjustment is painful, and if you were in power at the time when the adjustment measures were introduced, you suffered from some of the fall-out.

It was costly in political terms.

**Q:** Using the benefit of hindsight, would you, if you could turn back the clock, offer the people more generous tax concessions in order to gain greater political support?

**A:** I don't know what you mean by more generous tax concessions because they all have a cost. I am not the type of person who would take a step which I honestly believe was the wrong one. I

would not do it purely for partisan political gain. I am just not that type of person.

I believe the concessions we gave in relation to taxation were great. One should not forget that they were the culmination of a long series of tax concessions which the BLP had introduced.

Let us not forget that when the BLP went into power in 1976, the top rate of tax was 70 per cent. We were the ones who reduced it to the 50 per cent. We were the ones that raised the minimum level (for taxation) to \$10 000. Yes, they (DLP) raised it to \$15 000, but we introduced such measures as the credit union allowance.

I am an exceedingly proud man to have been part of a Government that did so much to during its ten years in office to indigenise our financial institutions to the extent that today the credit unions in Barbados not only have a phenomenal increase in membership, but also have some \$40 million in savings.

I believe that the policies of the Labour Party in allowing people who work to deduct \$1 200 and then \$2 400 by way of credit union savings have been a major factor in that achievement.

I am proud of the fact that as a result of our Government's taxation proposal people can get a \$10 000 allowance for the purpose of buying shares in businesses.

I am also proud of the fact that I was part of a Government that gave manufacturers and others in the service industries an export allowance to the extent of some 80 per cent. We introduced the building allowance.

All of those were reform measures.

However, I am not going to be a party to a situation in which you tailor your taxation proposals and the rich benefit far greater than the ordinary masses of people.

That is what has happened in Barbados today.

**Q:** You have had 12 months to look back and analyse things. If given the chance, what would you have done in a different way with an election on your hands?

**A:** I would have hoped that we would be given a better break in explaining the respective positions of the Government. I think the opposition got the benefit of a much better public relations campaign for their tax proposals than we did.

We didn't get the Press that was necessary. But that is the luck of the draw. The Press was obviously rooting for the Opposition, and we had been in power for ten years.

**Q:** Would it have helped if more people in the BLP were able to deal with economic issues?

**A:** I think that is very, very important and will be so increasingly in the years ahead. It is vital that more than two or three people in a political party can deal with economic issues. Many more members of the political parties have to participate in the exercise of explaining the economic position of the Government. I think that the Labour Party suffered from the fact we only had two or three of us who concentrated heavily on that.

After all, when you talk about electricity, roads and water, they can't be an issue in this part of the 20th Century when 90-odd per cent of the people have it.

What people are interested in is how they can improve their standard of living, and how they can increase their pay. That's why I say economic matters are critical, and I think the BLP was defective in that more people were not interested in those kinds of issues.

• (Continued next week).

[No continuation found  
in issue of 7 June 1987.]

# SANDIFORD CHARACTERIZES POLICIES OF DLP GOVERNMENT

Bridgetown BARBADOS ADVOCATE in English 12 Jun 87 p 8

[Text]

The Democratic Labour Party (DLP) Government has promised to continue to pursue policies which will ensure improved social and economic conditions for Barbadians.

This assurance was given last night by Prime Minister Mr. Erskine Sandiford who also said that his Government will endeavour to strengthen relationships and to work for additional agreements to promote regional integration and co-operation with Latin America.

He also spoke about plans to strengthen traditional friendships with long-standing friends such as Britain, the United States, Canada, and the European Economic Community, among others, while staying in the vanguard of promoting Third World development, and justice for oppressed people. The Government has also said

it will be unwavering in its condemnation of apartheid.

## Committed

Mr. Sandiford said his administration and the people were firmly committed to democracy and development.

The Prime Minister said his Government believed in ideas since they can move nations; in values and principles, and being guided at all times by a set of ideas, beliefs, doctrines, and an ideology, which can explain where the country is and point the way forward.

Mr. Sandiford said that Government's policies will be based on the following principles:

" — that the resources of Barbados should be developed in the interest of people of Barbados;

" — the democratic way of life and democratic institutions should be preserved and enhanced at all costs;

" — the national in-

dependence, national sovereignty and national security should be safeguarded at all times;

" — every Barbadian has the right to a standard of living adequate for maintaining health and well-being including food, clothing, housing, medical care, and the necessary social services;

" — all Barbadians of working age have the right to employment, to suitable conditions of employment, to protection against unemployment, and to join trade unions of their choice to protect their interests;

## The rights

" — all Barbadians have the right to social security in the event of loss of livelihood due to circumstances beyond their control, including flood, fire, hurricane, sickness, death, disability, unemployment or old age;

" — the fundamental human, civil and political rights of all Barbadians should be guaranteed, secured and enjoyed at all times, free of discrimination based on race, colour, sex, religion, political or other opinion, birth or other status, or similar distinctions;

" — all Barbadians have the right to live in their communities in an environment characterised by order and the rule of law;

" — all Barbadians have the right to an education, and to participate freely in the cultural life of the community;

" — all Barbadians have the duty to respect the rights and freedom of others, to help to maintain public order, public morality and the general welfare, and to refrain from actions which may jeopardise the very rights and freedoms which are to be preserved.

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# GOVERNMENT VOICES DETERMINATION IN WAR ON DRUGS

## Foreign Minister's Warning

Bridgetown BARBADOS ADVOCATE in English 30 May 87 p 2

[Text]

The Minister of Foreign Affairs, Sir James Tudor, is outraged over the ever increasing "horde of vermin who batter upon the society spreading a disorderly culture of drug addiction through sweetmeats like tamarind balls and other delicacies which children love to eat.

He said that Barbados was caught up in a tightening noose of narcotic addiction which was trotting all the decent values of the society and contended that it was no good wondering how and when it first started.

"What we now know is that we are in clear and present danger of losing the next generation — or rather a portion of it — to an existence in which civilised values will have no firm foothold, all because an undetected number of persons are plodding through our society like a swarm of unwelcome locusts fattening themselves on the future of our nation," Sir James charged.

Sir James was addressing 56 young recruits from Anguilla, Barbados, the British Virgin Islands, Montserrat, and the Turks and Caicos Islands at the completion of a 20-week training course

at the Regional Police Training Centre last Thursday evening.

It was a very historic occasion because it signalled the first time in the operation of the Training Centre that an overseas woman police officer was awarded the Baton of Honour and the Best Recruit prize. This distinction went to 21-year-old Paula Hazel of the British Virgin Islands Police Force who also topped the class in Police Duty Subjects and was one of four winners in the Inter-Class Quiz.

Sir James called on all politicians — whether in or out of Government — to throw all their resources of mind and spirit behind the police as they moved across the frontiers of the drug menace.

### Needs must be met

"Whatever the police need in terms of money, technology, training and other resources must be put at their disposal without cavil or doubt. We should have the courage to strengthen the police establishment with special expertise from outside the force without doing violence to the natural expectations of gifted policemen and policewomen for rapid and well-deserved

promotions," he stated.

Sir James also had this warning for senior police officers of the Royal Barbados Police Force: "Denunciation is cheap for it consists only of words. Action is better, even if more hazardous. We do not wish to see senior policemen trading infelicitous thoughts over an issue which is too detestable not to mobilise the total national effort to trample it underfoot.

### Compose differences

"When people on the same side cannot compose their differences it does them no harm to re-examine their experiences to find out whether the structure of the organisation has been outstripped by the novelty of the challenge they face," he submitted.

"Quarrelling and mutual recrimination cannot help to defeat a dangerous enemy and may only give unnecessary consolation to those who should be behind prison bars, but who, because of a perceived breach in the law enforcement structure, amass their ill-gotten gains and nurse their guilty secrets in complacency," said Sir James.

## Police Commissioner's Concern

Bridgetown BARBADOS ADVOCATE in English 30 May 87 p 8

[Article by Victor Hinkson]

[Text]

The Barbados Police Force is on an all-out drive against drug users and drug offenders. It is mounting campaigns to move into every area of the country where the drug problem is manifested and to attack the drug menace with all the resources at its command.

That's the word from the Commissioner of Police, Mr. Orville Durant and he has received full support from the Force.

The two-day Force Conference held earlier this week at the Police Complex supported the current operations against drug abuse and recommended that the police raids and sweeps should be intensified with renewed vigour. The conference also appointed a select committee to review the Force's strategy in dealing with the problem of drug abuse. A second select committee appointed will look at the crime prevention operations of the Force.

Although Commissioner Durant was encouraged by the overall reduction in crime and the drop in housebreaking he, nevertheless, was concerned with the level of drug abuse which had heightened throughout the island.

## Charged atmosphere

He told the 36 Barbadian policemen and policewomen graduating at the 85th Passing Out Parade last Thursday evening: "You will be returning to the Police Force in an atmosphere fully charged and motivated to the elimination of the drug problem."

"There will be no let up. We are determined to do all in our power to remove this scourge from our people. Those of you on parade must prepare yourselves to play your part in this fight."

The Force Conference issued a press release yesterday which identified drug abuse and the need to capture two wanted persons — Winston Hall and the Balls murder suspect — as the most pressing issues facing the Police Force.

The Force Conference expressed its concern for greater security at the Bridgetown Port and the Grantley Adams International Airport while identifying the intensification of the Resident Beat Officer and the Neighbourhood Watch Schemes and the reactivation of the Harbour Police as the Marine Branch of the Force as matters to be critically examined during the year.

## Role for Defense Force

Bridgetown SUNDAY SUN in English 31 May 87 p 1

[Article by Reudon Eversley]

[Text]

GOVERNMENT IS LOOKING to the Barbados Defence Force (BDF) to play a major role in combatting the smuggling of illicit drugs into the island.

Word on this has come from Prime Minister Errol Barrow, who has chided the hierarchy of the police force for their apparent reluctance to nab the so-called "big boys" in the business.

Barrow was speaking Friday night at a mass meeting in Independence Square, marking the first anniversary of the Democratic Labour Party's return to office.

He outlined a new role for the army, including running

an anti-terrorist operation at the Grantley Adams International Airport, and criticised the former Barbados Labour Party (BLP) administration's military policy.

Barrow declared: "The Defence Force is not going to be used against the people of Barbados. The Defence Force is not going to be used against the people of the Caribbean. The Defence Force is going to be used against the drug smugglers."

"One of the problems that we have in this country is that people high up in the police force, when information is given to them, say 'Oh, we have to leave out this person's name and we have to leave out that person's name,'"

"Now, I do not know how we can get law enforcement to function properly in this country if you have to leave out certain people's names. I do not understand it," he added.

Barrow, signalling a stepped-up government anti-narcotics drive, said boats used in the fishing industry were bringing drugs into the island and the Defence Force will be required to go after them.

"...I have no hesitation in saying that boats are being used because I know it is a fact. The coast guard is going to be used against them".

Barrow also announced a tightening-up of security in the

customs hall at the Grantley Adams International Airport. This area will become out of bounds for red cap porters after next month.

"...You cannot find in the United States at any port of entry, or in United Kingdom... or anywhere else in the civilised world that red caps can wave to a customs officer and take 27 pieces of baggage through the green line," he said.

"They have no right inside the customs hall and they will not be going in there after next month. If we are going to get serious, we have to get serious".

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# CENTRAL BANK OFFICIALS SEE ECONOMIC WOES AHEAD FOR NATION

Bridgetown BARBADOS ADVOCATE in English 29 May 87 p 1

[Text]

Barbadians are being urged to be cautious in their spending in light of the difficult economic times ahead.

General Manager of the Central Bank Mr. E.H. "Teddy" Griffith has urged caution in consumption particularly of the traditional consumer products.

"I think that we have to be careful about our consumption and be conscious of the need to improve our level of productivity," Mr. Griffith told a news conference called yesterday to review the economy and to look at its prospects for this year.

"While the external markets, whether those markets be regional or external to the region, continue to be difficult for one reason or the other, I think it is very important that we try to increase our productivity and the quality of our products because this is going to be very important in terms of our ability to penetrate both the regional and extra regional markets," he said.

## News conference

Mr. Griffith, along with Dr. Delisle Worrell and Mr. Winston Cox spoke at the news conference held at the Central Bank building.

The Central Bank's report for 1986 has predicted that the economy is not expected to achieve any significant rate of growth this year.

The report has said that sugar output this year will fall far short of the levels for last year. It said that the manufacturing sector had not yet been assured of exports to repair the losses during the 1980s, and that the appreciation of the European currencies

against the Barbados dollar and the continued expansion of the U.S. economy should permit a modest expansion in tourist arrivals.

The bank said that the recent expansion in construction and tourist public works would be the main source of Gross Domestic Product growth. It also reported that the offshore financial and business services sector would continue to make gains but they could not be expected to make significant into the disturbingly high number of unemployed.

Although the outlook for 1987 is not that rosy, Dr. Worrell has said that it did not mean the country would have to take drastic actions.

## 'Difficult year'

"Clearly we are in a difficult year, we have to repair much of the damage that we have sustained in the manufacturing sector, we have to sustain our agricultural diversification programme to have a secure replacement for the sugar earnings we have been losing," Dr. Worrell said.

"So there is a great deal of work to be done and until we can get exports rising in a consistent fashion again I think we all know we have to hold strain," he said.

The country is this year expected to borrow \$120 million but the Central Bank officials have ruled out any return to the International Monetary Fund for assistance.

Mr. Cox also gave the assurance that there would be no need to seek IMF assistance since provisions had already been made for market borrowings this year.

Retail prices up to the end of March rose by less than one per cent and some new jobs were created mainly in construction, Mr. Griffith told the news conference.

The unemployment rate declined from 15.6 per cent at the end of March

last year to 15.1 per cent for the corresponding period this year.

The economic activity reported in the first quarter of the year arrested the five per cent economic growth recorded last year. The distributive sector trades, government services, construction and the production of food and drink for the local market attributed to much of the growth in 1986.

"All of these sectors were stimulated by increased government spending and budgetary tax concessions," Mr. Griffith said.

In giving a sectoral performance of the economy in the first quarter of this year, Mr. Griffith in dealing with sugar noted that poor rainfall and a rise in cane fires had reduced the sugar crop to 83 500 tonnes, just enough to satisfy contractual markets. The 83 500 tonnes were 25 per cent below the 1986 crop.

The 1987 winter tourist season had performed better than the previous year and cruise ship passengers grew by one-fifth. However, manufacturing was hard hit by the steep drop in output of electronics components resulting from the closure of a leading firm in 1986.

## Production fell

"Production of electronic components fell 65 per cent and employment in the industry was 40 per cent lower," he added.

The Central Bank official said that Construction activity benefited from Government's road projects and the spurt in residential building which had resulted from lower personal income taxes and mortgage rates.

In addition, crude oil production was 20 per cent lower, and government registered a current account surplus of \$26 million, \$9 million more than the previous year.

# CANE FARMERS TO GET EXTRA \$10 PER TON THIS YEAR

Bridgetown BARBADOS ADVOCATE in English 23 May 87 p 1

[Text]

Barbadian cane farmers are to receive an additional \$10 per tonne for canes delivered in the 1987 crop.

Small holders official Mr. Trevor Rudder has reminded farmers that the payments are to be made by all the factories.

Mr. Rudder said yesterday that the additional payments stemmed from the bright prospects for the 1987 crop. He said that initially payment for canes was \$50 per tonne.

The crop which is expected to realise 83 000 tonnes of sugar should earn more money this year as a result of the appreciation of the European currencies against the U.S. dollar.

Mr. Rudder said the smallholders sector had produced 73 800 tonnes of canes which worked out at approximately 10 per cent of the crop, the

same as last year.

The Barbados Sugar Industry Limited (BSIL) had again this year assisted the small holders with the loading, a service which had been in existence for the last four to five years.

Mr. Rudder said the BSIL was concentrating on offering ploughing services but the programme was halted after the recent heavy rains.

## Small holders

There are about 6 000 small holders.

Meantime the 1987 sugar crop officially ground to a halt yesterday with the last factory, Haymans, completing its operation for the year.

A spokesman from the St. Peter-based factory said that Haymans completed its grinding at 5.30 p.m. yesterday.

He could not say exactly how much sugar the factory produced this year.

/9274

CSO: 3298/245

FREI BETTO ON LIBERATION IN LATIN SOCIETY, GUERRILLA STRUGGLE

Lima UNIDAD in Spanish 3 Jun 87 pp 12, 13

[Interview with Dominican friar Frei Betto; author, date, time, and place not given]

[Text] Two of the most important schools of thought in history, Christianity and Marxism (which the adversaries of human progress claim are irreconcilable) have now found surprising avenues of understanding. How did this miracle happen? UNIDAD interviewed Frei Betto, author of the important and already famous book "Fidel and Religion." Frei Betto, the Brazilian Dominican friar, was born in Belo Horizonte in 1944. As a journalism student, he was imprisoned for the first time under the military dictatorship in June 1964. The following year he joined the Dominican Order. Along with his studies in philosophy and theology, he worked as a journalist and was active in the resistance movement against the Brazilian military regime. Arrested again in 1969, he was sentenced to 4 years in prison, 2 of which he spent among common criminals. Frei Betto is now a member of the International Ecumenical Association of Third World Theologians, and has published more than 12 books, some of them translated into various languages. Here are his important statements:

[Question] You believe that a rapprochement between Marxist-Leninists and Catholics is advantageous to the development of Latin American society.

[Answer] I think that the road to liberation in Latin American society must necessarily pass through the unification of all forces that are for justice, liberation, change, and the transformation of society from the capitalist system to the socialist system. My intention, then, is not just to bring Christians and Marxists closer together. I want to bring together all those who are for liberation and socialism. I think that any theoretical disagreements that may exist are very trivial compared to the hunger, injustice, and exploitation of the people. It is a luxury--not to use a stronger word such as treachery--to think that small theoretical differences are so important that we cannot join together to face the challenge posed by the miserable reality of the people. So the resultant book has that leitmotif. It shows that the principles of Christianity and Marxism have much more in common, as do those who are joining together to face the challenges of Latin America.

[Question] You say that there are small ideological differences, when normally, traditionally, the Church has said there are profound ideological differences. Does this mean that the Church itself is rethinking its position, or is this just the opinion of yourself and other priests who agree with you?

[Answer] No, numerous communists have also been talking for a long time about profound ideological differences. So it is not a sin of the Church alone. The sin of dogmatism and sectarianism is shared by the Church and the Parties. Now reality is forcing us to reinterpret the situation, to revise our concepts.

And this position is not just mine. It is not just that of a certain sector. It is the position of many churches in the Americas, in fact.

[Question] What did you think would come out of that long interview with Fidel?

[Answer] The interview arose, I would say, out of a conversation Fidel and I had in Managua the very night of 19 July 1980, during the 1st Anniversary of the Sandinist Revolution. There, at the home of Sergio Ramirez, he spoke at length about the matter of religion in Cuba and Latin America. It was not until 1985, on a February night, that I got another chance to see Fidel and we began to talk in more detail about the issue of religion and the Church in Latin America. I was very impressed with his opinions on religion, and I proposed to him then that we do a book. He agreed. We set the date for May 1985. On that date, the interview was conducted as we had agreed.

[Question] It seems to me that the book "Fidel and Religion" has gone beyond the boundaries of Cuba. How many copies have been printed?

[Answer] Well, I think about 1.5 million copies, because in Cuba alone 1.2 million copies were printed. That is, in the other countries of the world, around 20, and in 10 languages, some 300,000 or maybe 400,000 copies must have been printed. It has aroused interest all over.

[Question] You mentioned many churches. What do you mean by many churches?

[Answer] The Catholic Church is the union of all the diocesan churches in the Americas. So I was referring to many churches within the Catholic Church, Local Churches. You can say that the Church of San Pablo and the Church of Lima are following that line of coming closer to the people and struggling for their liberation.

[Question] I think I read in a publication from Cuba that you had participated in the guerrilla struggle.

[Answer] I have been committed to the struggle for many years. Since the early 1960s. I was a leader of a national movement of Catholic students which had a progressive stance, and as a result of the military coup in Brazil, I was imprisoned for the first time. I was in jail for several days.

Afterwards I made a commitment to the guerrillas under the command of Carlos Maringuela of National Liberating Action. I have carried out a lot of tasks for them.

[Question] Were you already a priest by that time?

[Answer] I am not a priest; I am a brother. At that time I was a religious, and I had already taken my vows. I was studying theosophy and theology. This was between 1966 and 1969. By then I was already a Dominican. I have another book, "Baptism in Blood," which has been translated into many languages, but unfortunately not into Spanish. During the guerrilla era that I lived through, the most important task was to watch over the border system, and to help comrades get across the border to Uruguay and Argentina after they could no longer remain in the country. I was arrested there, and I spent 4 years in jail, until early 1973.

[Question] What Marxist literature have you had the opportunity to read?

[Answer] Well, of the classics I think there is not much I haven't read. I have a lot of interest in Marxist literature because I have always worked with communists. It is also because during my years in prison--thanks to the Brazilian military--I had an opportunity to delve into this at length. I had a lot of time on my hands, and I had no other concerns. I have always read the main works of Marx, Engels, Lenin, Stalin, Mao, Gramsci, Ho Chi Minh. I have specialized a little in the relationships between Marxism and Christianity. I have a little book called precisely that: "Christianity and Marxism."

[Question] Didn't this literature influence your Christian faith?

[Answer] Yes, it has gone deep into my faith, as I have come to realize that you can't make a religion out of a revolutionary theory, just as you can't try to make a revolutionary theory out of a religion. They are two different and complementary things. In delving further into Marxism, I not only understood that there is no compatibility between a given liberating Christian vision and a certain dialectical Marxist vision, but I also realized that many Marxist manuals are more idealistic than Marxist. In other words, they are not based on the work of Marx and Engels, and for this reason they have achieved only an idealistic interpretation. For example, the absolutization of religion as the opiate of the people. Fortunately, Fidel, with his authority, is taking up this idea again, and has given it a dialectical interpretation.

Marxism has helped me to be more Christian. It has helped me to have a vision of reality that is more scientific, more profound.

[Question] You appear to be proposing two hypotheses. First, that if a Christian really examines Christianity, he must necessarily take on a social commitment. Secondly, that Marxism does not necessarily contradict theology.

[Answer] Christianity demands a progressive position in history, because that was the practice pursued by Jesus, who died as a political prisoner, in opting for the poor and seeking life for the people. I also believe that Marxism as

a revolutionary theory whose backbone is dialectics can in no way become an idealistic ideology with an absolute explanation of the world, without accepting any type of progress in its categories. I am convinced that the new Latin American man in the socialist future of the continent will necessarily have to assimilate the revolutionary practice and the spirit of Che, as well as much of the spirit of Jesus in his subjectivity and spirituality.

[Question] Are you familiar with the Peruvian Christians?

[Answer] Yes, I am. I believe that among the Peruvian Christians there are very good people who are working in the Christian base communities. I have been to Lima many times. I have had a lot of contact with the Christian base communities in the area of Titicaca, Puno. I have even preached in the Aymara communities. Peru is a country where positive work is being done, not only with the Christians in the communities, which are in turn helping to boost the popular political movements, but there is also an entire theological reflection whose principal figure is Father Gustavo Gutierrez.

[Question] You believe in God as an act of faith, and Marxism is, primarily, to my way of thinking, an act of reasoning to understand reality on the basis of reason. In this regard, isn't there a contradiction between being a believer and being a Marxist?

[Answer] No, there is no contradiction, for the following reason: It is a legacy of modernity that everything exhausts itself in reason. The process of knowledge is much more complex, broad, and profound than rationality. St Thomas Aquinas says that reason is the imperfection of intelligence. I fully agree with that. Human intelligence is much broader. Man has other processes of knowledge that are not rational in and of themselves, such as intuition, aesthetics, and artistic manifestations. And the deepest, the strongest of all: affective experience. A crucial experience in the lives of individuals, one that does not enter into rationality, is the experience of love. And it is precisely there that the experience of faith is located. The relationship of love with God, and hence the relationship of love with others, in the face of the Christian perspective.

For me, it is normal for Marxism to be rational, because if Marxism ceases to be rational, it ceases to be a theory and to have scientific foundations, and it becomes metaphysics.

So I can't accept that from my faith it is possible to devise an entire political rationality, but neither can I accept that from my political rationality based on Marxism I cannot talk about God and about things that belong to the religious school. In that regard, Marx was very objective and coherent with his rationality; he said that one of the most absurd things in human life, in the development of humanity, was encountering the absurd experience of death. In my opinion, Marx did not want to rationalize the irrational.

I do not, then, believe in the incompatibility that some imagine. That could be, from the standpoint of a Christianity of the ultra-right, as in the times of Pius XII or Stalinist Marxism. I am talking about the very sources and the

experience that Latin America has been creating in the last few years through Nicaragua, Guatemala, and El Salvador, as well as Peru and Brazil. People are together in the struggle not because they are sure that Marxism and Christianity must be together and not apart, but because the exploitation of the people demands it. Afterwards we will think about theories, concepts, theologies. This is a very interesting new experience.

I believe that we must find more and more unity among ourselves. This is why I see no contradiction.

[Question] What problems has this position caused you in your duties as a Christian?

[Answer] Well, it has caused a lot of problems for me; I have always been a victim of persecution and repression by the right. I was jailed twice.

[Question] Do you consider yourself a Marxist?

[Answer] Look, I prefer to say that I am a Christian, despite my Marxist concept of history. Because the experience of faith, the experience of being a disciple of Jesus, is an experience that touches me more intimately and more thoroughly.

[Question] Do you know any Peruvian Marxists? What would you recommend to them?

[Answer] I do know them, I have had some contacts. I would recommend that they continue to read and to delve into Mariategui. Because he made an effort that was unique in Latin America: the Latin Americanization of Marxism. Mariategui had the courage to eat and digest Marxism in order to enable it to flourish on Latin American soil. To learn from Mariategui is not to allow Marxism to be an academic superstructure, a theory that is ready, completed, finished, with all of its European categories and its cultural influence from the last century.

[Question] What works of Jose Carlos Mariategui have you read?

[Answer] Well, when I was in prison I had comrades whose theoretical knowledge was very extensive. They used to organize workshops and encourage people to study Mariategui. The first thing I read was "Seven Essays Interpreting the Peruvian Situation," which is a very interesting little book. I think it is a classic, and it has attracted my attention a great deal. Since that time, I have had an opportunity to be in contact with that thought. Then Father Gustavo Gutierrez put me in touch with some Peruvian authors like Jose Maria Arguedas and Cesar Vallejo. I think Latin Americanization is very important, because we have a common enemy: imperialism, the foreign debt, and the misery of the people.

[Question] Thank you very much for the interview.

8926

CSO: 3348/363

## BRAZIL

### SUPERCONDUCTOR RESEARCH WELL ADVANCED AT USP

Rio de Janeiro MANCHETE in Portuguese 13 Jun 87 pp 36-45

[Article by Durval Ferreira: "Superconductors, Brazil in the Race of the Future"]

[Text] More than ever the Sao Paulo slogan "Non ducor, duco" [I am not led, I lead] is justified in the pioneer work that is being done in the USP [Sao Paulo University]

Operating in their research with equipment that reproduces the cold of space of Zero Kelvin or absolute zero--which is minus 273 degrees Centigrade--and with other equipment that produces high temperatures above 1,000 degrees Centigrade (Photo), scientists of the Institute of the Physics of Materials of the USP have enrolled Brazil in the club of those who have managed to produce the technological miracle of superconductivity. They made the first superconductor materials at the same time that scientists of the developed nations announced their mastery of those techniques. For the first time, in science, Brazil is accompanying the development of a leading edge technology, of which much is expected, from the pole position. It appears with the promise of revolutionizing other technologies, creating a new world in which trains levitate, or producing nuclear fusion like that of the burning sun.

It was a race for the Nobel Prize, said scientists who were at the agitated meeting of the American Society of Physics at the Hotel Hilton in New York when the discoveries obtained in the field of superconductors were announced.

Using that picture of competition, it can be said that in that world scientific marathon featuring the technology of superconductivity, which had the participation of physicists from the most famous American, European and Asian research centers, Brazil is among the first to arrive at the starting line. It is the greatest news of the decade. Although in other fields of competition, where muscles are worth more than cerebral neurons, as in soccer, basketball and volleyball, our strength wavers on the eve of an Olympiad, the performance of Brazilian physicists is no less than exemplary.

The background of that exceptional performance resides in the training of human resources, advanced equipment and technologies that explain why and how Brazil arrived at superconductors at the same time as the powers in techniques and sciences.

Among developing countries, few possess research and development centers so prepared for activity in that area as are the low temperature laboratories and those of fine chemistry of the Institute of the Physics of Materials of the University of Sao Paulo.

In addition to top notch personnel and the aforementioned sophisticated equipment, Physicist Giorgio Frossatti, one of the greater names in the fields of cryogenics and superconductivity, worked in the laboratories for many years--he still works there, but sporadically. It is due to that reputation that he holds the position today that once belonged to Helke Kammerling Onnes, considered the father of superconductivity, in a university in Holland. Frossatti was, and is, one of the many physicists who did research at the side of Brazilians. In addition to him, technicians of the Massachusetts Institute of Technology, the famous MIT, also came to Sao Paulo to carry out experiments, using the equipment of the laboratories.

The initial point of technological development is at the Cryogenics Laboratory installed by Professor Carlos Quadros, a world renowned specialist in the sector, after teaching in past years at Harvard University in the United States. In the laboratory, the liquification of helium is done, a very expensive gas produced by few countries. Its high cost is explained by the special technologies required for its extraction from oil wells, where it is found deposited in rock together with petroleum. It is with liquid helium that the absolute zero cold is achieved, the minus 273 degrees centigrade or Zero Kelvin. At that level of cosmic cold, the Netherlander Onnes for the first time attained the phenomenon of superconductivity in metal alloys in 1911.

For 70 years, more or less, the subject remained frozen, that is, it was known how to produce superconductivity but high costs for obtaining it discouraged any investor, even an official one.

It was something like discovering something and then learning later what it was good for. However, when other technologists began to indicate that with superconductors there could be magnetic trains that literally fly on magnetic mattresses, electric automobiles driven by batteries fed by magnetic fields that would give them a range well beyond that of conventional gasoline engines, tomographies by magnetic resonance for medicine that were more effective, or the transmission of electric power for very long distances with a zero loss of electricity, the experiments by Onnes were taken out of hibernation for renewal at a frantic rate.

From the beginning it was obvious that the use of helium gas for superconductivity at Zero Kelvin would invalidate any attempt at arriving at superconductors that could be produced at an industrial scale subsequently,

that is, to arrive at a practical and cheap application compatible with conventional applications. It was necessary, therefore, to find other cheaper and less cold means for obtaining it, whether with new materials or original processes.

When the starting gun was fired for the marathon, scientists of the Institute of the Physics of Materials started at the same time as their European, American, Japanese and Chinese colleagues. The objective was that of finding new fusions of materials so as to manage to raise the space temperature from Zero Kelvin to others more manageable and practical. New metallic fusions and new processes could clear the land hidden in profound darkness. The only light visible at that time, lit the starting point discovered by Onnes: At extreme levels of cold, metal loses all resistance to the passage of electricity. Electrons join and move rythmically, without collisions, thus allowing the flow of electric current without any losses.

Moreover, there was the possibility that with superconductivity it would be possible to produce powerful magnetic fields, and because of these fields, there could be levitation by magnets and superconductive materials which would repel each other with enough force to lift elephants.

The truth is that in another unit of the ultralow temperature laboratories, that of dilution cooling, the team of Physicist Armando Paduan Filho, repeated the phenomenon of ultratemperature at 10 millikelvin, absolute zero or minus 273 degrees centigrade, with liquid helium many times. In other units, advances were also significant. Other teams had produced a superconductive coil of niobium and titanium, also cooled with helium gas. The coil creates magnetic fields like those created by the coils developed by the Japanese and which are being used in the prototype of the Maglev train, the train that levitates at high speeds on the magnetic fields of its roadbed.

The great Brazilian leap began actually during a pleasant chat between two physicists of the USP. Carlos Castilla Becerra, assistant professor of the institute and researcher in low temperature magnetism, was exchanging ideas with his colleague Spero Penha Morato, Ph.D., of the Fine Chemistry and Rare Earth Department of another institute of the USP, that of Nuclear Energy Research--IPEN. From that talk there emerged the request by Becerra to his colleague for a new material for experiments in superconductivity at higher temperatures, that could be produced by nitrogen gas, which is cheap and very easy to obtain.

Spero Penha Morato and his team hurled themselves into the task. After a time they arrived at the synthetization of compounds through refining and fractionation of rare earth oxides, which resulted in a superconductive ceramic made of yttrium, barium, copper and oxygen, or, according to the formula reproduced for MANCHETE in the illustration of this article: Yttrium, barium-2, copper-3 and oxygen 6.5. Together with researcher colleague Sonia Licia Baldocchi of the Synthesis Laboratory, they worked day and night on the superconductive ceramic, not with low temperature equipment, but with melting furnaces at 970 degrees of centigrade. Little

by little they arrived at the ideal compound that Professor Becerra wanted. With the ceramic obtained, both ran to submerge it in liquid nitrogen at a minus 196 degrees centigrade, which was kept in an inoffensive, household thermos bottle such as those used for keeping coffee hot, easy to handle, transport and store. Cooled to that temperature, the ceramic then demonstrated the phenomenon that became known as "Meissner effect," that is, it acquired properties of repulsion and, as a result, the property of levitation.

Spero, Sonia and the other researchers of the team managed to kill two birds with one stone: They obtained a superconductive ceramic and cooled it with nitrogen instead of helium. It is the same nitrogen, cheap and abundant, that the White Martins Company provides to Brazilian cattlemen for the preservation of bovine semen for their artificial insemination operations in remote ranches, as far away as the high tension line towers that bring electricity from the hydroelectric plants to the cities, thus demonstrating that the application of nitrogen in superconductors of electricity will not be a problem of great proportions. No one can deny that there are reasons for the researchers to celebrate the triumph in grand style. It is a triumph that will lead to others in the sectors of superconductor technology.

Professor Becerra can already exhibit a small superconductive coil today, made of niobium and titanium; it is compact, of the size of an ordinary flashlight battery, which uses a minimum amount of current, enough to keep the external copper wire charged so that it can be connected to the electric outlet, but which is capable of generating an extraordinary magnetic field. In another laboratory of the institute, that of large magnetic fields, where it is possible to make measurements that are extremely sensitive to the ambient temperature, the new superconductive coil is being tested. A magnetic field twice as large as the field created by one of the conventional electromagnets there was measured around it. These magnets produce a magnetism of up to 20,000 Gauss (the magnetic field of the earth is half a Gauss), requiring a power supply of 5 to 10 kilowatts, while the superconductive coil produces 40,000 Gauss.

On the basis of extreme cold, Brazilian scientists are beginning to find hotter things that high technology promises for improving the lives of all of us. In the laboratory of magnetic materials of the IPEN, high performance magnetic products are being researched and developed for subsequent manufacturing on an industrial scale of permanent magnets based on alloys of neodymium, iron and boron, raw materials that are plentiful in Brazil.

Also being developed in that laboratory is a project of amorphous strips based on cobalt. These are alloys of high magnetic permeability, and they have produced strips 12mm long, which have not yet been produced in other laboratories. These are destined for the production of recording heads for the disk drive tape recorders of computers, magnetic shielding and magnetic sensors in general for the electroelectronic industry. As in all the other laboratories of the Institute of the Physics of Materials, the equipment used was developed and manufactured by the USP itself. With respect

to the amorphous strips, their preparation is also the result of own research and development. The alloys are melted and cooled immediately, obtaining in that process of rapid transition between cold and hot the amorphous state that confers on them magnetic properties that are higher than those of conventional crystalline materials.

Superconductivity, after all, is really something super. When new technologies of the Institute of the Physics of Materials can be passed on to private enterprise or state enterprises, we also can think about trains that run at hundreds of kilometers per hour, floating along on beds of magnetic fields. We can also begin to think about large magnetic chambers for storing electricity without losses for moving automobiles, since we already have the technology for their manufacture; an electric automobile built in Rio Claro, S.P., the "Gurgel," is proof of that. The most immediate application in Brazil, according to what everything indicates, is the transmission of electricity at long distances with superconductors. In that way the commercial exploitation of the gigantic water-power potentials of the Amazon Region could be made possible, carrying electricity with zero losses to the industrialized south or to other countries. In other nuclear power plants, we can imagine reactors without irradiation by means of the nuclear fusion system (what takes place in our sun and the stars), instead of dangerous radioactive nuclear fission.

The Brazilian data processing industry will be another area that will feel the impact of the superconductor revolution. Faster machines could be made with them. With the absence of heat, more circuits could be put into one chip and more chips into a smaller space, without the need for ventilation to compensate for the generation of heat. As a result, it will be possible to manufacture a microcomputer that is as fast and efficient as the large computers of the present. Magnetic resonance tomographs such as those now at the Albert Einstein Hospital of Sao Paulo, more powerful and cheaper, will be made available to the people in the medical centers of the country. Actually, with the conquests made in the USP, one can think (and imagine) everything that fiction writers imagine (and think) for our day to day reality.

8908

CSO: 3342/135

## POLITICAL LEADERS REACT TO POLITICAL PARTIES' LAW

Santiago ANALISIS in Spanish 18-24 May 87 pp 8-11

[Text] Like a good strategist, General Pinochet used the surprise factor. On 31 December of last year, when it was not expected, he drew the line on the politicians' court, announcing that, during the first quarter of the year then beginning, the Law on Political Parties would be promulgated. He noted that the initiative reflected "our indomitable desire to build the democracy that the citizens' decided upon in 1980."

Four years ago, the very same commander in chief put on hold one of the phases called for in his own institutional schedule (the issuance of the political laws), ending Jarpa's summer of openness with one fell swoop. With a "this is over, gentlemen," Pinochet silenced the opinions that the politicians were beginning to utter because, in his own view, they were "becoming bold."

Nevertheless, this was not the point that annoyed the general most, but rather the image of an isolated government facing increasing mobilization, and under the leadership of a united opposition. Hence, it was not the time for discussing political laws.

On the other hand, facing a decisive year which it was not, with the opposition's immobility and dispersion, the ground seemed fertile.

Without wasting any time, Pinochet initiated his candidacy for the single candidate election called for by the regime's constitution, and hastened the enrollment of his backers (state ministers and members of the military) in the electoral registers. Meanwhile, he kept the opposition political leaders embroiled in discussions as to whether or not to enroll, and whether it was better to join the system and defeat it from within, or merely exclude themselves from this entire game. All of this in a context of confusion for the average Chilean, who was unaware of the content of the laws promulgated, and did not realize that there were others not even known: that on the electoral system, and the one on the National Congress, among others.

## The Constitution With a Dropper

There is agreement among the constitutionalists that the known laws are marred by substantial flaws in the legal realm, even running counter to the Constitution of 1980. But in the opinion of many, the most serious and dangerous aspect is the doled out promulgation of the laws as a whole.

According to Manuel Sanhueza, head of Democratic Intransigence and the Group of 24, the most serious thing is that the Law on the Electoral System has not been issued; and therefore its regulations are unknown. "We don't know whether this system will be a majority or minority one, or to whom it will give representation. I think that it would be logical that there be a system favorable to the government's present plans."

Sanhueza is of the opinion that a two-candidate system will be established in every district; in other words, each voter will be able to opt for two persons with his vote, which would not be a representative system. Whatever the result may be, the government would be able to obtain half of the Congress members based on this system. And since it also appoints a third of the members of the Senate, it would remain the master of Congress.

In connection with the Law on Electoral Registration, Sanhueza explains that this is not compulsory, but from the time when the person enrolls, he is under obligation to cast his vote when he is called, on any election occasion. Thus, he would have to submit to the electoral system in effect now, even though he might not like to do so.

Moreover, the Law on Electoral Registration does not call for the enrollment of citizens residing abroad, the exercise of whose political rights the Constitution itself (in Article 13) does not limit.

Ignacio Balbontin told ANALISIS: "It is Pinochet himself, in a discretionary fashion, who appoints the director of the Electoral Register, a position currently held by the brother of the interior minister; which does not offer the slightest guarantee of political neutrality and impartiality." Together with the Christian Democratic constitutionalists Francisco Cumplido, Patricio Aylwin, and Humberto Nogueria, Balbontin has just made a study reporting the flaws contained in the political laws known to date.

No public competition has been stipulated to fill the Electoral Service staff (233 positions); rather, individuals who have the regime's confidence are called upon, which deprives them of impartiality and suitability for their jobs.

#### To Go Along or Not?

As for the Law on Political Parties, the constitutionalists note that the nature of the latter has been changed. One of their functions has been that of offering alternatives, and creating opinion so that the citizens may opt for the courses of action that seem most suitable to them for solving the society's problems.

Another important function of the parties is that of criticizing the rulers' operations. Article 2 of the present law bans all this. Manuel Sanhueza remarks: "It turns them into a mere electoral faction. In other words, they will only be able to carry out consistent activities to elect their candidates, and they will not be able to interfere in the rulers' powers."

The DC [Christian Democratic] experts' document also cites the seriousness entailed for each party's internal organization by the compulsory nature stipulated by the law on public registration of members. In a repressive regime such as the present one, this is obviously a risk for those who enroll in opposition parties; a risk that could range from dismissal to intimidation, or being left exposed to the action of paramilitary groups which operate with impunity against anyone who dissents. Thus, the law contributes to a heightening of the means for controlling the population.

Among those who challenge the law there is also agreement on the fact that the enforcement of Article 8 of the Constitution is unacceptable, because it penalizes parties that it describes as totalitarian, leaving several Chilean parties out of political activity.

Despite the criticism and arguments for or against these laws, the opposition leadership is caught in a game wherein it is not clear to many who is directing it. The fact is that, for 4 months, the pros and cons on joining the system have been arguing in blocs, parties, round-table discussions, and forums. Some assess it as a concession from Pinochet, and think that it would be good to take advantage of it and "open spaces." Others believe that this is part of the plan to perpetuate the dictatorship, and that there is no need to fall into the trap.

This being the case, most Chileans are struggling meanwhile amid rising food and fuel prices, as well as UEFEs, and the problems of unemployment, housing, and education; and are not showing the slightest interest when they learn that one party or another has enrolled, or will not do so. Rather, they are demanding of the political leaders solutions that will lead to a settlement of their problems.

Since 31 December, the court has had its line drawn. The challenge to the opposition leaders is great. On the one hand, there is the demand from the social base and, on the other, knowing how to act properly at present, in a game wherein only one participant knows all the rules.

[Box, p 9]

Ricardo Hormazabal: union leader, Christian Democratic militant, and candidate for the presidency of his party.

"To claim that it is beneficial to join in the Law on Parties, so as to try to achieve changes from within is, in my view, an honest but erroneous position in its most substantive aspects. Because if everyone says that Pinochet wants to remain in power and is willing to use any means for doing so, it is obvious that he will not agree to provide conditions for a free expression of opinion that would mean that he must leave.

"Pinochet is supported by arms. If the people could vote, Pinochet would go. That's the point. Therefore, he will try to manipulate public opinion using

all means. Asking him to see to it that the mayors do not abuse authority, that treasury funds are not used in the government campaign, that access to television be allowed, or that there be an end to the restrictions of freedom of the press is something of great concern. The greatest mistake is to assume that Pinochet would grant such requests. And until that happens, we cannot fall into the trap that he has set for us.

"Many of those who argue that we must enroll as a party think that there will be an opportunity to submit candidates. But when will there be an election based on the Constitution of 1980? Not in 1989. What there will be is a plebiscite which is already being planned fraudulently, in an attempt to perpetuate the general in power. And what can we say about the elections that will occur in 1990? The parties would be able to run candidates for deputy and senator to a Congress which, as leading constitutionalists have indicated, has no powers for overseeing the government's actions. And, if there were a desire to amend the Constitution according to the terms stipulated in it, the opposition must, for example, as Article 118 states, have two thirds of the Senate (one third of which Pinochet would have appointed); and also have the consent of the president of the republic at that time, as well as the permission of the National Security Council, comprised of the Armed Forces' commanders in chief.

"The Law on Parties institutes the injustice stipulated in Pinochet's Political Constitution, leaving many Chileans out of political activity; some because they are social leaders, and others for their ideas. Moreover, it states that the members' registrations must be public; which constitutes another element for intimidation. In a country where there is no security for anyone, it is easy to imagine the risks that would be run by those who appear publicly as opponents of the government.

"The risks of being outside of the law are the same ones that we have run all these years. Of course, we have paid the price: murders, exile, banishment, torture, detentions, intimidation, and layoffs. But the point is that, in spite of everything, we have gained more space. Today, there are more Chileans against Pinochet than there were 6 years ago; there is more political, labor union, student, and trade association organization than there was 6 years ago, despite the repression, the manipulation of the news media, and the mistakes in leadership among the opposition political directors. On the other hand, enrolling does not guarantee any additional space. On the contrary, it represents a victory for the general who, for 6 years, has fought against an opposition that does not recognize legitimacy for his Constitution, his terms, and his conditions, with that opposition accepting his conditions now, without his having changed anything.

"What must be done, in my opinion, is, first, enroll in the Electoral Registers, because it is a right of all Chileans. Then, organize committees for free elections that would have among their tasks prompting Chileans to enlist in them; denounce the antidemocratic elements in the Constitution of 1980; teach those who do not know how to vote the way of doing so; and organize public functions, gatherings, and wall painting on behalf of free elections. It entails creating an entire peaceful popular mobilization which would also be

unifying; because the parties' problem is not at stake there. It is there that all Chileans who want the vote to replace the rifle are situated."

[Box, p 10]

Roberto Celedon: member of the Christian Left Political Commission.

"The political laws are aimed at putting the substantive regulations in the Constitution of 1980 into execution and full force. They are based on the original notion of the regime which devised them as a mechanism for moving from a personalized dictatorship to an institutionalized dictatorial system. They involve laws which are functional for that purpose. And, moreover, they are intended to integrate sectors of the political center into the dictatorship's institutional system, offering them limited space for participation.

"Faced with this situation, the political challenge is how to prevent continuity and perpetuation of the regime. So, the position adopted by the democratic forces regarding the political laws becomes the deciding factor for the course of the democratic struggle in Chile.

"We believe that it is possible to defeat this ambition of the dictatorship. The key lies in the attempt to have the democratic forces give a common response to the so-called political laws. If there is a response (which ensures the maximum concentration of social, political, and moral force), the opposition can choose between two options: one, the creation of a social and political vacuum for the dictatorship's institutional system, that would be translated into a national act of non-cooperation, of collective abstention; and the other, which is not in conflict with the foregoing, related to creating tension in the institutional system with democratic demands, so as to expose precisely the antidemocratic nature of the dictatorial legal system. In this connection, for example, the campaign for free elections could have value as a denunciation, creating a consciousness of the fact that, in present-day Chile, there are no conditions allowing a popular, democratic pronouncement.

"We must not forget that the regime has serious political problems internally, among which is the fact that Pinochet does not enjoy consensus for being the candidate nominated by the Armed Forces in the single candidate plebiscite. The campaign for free elections must be directed toward intensifying those internal conflicts, and not toward lending itself to formulas that are only functional for the dictatorship's purposes. If, within a moderate period of time, it is concluded that there will be no free elections in Chile, the democratic forces must notify the country and the world that the aforementioned plebiscite lacks all legitimacy, and is associated with evils that constitute fraud against the people's desires. Under those conditions, the social mobilization must be resumed, and acts of widespread civil disobedience must be systematically carried out. The unjust law is not binding; and illegitimate authority cannot give orders.

"It is political irresponsibility not to realize in time that this country lies on a time bomb, because the government is seeking to impose an institutional system lacking in any democratic consensus. The person who is excluded is not

obliged to abide by the rule excluding him; and even the opponents not excluded are not in solidarity with that kind of regulation and antidemocratic system. Therefore, the right to rebellion that is latent here could emerge at any time."

[Box, p 10]

Rene Abeliuk: (president of the Democratic Alliance and the Social Democratic Party).

"I don't believe that there are two opinions among the opposition regarding the political laws. They are part of the scheme to perpetuate the regime with given names and surnames. It is not a matter of joining in these laws, to play the game that the government wants. We must view the situation from a different angle. In its cosmetic operation, the government has been forced to make a few concessions that are rather fundamental in a free election campaign. We consider it possible to take advantage of certain space, as has been done in the case of other laws equally attacking democracy but which, when well used by the opposition, have served to deal the government a defeat on the terrain on which it has been forced to place itself at present; and, to conquer it, it is essential to use these minor facilities that the Law on Parties affords. We must use the current legislation to defeat the plan from within. Now, the only thing that the opposition must not do is to turn this issue into a debate; because, ultimately, each person will assume the position that he deems feasible. The main thing for the opposition is to agree on a particular strategy geared to the present and to the current correlation of forces that will defeat the plan to perpetuate authoritarianism. And that is the campaign for free elections; and for this it is a necessary for all the parties (without exclusion) to enroll in the Electoral Registers. I don't understand the campaign that certain sectors are waging, rejecting the enrollment; because the only thing that could happen is that the government might hold a plebiscite with a reduced electorate and win over us, because we opponents will continue to debate. The enrollment is a formality. It is incredible that, in Chile, we in the political parties have to continue being witnesses. We shall never cease the peaceful struggle against the dictatorship. Another thing is, with these principles established, that we must be sufficiently practical to operate based on the conditions that they give us. And if we act intelligently, we shall force the government to enter an area in which it acts badly: the electoral area."

[Box, p 11]

Jose Sanfuentes: ( secretary general of MDP [Popular Democratic Movement] and Communist leader).

"Pinochet's political laws are a certain tool for fraud and perpetuation. We are in the presence of a plan very well prepared by the dictatorship, which has three features; The political feature, which is the plan for perpetuation expressed in the institutional schedule based on the illegitimate Constitution of 1980, the plebiscite, its political laws which have been issued and those

yet to be issued. A second feature is that of subjugation in the realm of the vast majorities' economic and social interests, and the consolidation of the dominating positions of domestic and foreign big capital. A third feature of the plan is that of the repression and impunity shown in the new detentions, intimidation, and attempts to have a 'clean slate.' It is a plan for political, social, economic, and repressive perpetuation. In view of this, Pinochet is playing two sides insofar as the opposition is concerned. For his electoral campaign, and for his political laws, he needs to procure a part, and then claim that there will be dialogue, but only if his rules are accepted. Procuring naive people is an essential requirement, because, otherwise, with whom would he play? What sincere democrat could offer him a ceremony of revalidation (as Orlando Saenz commented) which he does not have? We think that the great defeat of this plan lies merely in creating a vacuum for him, not succumbing to the game. There are 80 or 90 percent of us opposing the dictatorship, and, obviously, unity creates strength. We can and we are capable of staging our own scenario. With but few exceptions, the vast majority of opposition members now talking about entering the system and defeating it from within are people who once had some connection with the regime, those who backed the coup d'etat. And anyone who joins in a game with fascism could be swallowed by it. The people see this clearly. If they are asked about the problem of free elections in the dictatorial context, no one is confused: "It's impossible with Pinochet," they say. Therefore, the logical proposal is to unite and mobilize the people for the conquest of bread, jobs, justice, and freedom in a free Chile; and all that is so because our people realize that every demand, the most simple and the greatest, is to be achieved with the end of the dictatorship. MDP wants to put an end to the debate as to whether or not we join in Pinochet's game. The people won't do it, and those who do will have to accept the consequences that their position ultimately represents for the deferral of democracy.'

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## SURVEY REPORTS OPINIONS ON POLITICAL, ECONOMIC SITUATION

Santiago QUE PASA in Spanish 4-10 Jun 87 pp 36-41

[Text] Pinochet said it last Wednesday: "Look, these are of course estimated or reference figures resulting from analyses and evaluations by various persons. It is no mystery to anyone that the government is constantly taking opinion polls, which have no reason to be always published. What I told LE MONDE (about having 40 percent of the citizens' support) was a hypothesis, in the sense that it isn't always possible to perceive the public support for a cause very far in advance and with sufficient accuracy. This is variable and differs from one moment to the next; because changing circumstances have a significant effect. One phase is the period preceding a campaign, another is the one of proposing options, and still another is that of each citizen's view of the options put forth. I can tell you here that, since this is the last phase, we could apply that old saying that 'it's different with a guitar,' to indicate that considering the responsibility that is being exercised is something different."

He was asked whether he would be a candidate in 1989: "That issue will be decided at the proper time, and the decision will be made known through the pertinent channels."

For making that decision, what the polls say will unquestionably be a deciding factor. They will be taken with increasing frequency, and more accurate results will be sought; the only way in which the determination can be the most correct possible.

The poll results are currently a topic of debate. Aware of their importance, QUE PASA has been presenting for over a year polls reflecting what the country thinks at a particular time.

Between 21 and 27 April, the specialized company, Skopus, took a poll for our magazine. The Holy Father had just left the country. Hence, there was an interest in learning what the impact of his visit had been (see QUE PASA, No 841).

Many political issues had been left in abeyance or postponed until his departure. There were great expectations regarding his marking a significant

change in the national situation, or that, after his departure, political and economic activity would resume a different outlook. This is why Skopus also inquired about the perception that was had of the economic and political situation. At the time that the poll was taken, there were many topics of political interest under discussion in the news: The government had announced the submission of the law ending CNI's [National Intelligence Center's] authority to hold individuals, and the decision to turn many cases being heard in the court martial to the common justice system. Admiral Merino was already making statements against the talks with Bolivia, while clear signs of a split were appearing among the opposition. In the economic area, the issue of the mini-adjustment was beginning to cause severe worries.

But, among the questions in the poll, one associated with the issue, namely, the candidate, could not be excluded. And the responses obtained might surprise many people.

#### In the Economic Area

##### Status of the Country's Economic Situation This Year, Compared With That in 1986

The results are not very auspicious for the economic team, judging from the replies. The description "worse" given to the economic situation is marked among women, the middle socioeconomic group and those over age 45. Only a sixth of the population (16.6 percent) consider the economic situation better in comparison with that of last year; while 37.0 percent think that the situation is the same, and most of those polled, 43.8 percent, believe that it is worse. There is, indeed, a slightly higher degree of satisfaction among men, when compared with women (18.2 percent think that it is better, versus 15 percent of the women). The middle sectors are the most dissatisfied (12.8 percent); while the upper sector is the most content (28.0 percent).

Older people are more dissatisfied, while the youngest appear more at ease.

(Note: The average is procured from the weighing for each situation, assigning points for each. Better: 1 point; the same: 2 points; and worse: 3 points,)

##### Outlook on the Country's Economic Situation for the Rest of the Year

The majority of those polled (43.4 percent) believe that the situation will remain the same for the rest of the year. (We should remember that most of them consider the situation worse than that in 1986.) Moreover, 31.2 percent expect it to worsen, while only 18.4 percent say that it will improve; which may indicate a slight optimism regarding expectations for the present economic situation. The least optimistic are the same ones who found that the economic situation had deteriorated in comparison with 1986; that is, the women, the middle class and those over age 45.

On the other hand, the most optimistic are the men, the upper level group, and the middle-aged (between 30 and 44 years); the same ones who showed a higher degree of satisfaction in the comparison made for the first question.

## In the Political Area

### Status of the Country's Current Political Situation

There are no signs of much optimism regarding this topic either. Only 5 percent think that the political situation is good, while the majority, 45 percent consider it fair, and 35 regard it as bad. As in the economic area, it is again the women who assess the political situation as bad. Hence, it would appear that the CPI [consumer price index] alone is not all that is disturbing them. Could it perhaps be their children's future? It is the low strata that consider the situation worse and, by age, it is the youngest who are most dissatisfied. More satisfaction is evinced as income levels and age brackets rise.

### Government and Opposition Method of Acting This Year

People think that the opposition has acted worse than the government, based on all possible types of analysis. But neither has acted well. Those queried described the method of acting on the part of both as being from fair to bad. Nevertheless, those who least describe the opposition as bad are men, individuals from the lower stratum, and those under age 30. And the ones who describe the government's method of acting as bad are also men, the upper socioeconomic stratum, and those over age 45.

### Understanding Between Opposition and Government to Achieve a Peaceful Political Situation in Chile

The opinion of Santiago residents is divided into three nearly equal parts when expressing their belief in the possibility of an understanding between these two blocs.

A total of 38.1 percent believe that there will be an understanding; 35.1 percent believe that there will not; and 26.89 percent don't know. Based on analysis categories, one notes that the women are most optimistic in this regard (41.3 percent, versus 34.7 percent of men), as are the upper level groups (66.7 percent versus 38.7 percent of middle groups and 29.4 percent of lower strata). By age, those over 45 years old are the ones who believe that an understanding will be reached (45.0 percent); while among those aged from 30 to 44 years, the figure drops to 35.7 percent, and among those under age 30, to 32.9 percent.

Those who do not think that agreement will be reached are mainly in the middle groups, with no significant differences among sexes and ages. Of a universe of 2,269,800 persons polled, 831,700 believe that there will be no understanding. These persons think that the situations cited below may occur as a result of this lack of accord between government and opposition.

The government will not yield: 14.7 percent  
There will never be an understanding: 14.2 percent  
Everything will remain the same: 13.5 percent  
Politicians will fight for their ideas: 10.1 percent  
Pinochet will continue: 7.5 percent  
The "elite" will remain: 7.5 percent  
Nothing will happen: 5.65 percent  
There will be a plebiscite: 5.3 percent  
There will be another coup d'etat: 2.65 percent  
There will be more violence: 2.3 percent  
There will be civil war: 1.4 percent  
Others, and no answer: 15.3 percent

The topic was treated from two angles: type of elections expected, and type of elections that one would like. Based on the first notion, 43.2 percent think that there will be a plebiscite, while only 28.3 percent believe in an open election, and almost the same proportion (28.5 percent) don't know what will happen.

Based on the second notion, only 5.8 percent would like a plebiscite to take place. Here, one index is telling: 73.1 percent would prefer an open election, and 21.1 percent remain undecided.

It should be noted that, although there is a clearcut majority desiring an open election in 1989, the number of persons who believe that there will be elections, whether it be a plebiscite or open elections that year, is also a majority (71.5 percent).

The candidate is unquestionably what is most discussed on the street. Who will it be? This, in fact, is the only thing that most people are interested in learning, because the country's destiny will be in his hands. There are many "potential presidential candidates." It is important to those who are, feel that they are, would like to be, or are known to have been mentioned by others as candidates for the position to know what the polls say about them personally.

There were 10 prominent individuals selected to gauge the extent of the population's familiarity with them, and the chances of winning given to each. To be stressed in the responses is the value of a surname, or a political past.

Everyone was asked to assign a chance of winning, based on a scale ranging from "no, few, some," to "great" chances. Not all who claimed to be familiar with the individuals agreed to assign them a chance. The column on chances of winning is based on the percentage of persons who, in addition to being familiar with them, and rating them, gave them few, some, or great chances of winning.

Who do you think will win?

(% of total level of the population)

|               | % of population<br>familiar and<br>rating them | % of population<br>giving little<br>to great chance<br>of winning | Among those<br>familiar<br>and rating<br>(1) | Among those<br>giving a<br>chance of<br>winning (2) |
|---------------|------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------|-----------------------------------------------------|
| S.O. Jarpa    | 67.7                                           | 51.0                                                              | 2.44                                         | 2.91                                                |
| E. Frei R.-T. | 60.8                                           | 50.8                                                              | 2.81                                         | 3.18                                                |
| A. Zaldivar   | 61.7                                           | 49.0                                                              | 2.56                                         | 2.97                                                |
| A. Pinochet   | 78.9                                           | 47.3                                                              | 2.28                                         | 3.13                                                |
| G. Valdes     | 60.7                                           | 46.0                                                              | 2.64                                         | 3.17                                                |
| M. Madariaga  | 67.1                                           | 39.2                                                              | 2.06                                         | 2.82                                                |
| A. Alessandri | 52.9                                           | 38.6                                                              | 2.35                                         | 2.85                                                |
| J. Guzman     | 39.92                                          | 26.1                                                              | 2.00                                         | 2.54                                                |
| C. Almeyda    | 53.8                                           | 29.2                                                              | 1.85                                         | 2.56                                                |
| J. Pinera     | 43.4                                           | 18.4                                                              | 1.58                                         | 2.37                                                |

#### Index of Victory Image

In the case of rating 1 the index of victory image is a weighed indicator among persons who, familiar with and rating the individual, give him no (1 point), few (2 points), some (3 points) or great (4 points) chances of winning; while the second rating is another weighed indicator among persons who, familiar with and rating the individual, do give him chances of winning. The latter, however, may be few (2 points), some (3 points), or great (4 points).

For example, we see that Jarpa is the best known and the one given chances of winning by 50 percent. Nevertheless, when asked what chances of victory he would have, a sizable group of those polled was inclined to say that he had few, and hence his average declined. On the other hand, in the case of Eduardo Frei, half of those polled also gave him chances of winning; but, in their view, within the range of "few, some, or great," he would have great chances. This explains why Jarpa ranks in fifth place, and Frei in first.

[Box, p 36]

#### Methodology

The results of this opinion poll taken by Skopus, Market and Public Opinion Research Center, are based on a probabilistic sample of 240 inhabitants aged 18 and over, in Greater Santiago, who were actually interviewed.

Sample design: To extract the sample, W.E. Deming's "replicated" design was used, with 10 sub-samples from six refined zones each, with a random selection

of blocks, systematic selection of households on each block, and probabilistic selection of a person in each household sampled without substitution.

Accuracy of the information: The margin of sample error for maximum deviation is equal to  $\pm 7.21$  percentage points, with a confidence level of 95 percent.

[Box, p 37]

#### Profile of the Universe Studied

The universe studied is comprised of all persons of both sexes 18 years of age and over, residents of private households in Greater Santiago. The demographic profile of these persons, based on the poll results, is as follows:

|                            | Number of persons | %     |
|----------------------------|-------------------|-------|
| Total adult population     | 2,369,800         | 100.0 |
| Sex: males                 | 1,135,600         | 47.9  |
| women                      | 1,234,200         | 52.1  |
| Socioeconomic level: upper | 259,300           | 10.9  |
| middle                     | 1,185,600         | 50.0  |
| lower                      | 924,900           | 39.1  |
| Age:                       |                   |       |
| 18-29 years                | 850,500           | 35.9  |
| 30-44 years                | 643,600           | 27.1  |
| 45 years and over          | 875,600           | 37.0  |

[Box, p 39]

#### Comparison of the Government and Opposition Method of Acting This Year

|                            | Average rating<br>Government | Average rating<br>Opposition |
|----------------------------|------------------------------|------------------------------|
| Total population           | 2.139                        | 2.342                        |
| Sex: male                  | 2.062                        | 2.287                        |
| female                     | 2.215                        | 2.397                        |
| Socioeconomic level: upper | 1.967                        | 2.419                        |
| middle                     | 2.163                        | 2.350                        |
| lower                      | 2.164                        | 2.297                        |
| Age: 18 to 29 years        | 2.197                        | 2.281                        |
| 30 to 44 years             | 2.116                        | 2.451                        |
| 45 years and over          | 2.099                        | 2.322                        |

Note: The ratings have a range from 1 to 3, and carry the following significance:

Rating 1 = good action

Rating 2 = fair action

Rating 3 = bad action

Hence, the lower the rating, the better the action

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COLOMBIA

#### GOVERNMENT CONSIDERING CHANGES IN MONETARY BOARD

Bogota EL TIEMPO in Spanish 14 May 87 pp 1 A, 14 A

[Interview with Minister of Finance Cesar Gaviria Trujillo by Carlos Pineros; date and place not given]

[Text] "Demagogy, sophistic arguments, dubious criticisms and inconsistent demands" have been seen and lamented by Minister of Finance Cesar Gaviria Trujillo in the trade union protests against the most recent UPAC reform.

He said that the government has considered introducing changes in the Monetary Board, and he noted that it has been hindered in making progress by an excess of work in the Congress.

He maintained that "the government is not able" to prevent the builders from taking over the savings and housing corporations, but it does indeed have the capacity to encourage profitability which will make it attractive to other investors to become involved, under conditions which will avoid abuses pertaining to the individual credit quotas.

He deplored the fact that the corporations have sought "to create confusion" with their criticisms and "to exert pressure" on the government to change its path.

This is the second part of the first report provided by Minister Gaviria to explain the scope of the reform and to answer his critics.

#### Changes in the Monetary Board

[Question] The corporations are asking whether the Board does not have work enough with the excessive increase in the means of payment, leading to annual inflation in excess of 20 percent, without also assuming the role of directing and managing savings now.

[Answer] The Board has concerns of a monetary nature, but the fact is that in the face of the problem which has developed in the rest of the financial system, due to a great extent to the lack of supervision and control by the state, the government feels obliged to take the same action with the corporations. It does not under any circumstances want to see repetition of

the phenomenon which occurred in the rest of the system, with the corporations having the freedom to operate as they wish, based on their aspirations.

[Question] Mr Minister, will savings be given the same monetary treatment as money?

[Answer] No, naturally it is not possible to treat savings in the same way as money is treated.

[Question] Will the government sponsor a change in the Monetary Board in order to avoid confusion about monetary control and the orientation of savings?

[Answer] In fact, the government has been working on some modifications in the way it functions and in its composition. There are some valid points, from the point of view of seeing that monetary operations go forward more along the lines of monetary policy, and less as sectorial policy. The government shares this point of view, but the administration has been limited by the legislative tasks of the Third Senate and Chamber Committees, which have been very busy. The government finds it extremely difficult to advance a law of this sort, with all of the political effort which is needed, but it is aware that it is a part of President Barco's campaign, and we will never turn back on this point.

#### Juridical Foundation

[Question] The EL TIEMPO editorial writer has stated that these measures were inspired by the plan to eliminate poverty, and he has noted that the form of financing it came from the orthodox sector, although it risks usurping the presidential task of managing private savings.

[Answer] It would be well to explain that an alternative has been created for carrying out the credit procedures which formerly existed, and the government is not hoping to finance its programs with private savings. The BCH is a serious and solvent institution. Adequate mechanisms have been created to protect the resources that it will use. A voluntary mechanism has been provided so that the corporations, if they see a risk, as they have said they have thus far, can place resources on certain levels or in popular housing, and can offer their resources at a rate equivalent to the corporations' cost.

[Question] It is evident, is it not, that presidential functions have been usurped?

[Answer] This criticism, which has been made frequently since the promulgation of these last measures, does not take the jurisprudential development on these matter into account. It is not true that the Monetary Board cannot exercise its legal authority in connection with the corporations. It has already done so, as early as 1984, when on the basis of instructions from the Council of State, it was decided that it fell to the Board, and not to the government, to regulate the articulation of these bodies.

In Resolution 23, the Board only discussed the authority for the handling of credit granted to it by Decree No 2206 of 1963--the legal framework for the

Board with regard to time periods, interest rates on loans, limits on the volume of loans or investments, guarantees, etc. This authority has its origin in the monetary sovereignty of the state which the constitution placed with the Congress, according to Article 76, No 15.

Monetary sovereignty does not refer to the issuance of currency exclusively. As the Supreme Court of Justice has clearly stated, it covers the whole economic function of money, and, a matter of particular importance, interest rates and credit. As a result, the exercise of this faculty by the Board does not represent a violation of the jurisdiction of the president of the republic over the control of private savings, but is merely the exercise of a function involving intervention in the economy, as can occur with the other financial intermediaries. Passive rates (on savings), the general direction of the activities of the corporations, and everything having to do with public savings continue to be regulated on the basis of presidential decrees.

[Question] Even so, what preventive steps will the government take with regard to a possible adverse judgment by the courts if the Board has appropriated some of the president's own functions?

[Answer] The government would abide by the decision and possibly produce the legislation which might have been promulgated by the Board by promulgating a decree. But the government does not believe that this will be the final decision.

The government has proceeded on the basis of a criterion, which may be debatable from the juridical point of view but which it regards as the safest juridically and the most desirable from the practical point of view. There is no real reason for the activities of the banks, financial corporations or the rest of the system to be regulated by the board, while the activities of the savings and housing corporations are regulated by the president. There is no logic in this argument, but it has been handled this way in the past because of the peculiar fashion in which the corporations were established and developed.

#### Address Questions Elsewhere

[Question] Our editorial writer also called attention to the risk that these proposals may prove to be nothing but good intentions, due to the inconsistency and improvised nature of the measures.

[Answer] The government agrees that the measures may be debatable, but they are not improvised. They represent the work of several months by various individuals, and an interinstitutional and interdisciplinary effort.

The fact that the economic authorities have had to be out of the country because of commitments which were their responsibility and have not had an opportunity to provide explanations has allowed the corporations to develop the idea that these are "improvised" measures. They are decisions with a juridical and economic basis, and the government is prepared to discuss them with anyone who requires further explanations about the policy of the government, the UPAC savings, the corporations or the housing policy. And I

might add that explaining them is not my duty, but rather that of the minister of development, the manager of the INSCREDIAL, the manager of the BCH and the officials whose responsibility this is.

#### A Little Demagogy

[Question] UPAC leaders have said that increasing the period for amortizing credit for popular housing from 15 to 20 years benefits no one, but on the contrary, would increase the final amount the consumer would have to pay by approximately 80 percent.

[Answer] This is a sophistic and ingenious argument with no value, and somewhat demagogic, which the corporations are using. In reality, it is very clear that extending the time period reduces the monthly payments. In addition, it is not an obligation for the corporations, but a capacity which they can use if they want.

And it is to be hoped that the corporations which have some connection with the government will use it, because it makes financing more manageable and less risky, and easier for the citizens. Anything which the corporations say to the contrary works directly toward distorting the meaning and the scope of the decisions and to putting pressure on the government to make changes in decisions which have been studied and are properly based, and which represent the harmonization of a proper policy toward the financial sector and the corporations and the housing policy of President Barco's administration.

[Question] They also mention another measure working in the opposite direction--that which increases interest on luxury housing and reduces the amortization period from 15 to 10 years, making the monthly payments become intolerable.

[Answer] I do not believe that the payments are intolerable on this level. The government has facts in its possession which indicate that 10 years is sufficient for the more powerful sectors to pay off their loans, and this provides the system with more rapid recovery of the assets so that they can be reinvested.

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CSO:3348/337

BUDGET STATUS, FINANCING OF ANTIPOVERTY PLAN DISCUSSED

Bogota EL TIEMPO in Spanish 16 May 87 p 14 A

[Article by Jose Suarez]

[Text] Yesterday the government approved the transfer of 15,356 million pesos from the Colombian Petroleum Enterprise (ECOPETROL) to the national budget. These resources will help to finance the program to combat absolute poverty.

This decision was made by the National Economic and Social Policy Council (CONPES) pursuant to the instructions in Law No 75 of 1986, which provided that beginning in January 1987, the ECOPETROL would transfer to the national budget 8 percent of the royalties obtained from the direct exploitation of oil or that based on partnership contracts, and up to 20 percent of the commercial profits of the enterprise after taxes.

This law left to the CONPES the decision as to the allocation of these resources for any of the following purposes: payment of transportation subsidies, financing of investments for economic and social development in the regions where the ECOPETROL pursues its activities, the national treasury, or investments in the enterprise itself.

On the basis of a national planning document, the CONPES decided that these resources should be transferred to the national treasury, "for the purpose, moreover, of partially alleviating the deficit in the national budget for this fiscal period."

The government reached the conclusion that these resources could be transferred to the rest of the economy without causing the ECOPETROL any financial problems. This enterprise has a surplus of 36,588 million pesos.

At the same time, this step reflects the policy outlined by President Virgilio Barco, which calls for taking resources from those bodies which have surplus assets for transfer to others which do not have such surpluses, and/or for financing the social programs the present government has proposed.

The planning document indicates that apart from this transfer to the budget, the assets derived from the country's excellent oil situation are contributing to development and to overcoming financial problems in other sectors.

--The National Highway Fund will receive transfers of between 8 billion and 15 billion pesos during the year.

--The electrical sector will benefit from "bridge" and short-term credit in the amount of \$79 million.

--The Colombian Coal Enterprise (CARBOCOL) will receive contributions in the amount of 10 billion pesos from the ECOPETROL this year.

--The gold-prospecting project in Guainia will benefit from a contribution of 1 billion pesos.

--Other enterprises (unspecified) will also receive contributions totaling 1.75 billion pesos.

In making this decision, the government took as its basis a production average of 402,500 barrels of oil per day, of which the Cano Limon field contributes an average of 187,300 barrels, and the average price presumed for oil exports was \$15 per barrel.

Once the transfer was decided upon and approved, the government recommended that the board of directors of ECOPETROL proceed immediately to draft and implement the mechanisms for effecting it.

The government itself estimated that the ECOPETROL will have a fund shortage of only 462.5 million pesos, a manageable figure for that enterprise.

According to the official projections, the financial situation of the ECOPETROL in 1987 will be as follows:

--Its foreign debt will total \$981.4 million as of the end of the year. The short-term debt balance will come to \$78.2 million mainly as a result of the imports of gasoline the country still has to make.

--Its total income is estimated at 490.17 billion pesos.

--Total expenditures will come to 453,582 million pesos.

--The surplus, as we have already stated, will be 36,588 million pesos.

--The fund shortage will be 462.5 million pesos.

The ECOPETROL has budgeted an investment program of 122.58 billion pesos for 1987, but it is estimated that only 101.1 billion pesos, or 82.5 percent of the total, will actually be used.

The breakdown of this figure is as follows:

--Development of Cravo Norte (Cano Limon)--16,778 million;

--Prospecting program--15.26 billion

--Partnership operations--8,342 million;  
--Refining and transportation--33,767 million;  
--Production--27,927 million;  
--Gas program--10,464 million; and  
--Other expenditures, such as maintenance, etc.--10,048 million pesos.

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CSO:3348/337

### THREE WOMEN ON CENTRAL COMMITTEE PROFILED

Ermelinda Morales Lopez

Havana MUJERES in Spanish Mar 87 p 16

[Article by Heidy Gonzalez Cabrera; passages enclosed in slantlines printed in boldface]

[Text] From the moment one enters the home of Jose Luis Morales and Edita Garcia, one /feels/ the spirit of labor that reins in this family. The shine of the floors, the decor, and the furniture cannot be improvised. Order prevails in every nook and cranny, even the meticulously kept, flower-filled garden and the charming backyard with its original clay roof.

Nor can one fail to note the satisfied expression on their faces when Ermelinda appears on the doorstep. Listen to the emotion-laden words of the father:

"She has always been our pride. Since she was a little girl, she was always a model child, a model student. Now we must grow ourselves, with our own daughter as an example . . ."

The daughter in question laughs in amusement. I take a good look at her, and I am convinced that there is not a molecule of vanity in her. Her youthful appearance makes it hard to believe what serious responsibilities she has borne for many years, responsibilities which merited her election to a position that says it all: alternate member of the Central Committee of the Communist Party of Cuba.

Ermelinda Morales Lopez received a scholarship to attend basic secondary school in Havana. Attracted to the world of microbiology, she devoted her studies to this specialization in Santiago de Cuba. Two years later, she began working as a mid-level technician at the Provincial Hygiene and Epidemiology Laboratory.

She began her work at the Lenin Hospital in 1972. At the same time, she was taking courses in agricultural engineering under the directed studies system. This was a double effort that did not prevent her from serving at the same time as an outstanding member of the municipal committee of the Union of Young

Communists (UJC), first, and later its provincial counterpart. And none of this detracted from the responsibility inherent in her role as general secretary of the local committee in the hospital itself.

Ermelinda's work in these various capacities prompted her election as an active member of the UJC National Committee.

After graduating, the fledgling agricultural engineer went to work as a mycologist in the Plant Pathology Laboratory in her native Holguin. She is still there today, conducting research and diagnosing diseases and pests that attack crops.

The demands of her scientific work did not prevent her continuing rise in political work. She was chosen to be a delegate to the 3rd and 4th UJC Congresses and the 11th Festival of Youth and Students. In 1983, having already joined the ranks of the PCC, she was chosen to be a member of the municipal committee of the Party, and 2 years later, she was elevated to the provincial committee of Holguin.

Her multifaceted political and labor participation does not seem to tire her. She tries to justify that incredible stamina with an explanation that is not very convincing: "I am single, and I have plenty of time for everything."

And that /everything/ includes her positions as chairman of the agriculture-livestock committee of the municipal Party, zone vice coordinator of the Committees for the Defense of the Revolution (CDR), vice chairman of the defense zone, of the Territorial Troop Militias (MTT), and—which comes as no surprise to anyone—general secretary of the nucleus at her workplace.

It is already near midnight when we bid farewell in the beautiful garden. I predict a new period of great demands for her, and she agrees. I believe I discern in her expression a genuine impatience for everything to begin.

Nidian Frometa Matos

Havana MUJERES in Spanish Apr 87 p 18

[Article by Daisy Martin]

[Text] When she arrived in the Caujeri Valley from the rugged mountains where she grew up, it certainly did not cross her mind that years later she would be the chairman of an Agriculture-Livestock Cooperative (CPA), a leader of the National Association of Small Farmers (ANAP), and an alternate member of the Party Central Committee.

"Go on!" would be the response of that peasant, who at the time had a sixth grade education. But her desire to learn was so great that she was soon allowed to obtain a secondary school diploma and attend the Worker-Peasant School. Later on, she became a plant pathology technician, without abandoning her daily work in the fields.

But today she can look around and smile, satisfied with what she has helped build with her own hands, her tenacity, and her youthful enthusiasm.

Nidian Frometa Matos has, in addition to her physical strength and her solid revolutionary principles, a tremendous love for work, for making everything work well and flourish.

It is not easy to run a CPA as she has done since 1983. Her cooperative, the Domingo Hernandez, has 92 caballerias and 84 members, of whom 22 are women. She must be very knowledgeable of everything related to livestock, since the main emphasis here is livestock. Not only that, but she has also had to learn about the harvesting cycles of various types of vegetables, and about costs, prices, bank credits, economic plans, and a thousand other things that she had not even imagined existed.

Since development must take place on all fronts, she learned, she overcame obstacles, and she earned the respect of everyone. In fact, while she was recovering from the cesarean birth of twins, the assembly was held and she was ratified as a leader of the collective.

Nidian is one of those who think, who are convinced, that children cannot be an obstacle to the development of woman, or a limitation in her completion of tasks. It is thrilling to hear her say that in the future her five offspring (all boys) will be proud that their mother was able to do her duty while still caring for them and showering them with all her love. This is how she assures them--and there is no doubt about this--that she loves them all the more, because in addition to preparing them for a new life, she is teaching them the best possible lesson by her own example.

We must not fail to mention the understanding of her husband, who shares in the childcare duties, or the fraternal cooperation of the other women in the community. After a long day working in the fields, they come to her house to help her wash diapers and clean the house so that everything will be neat and tidy. But she is always one of the first to rise, practically at dawn, and when the brigades go out to the fields, she has her babies all ready to be cared for by a neighbor until she returns.

You, Nidian, are concerned about everything. You have also fought for education and culture in your community, and today, thanks to a common effort, it has a comfortable primary school, a brand-new family medicine clinic, and the rustic sports complex. At the complex, there are dancing and sporting events as well as assemblies and study groups. Sports competitions are held there with cooperativists from other provinces. In the end, everyone wins in these competitions, because they gain new experience and make new friends who speak the same language: creative work.

Who would have told you, Comrade Nidian, that in your short life (she is just over 30) you would become a member of the Provincial Bureau and the ANAP National Committee, that you would participate in myriad political activities, peasant congresses, the 3rd Congress of the Communist Party of Cuba, and that there you would be elected alternate member of the Central Committee?

None of this crossed your mind when you came to the valley, but your desire to excel, to be useful inspired you to finish the course at the provincial school of the Party just a month before you gave birth to the beautiful twins who have brought a breath of fresh air to your home, after 11 years without struggling with diapers and bottles.

But you are very young, and you have a tremendous spirit of cooperation. You still have time to supervise the young people who give weekly classes in plant pathology in your dining room. You help them with your experience to better understand the subjects they are studying.

You were trained in the field, in daily work. That is why whenever you praise a job well done or criticize an error, everyone listens to you and respects your opinions, although many are twice your age. Your experience, along with the cultural, social, and political development you have attained over the years through your personal effort, has built this harmonious human relationship which makes your cooperative one big family.

Tania Manzanares Ayala

Havana MUJERES in Spanish May 87 p 18

[Article by Heidy Gonzalez Cabrera]

[Text] I cannot understand what caused me to imagine Tania Manzanares Ayala as a circumspect, reticent woman. Perhaps I was influenced by the complexity of her jobs: secretary of the Party committee at the University of Havana, and member of the Central Committee. The fact is, when we met face to face, before we exchanged a single word, I realized my error immediately. It was enough to see the bubbling affection in her expression, and the smile which she generously shares with everyone. Tania is talkative, and very sensitive. So sensitive, in fact, that tears come to her eyes easily, no matter how valiantly she tries to hide them.

Not immune to nervousness, she began by telling us about her children: Tony, a cadet at the Antonio Maceo Inter-Service School, and the little Alain, whose happy smile shines out at us from a photograph.

It was not easy to get her off that subject and to go back in time to memories of her own childhood, spent in a humble home in Cerro.

"When the Revolution was won, I was 12 years old, and although my family had not been involved in the insurrection, as poor blacks we had powerful reasons for understanding the importance of the process.

"As soon as I entered secondary school, I became an active member of the Association of Rebel Youths. I was put in charge of literacy, and with great enthusiasm I organized the pilot brigades that preceded the Conrado Benitez Brigades. This sparked a fierce battle with my parents, who did not want me to go out and teach literacy. And I had to be the first one to set an example!

"I argued, I cried, I got so upset that I finally won, although with the condition that Mama would go with me. We left for the ranch called Limoncito, in Palmira, where I stayed until the end of the campaign.

"When I returned, I continued my studies at the Martyrs of Giron Technological Institute. I joined the UJC, and during those years I participated in many production days. After graduating as a mid-level technician in soaps and perfumes, I began working at the old Crusellas factory, now known as Fernando Chenard Pina. At various points I was an analyst, a process auditor, and finally chief of quality control. At the same time, I fulfilled gradually increasing political responsibilities, until I became secretary of the UJC local committee."

The political ideological work carried out by the young leader was of such high quality that by 1971 she was already a professional cadre of the UJC in the Cerro chapter. She performed this task so brilliantly that she earned new promotions to the provincial and national levels. Tania was a UJC leader for 20 years, and was already active in the ranks of the PCC.

In 1983 she began going to internal Party classes in the municipality of Plaza, and from there she went on to an ideological retraining course at the Nico Lopez School. Just as she completed that commitment, she was named to lead the Party committee at the University of Havana, which has 631 members in 39 nuclei. This is enough to raise eyebrows and make people think!

Discipline, dedication, and an indefatigable spirit must have kept her going during those years of hard work. And we must not forget the inescapable duties involved in caring for her children, and the inevitable household obligations.

[Question] Have you been able to count on your husband?

[Answer] As far as his work permits. He is a great companion, but our lives are complicated beyond measure. My mother died several years ago, and I do not have a mother-in-law. I have had no alternative but to face everything with a great deal of patience and optimism. One factor to bear in mind has been the extraordinary help I have received from my comrades. And you must also recognize the fact that my children are very good. They grew up going everywhere with me: meetings, assemblies, mobilizations . . . We know that is not advisable, but in my case, that was the only way.

There was also time for studying, she comments.

"Yes, I do have my degree in juridical sciences, although I have never practiced the profession."

Tania becomes pensive, and then, laughingly, she lets slip: "It is no secret that planning is the key to success. I have made a great effort not to miss any committee or federation meetings. A few months ago I moved, and I really missed the Luis Ramirez Lopez CDR in Zone 29 in the municipality of Plaza. You know why? For a decade I was on its executive board, and for the last 5 years I was its president."

[Question] And what can you tell me about the 3rd PCC Congress?

[Answer] There are so many unforgettable anecdotes! As soon as we arrived at the headquarters, I was named chief of a group of 20 delegates. My task was to enforce the scheduling of sessions, distribute documents, and so on. The next to the last day, a comrade whom I respect a great deal came up to me and said that I would be an appropriate candidate for the Central Committee. I accepted it as flattery, an indication of his esteem, but not for a moment did I really believe it would happen.

That same night, I was given the pamphlets containing the biographies and photos of the candidates. I passed them around the group, and finally I stopped to leaf through one. Suddenly I saw my photograph on a page, and I was so shocked that I slammed the book shut. I couldn't believe it, it seemed impossible. . . . I tried to calm down and reason it out . . . . I said to myself: "Tania, there are a lot of black women with 'espendru' . . . . you must be confused." Very slowly, I searched for the page, this time following the alphabetical order of the last names, until I came across my biography. I was astounded . . . . I thought my heart would burst. I did not dare to look around. Like an automaton, I walked toward the hostel and sat on my bed. I will never be able to describe the exact feelings I had, but above all, I felt shame in comparison with the great comrades who surrounded me, and who deserved to be in that position more than I did.

It still surprises me that they considered my history. I know I have worked hard, but so many others have done the same! I never would have imagined that I could attain this distinction. It is an experience and a conclusion: I will dedicate my life, as I have until now, to the Revolution.

8926

CSO: 3248/335

LOANS FOR MANUFACTURING, AGRICULTURE FROM PRC, JAPAN

Georgetown GUYANA CHRONICLE in English 13 May 87 pp 1, 5

[Text]

A loan agreement for the financing of manufacturing and agro-industrial projects, financing for Guyana Fisheries Limited and an assessment of the Garden of Eden power station have come out of a recent visit to China and Japan by a team of Guyanese officials. Yesterday, the Department of International and Economic Co-operation issued the following Press release:

Between April 24 and May 9, 1987 a team of Guyanese officials headed by Cde. Patrick Mc Kenzie, A.A., Senior Minister, Ministry of Agriculture attended the Second Joint Economic Commission Meeting in

Beijing and held discussions on bilateral economic co-operation in Tokyo. The Joint Economic Commission meets annually and the venue of the Meeting is rotated.

China: Resulting from the discussions with Chinese officials a loan agreement for \$6m US or RMB 20m was concluded. The loan is interest free and will be used to finance small and medium scale manufacturing and agro-industrial projects.

Also talks were held on two joint ventures in the fisheries and textile sub sectors. Two Chinese teams are expected in June and July 1987 in Guyana to concretise all arrangements

in relation to these two projects.

Japan: In Japan there were exchanges between Guyanese and Japanese officials in respect to continuing Japanese involvement in:

(a) the power sector i.e. for the rehabilitation of the Garden of Eden power station;

(b) the fisheries sector i.e. for the expansion of the GFL fleet.

As a result a Japanese survey team is due sometime between July and November to make an assessment of the Garden of Eden project and further financing has been committed to the GFL.

In addition the Japanese have offered to consider favourably a request from the Government of Guyana for technical assistance in terms of personnel and training, to the agencies whose operations are being constrained by the limited availability of technical and managerial personnel.

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CSO: 3298/247

# VENEZUELAN BUSINESSMEN HERE TO EXPLORE TRADE LINKS

Georgetown GUYANA CHRONICLE in English 19 May 87 pp 1, 6

[Text]

A six-member team of Venezuelan businessmen arrived here Sunday at the start of a four-day visit to explore further possibilities of trade and economic links between the private sectors of the two neighbouring states.

After a plenary session with public and private sector representatives at the Ministry of Trade and Tourism yesterday, the Venezuelans are due to meet a joint delegation of the Guyana Manufacturers' Association (GMA) and the Georgetown Chamber of Commerce and Industry at the Chamber Secretariat at 2.00 p.m. today.

The businessmen, all members of the Association of Venezuelan Exporters, are Mr. Felix Vandam, team head (and representative of his company, Metalurgicas), Dr. Dino Castro (Promard: C.A.), Mr. Francisco Sanchez Vera (Industrias Santa Cruz), Mr. J.G. Van Hensbergen (Monexport), Mrs. Isolda Morell (Medichem), and Mr. Felipe Rafael Guillot (Institute of Foreign Trade - I.C.E.).

A seventh Venezuelan businessman, Mr. Raphael Viamonte, of Grupo Kudor, is

expected to join the team today.

The visit by the Venezuelans is intended to acquaint their Guyanese counterparts with the range and volume of goods available in Venezuela and to facilitate this country's procurement of them from Caracas under the \$15m (US) line of credit established in March during President Desmond Hoyte's visit to Venezuela.

A GMA official said yesterday the meeting today between the Venezuelan team and the Guyanese delegation is likely to focus on the establishment of joint ventures and private sector trade.

Individual Guyanese and Venezuelan businessmen have been meeting privately since yesterday, telling each other about the potentials and requirements, and making arrangements for prompt follow-up communication, a Trade and Tourism Ministry spokesman said.

The Venezuelans are scheduled to return to Caracas on Thursday.

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CSO: 3298/247

REMARKS EXCHANGED AT WELCOME FOR NEW BRITISH AMBASSADOR

Georgetown GUYANA CHRONICLE in English 21 May 87 p 5

[Text]

THE new British High Commissioner to Guyana Mr. David Small spoke yesterday of his country's admiration for the courage and conviction displayed by the Government and people of Guyana in the face of economic difficulties and said Britain is always willing to play its part in promoting economic co-operation.

"I am pleased to know that Britain will be able to co-operate with Guyana when she begins her programme of offshore oil exploration," the British envoy added, during his accreditation.

The accreditation ceremony took place at the Presidential Secretariat where the High Commissioner presented his Letters of Credence to Vice-President and Attorney-General, Dr. Mohamed Shahabuddeen.

**WARM RELATIONS**

Before coming to Georgetown, Mr. Small served in a number of capitals including Dhaka, Stockholm and Copenhagen.

He replaces Mr. John Massingham who left Guyana recently at the end of his diplomatic tour here.

During his accreditation speech, Mr. Small also spoke of the warm relations between Guyana and Britain.

He said he is pleased to know that leading citizens of Guyana have been invited to Britain as guests of Her Majesty's Government, to assist in a variety of training programmes and to contribute to the educational

infrastructure of Guyana with management expertise.

The British diplomat expressed satisfaction that British business visitors to Guyana are beginning to increase and said he hopes to see many more during his stay here.

**DETERMINED**

In reply, Vice-President Shahabuddeen observed that the recent co-operation between the two countries in the area of management training points the way ahead for the development of these relations.

He said the assumption of duty by Mr. Small coincides with a determined drive by Guyana to harness its resources for the benefit of the people.

Noting the assurances given by the British High Commissioner of his country's continuing willingness to promote economic co-operation with Guyana, the Vice-President said Guyana stands ready to work towards identifying suitable areas for practical co-operation.

GOVERNMENT SIGNS DEBT-MONITORING PACT WITH UNDP

Georgetown GUYANA CHRONICLE in English 22 May 87 pp 1, 4

[Text] A project agreement to strengthen the institutional capability of the Debt Management Unit of the Ministry of Finance was yesterday afternoon signed between officials of the Department of International Economic Co-operation (DIEC) and the United Nations Development Programme (UNDP).

The project, estimated to cost about \$120,000 (US) would entail the formulation of methodologies for monitoring of private sector debt and non-traditional arrangements such as counter-trade.

With a computerisation system, the project aims at facilitating the effective monitoring and management of the external debt in relation to development, a Finance Ministry official explained yesterday.

In a brief comment after the signing ceremony at the DIEC Boardroom Brickdam, UNDP Resident Representative Ms Cecile Davis said the implementation of the project will begin shortly.

Also present during the signing ceremony was Mr Enrique Cosio Pascal, Economic Affairs Officer of UNCTAD, which will implement the project for UNDP.

Mr Pascal has already held discussions with officials of the Ministry of Finance and DIEC on the implementation arrangements.

/9274

CSO: 3298/247

# INTEGRITY COMMISSION TO REPORT SOON; PPP, WPA VIEWS CITED

Kingston THE DAILY GLEANER in English 2 Jun 87 p 13

[Text]

GEORGETOWN, Guyana,  
May 29, Cana

**A** GOVERNMENT-established integrity commission here is preparing to submit to the Guyana President a report which could well be the catalyst for important changes in the checks and balances that govern public life in this society.

The report and recommendations of the three-member commission will advocate mechanisms for dealing with corruption in public life and for protecting and preserving the country's socio-economic and moral fibre.

Commission chairman, former appellate court judge Ronald Luckhoo, declines to talk about the group's recommendations. But the proposals of two of the three political parties which submitted memoranda to, and later gave oral evidence before the commission, indicate some of the issues.

Not unexpectedly the integrity of Guyana's elections machinery - amid long-standing allegations of fraud - figures prominently in the memoranda of the two main opposition parties.

Both the Marxist People's Pro-

gressive Party (PPP), led by Dr Cheddi Jagan, and of the Working People's Alliance (WPA), which has a joint leadership, dealt with the issue in their separate submissions, copies of which have been made available to CANA.

The memoranda of the ruling People's National Congress (PNC) - the other party which made its views known to the commission - were not immediately available (PNC general secretary and vice-president Ranji Chandisingh said it was improper to release the document at this stage).

## Common ground

However, analysis of the PPP and WPA recommendations shows that, by and large they have struck common ground in several aspects of their suggested approaches for dealing with corruption in public life.

Both parties are of the view that there should be established, by an act of parliament, a permanent integrity commission to manage a code of conduct.

On corruption in public life, they also took the position that attention ought to be paid to revamping the machinery and processes for the holding of national elections.

The PPP, for example, alleging that all elections under the PNC over the last 18 years have been rigged, contended that this had "set the tone in our national political life."

"Corruption in public life grew from rampant into endemic proportions, with high officials having life-

styles and levels of consumption their salaries could not provide," the PPP said.

"A vast number of them have become landed proprietors, farm owners, businessmen, traders, property dealers, and engage in lucrative activity in full view of the public without any indication of the source of their capital", the PPP added.

The party alleged too that "racial and political discrimination, harassment of opposition political forces, lack of industrial democracy, elimination of political opponents, failure to hold inquiries into controversial deaths, promotion of those who toe the political line of the PNC, the doctrine of paramountcy and a whole host of other actions have resulted in a general decline of moral standards and an acceptance of corruption as a way of life".

The WPA, for its part, apparently considered the question of the "electoral underpinnings" so important that it devoted more than 20 per cent of its memoranda to this question.

## Separation

In this regard, the WPA called for a separation of powers between political leadership and agencies in control of elections.

The party added: "There should be specific laws creating new electoral offences or as part of the criminal law, prohibiting pre-election conspiracies or conspiracies during and after the polling to deprive the citizen of 'the right to vote and to have the vote counted honestly'."

As was widely expected, both the PPP and the WPA criticised a code of conduct for the leadership of the PNC first talked about in 1971 by the then prime minister, the late Forbes Burnham, and embodied in the PNC's declaration of Sophia in December 1974.

Under that code, the 'leaders' were defined as the then titular President, the Prime Minister, Ministers of the Government, the Attorney-General, all PNC members of Parliament and their spouses and children under 18 years old.

They were required to submit (in writing) a sworn declaration of all their assets and liabilities and those of their spouses and unmarried children under the age of 18.

Among the criticisms levelled against that code were that it contained no provision for the declaration of assets to be made public; it is not enforceable by law; it is restricted to party members only and the party leader was not required to make any declaration of assets.

The WPA, contending that "it is the decision-makers or the political or managerial directorate who often 'get away with murder' and who 'have a working if not written immunity from police investigation' wants the code of conduct to apply to decision-makers and not only to all public servants."

### Categories

The PPP goes further in detailing 32 categories of persons who ("together with their spouses and children over 18 years residing with them") should be made to conform to the code.

Among the categories are the President and members of his cabinet, all Ministers and Parliamentary Secretaries of the government, members of Parliament, Permanent Secretaries, Heads of the disciplined services and of all government departments, Corporations, Commissions, business enterprises and Statutory Boards, all Judges and Magistrates, all officers of the Rank of Major and above, Regional Chairmen and their deputies, Mayors and their deputies, Heads of Permanent Missions overseas, the Speaker of the National Assembly and the Governor of the Bank of Guyana.

Unlike the PPP, the WPA devoted much attention to what it termed "institutionalised corruption" "conflict of interests" and "sexual exploitation."

By way of examples, the WPA

said the rules should not permit the chairman of say a service commission, who is a practising attorney-at-law to appear in a criminal case involving officers who come under the jurisdiction of that service commission.

Likewise, a minister of the government should not be elected to head a private company which has contracts with para-statal bodies.

Among its 30 or so recommendations, the WPA urged that there should be legislation to establish a permanent integrity commission, comprising persons nominated by all political parties and a chairperson trained either in law or in accounting appointed by the president after consultation with the opposition.

### Foreign banks

The party also called for:

- laws against the stashing away of funds in foreign banks by members of the political leaderships and other specified persons;

- laws empowering the repatriation of assets where they are held abroad by specified persons;

- an integrity commission with the power to summon and compel witnesses and to deal not only with financial rectitude but also with incidents of crime;

- persons volunteering information to the commission to be protected;

- each member of the commission, as well as the commission itself, to have access of the media, with disclosures by the commission treated as privileged;

- the code of conduct to provide for sanctions against sexual exploitation of all kinds;

- established bribery to be regarded as highly criminal at every level of society, since bribery, apart from other considerations, discriminates against the poor;

- severe punishment for members of the security forces and the political directorate found to be involved in crime;

- a reduction in the "absolute immunity" enjoyed by the chief executive to what is necessary in the public interest;

- the freedom of the press to be recognised and strengthened. (This is one of the surest ways to ensure a culture of integrity);

- a clear separation of State enterprises and state property from enterprises and property of the ruling party;

- a thorough overhaul of the form of the annual government financial estimates to serve as a tool of accountability; and

- a strengthening of the power and independence of the Director of Audit (he should not be a member of any cabinet subcommittee. His perspectives should be clearly inspectorial and corrective and contain no hint of responsibility for government decisions);

### Rigging elections

The PPP, meanwhile has submitted that no persons holding positions in public life should:

- engage in any act or omission leading to the rigging of elections;

- either by himself or through a nominee, engage in any private business enterprise, but if already engaged in a business enterprise, should declare how he obtained the capital and should be given one year to divest himself of the business;

- accept any consideration or inducement for the performance of his duty or to use his office, position, authority or influence for the benefit of himself, his family, relatives or friends.

- engage in property speculation or be a landlord or hold stocks or shares in any company.

The PPP has also submitted that persons or bodies responsible for promotions and appointments, should operate on strict guidelines for merit rather than on racial and political considerations.

It advocates too that members of the commission should be appointed after "genuine consultations" with the opposition and that their appointment should be approved by parliament.

The PPP also submitted that:

- the persons affected should furnish annual sworn declarations of their assets, liabilities and income of themselves their spouses, and children over 18 years living with them.

- the Commission should make an annual report to parliament pointing out those cases where there has been a breach of the code of conduct where a statutory declaration has not been made or insufficiently made or where particulars requested have not been supplied or where, for other reasons, the commission is not supplied.

- failing to observe the code of conduct, to submit a declaration, to

attend an inquiry, to give information to the commission, and giving false information to an inquiry, should be regarded as offenses, and that the penalty for any of the above offences should be a minimum of one year's imprisonment, confiscation of any property which is in issue and a recommendation of dismissal.

How many of the recommendations from the three political parties and agencies and individuals who submitted memoranda to and/or

gave oral evidence before the commission will be accepted and incorporated into the final report is anybody's guess.

However, the mere attempts at fashioning a culture of integrity as the nation celebrates its 21st Anniversary of Independence from Britain (May 26) is seen here as an indication of heightened maturity in the process of the evolution of the Guyanese society - a coming of age of the Guyanese society.

/9274

CSO: 3298/247

## MINISTER OF TRADE STRESSES GROWING ROLE FOR PRIVATE SECTOR

### Benefits From Venezuelan Credit

Georgetown SUNDAY CHRONICLE in English 17 May 87 p 1

[Text]

THE private sector stands to benefit substantially from the \$15m (US) line of credit with the Venezuelan government. This was disclosed by Minister of Trade, Cde. Winston Murray during the Guyana Broadcasting Corporation's "Face the Nation" programme, aired yesterday.

The public sector will also benefit from this arrangement, which will allow for the importation of goods and equipment from Venezuela.

Cde. Murray explained that all the \$15m (US) does not become available at once. Money becomes available under the line of credit through repayment of the Bank of Guyana of deposits

that have been made by the Venezuelan Investment Fund with the Bank of Guyana as part of an arrangement to assist Guyana in funding the cost of oil imported from Venezuela. The deposit is equal to 45 per cent of the cost of each shipment of oil.

At present \$1.9m (US) is available and a quantity of urea has already been imported for the rice industry. Cde. Murray disclosed that the Government proposes to utilise this sum to buy chemicals for the rice industry, jumbo rolls for the manufacture of toilet paper, and water pumps as well as pumps for the Guyana Water Authority. The Guyana Electricity Corporation will also receive part of the \$1.9m

to buy equipment for line transmission while, Banks D.I.H. will get an allocation to purchase crown corks of which it is in urgent need.

Guyana Refrigerators Limited will also receive a sum of money to purchase equipment and inputs to carry on its operations.

Cde. Murray said that a list has already been drawn up for the use of the full \$15m (US). Since the money becomes available in instalments, the most urgent needs of the economy are taken into consideration when allocating sums.

### Murray Remarks in Jamaica

Kingston THE DAILY GLEANER in English 28 May 87 p 3

[Text]

Guyana's Minister of Trade and Tourism, the Hon. Winston Murray, has said his country is now "opening-up" its doors to entrepreneurs from the Caribbean region and promised that "attractive incentives" would be offered.

"There is a vast potential in Guyana which needs to be explored and exploited through the establishment and operation of viable commercial and economic ventures," he declared.

Mr. Murray was speaking on Tuesday night at the official opening of a trade exhibition mounted by the Guyanese trade mission at the Jamaica Pegasus Hotel, New Kingston. Guyana celebrated its 21st anniversary as an independent nation on Tuesday.

The exhibition ends today and a wide variety of household products and consumer items produced in Guyana are on display.

Under former President, Mr. Forbes Burnham, Guyana had largely closed its doors to foreign private capital as the State took control of up to 80 per cent of the economy.

However, faced with a severe economic crisis, the new President, Mr. Desmond Hoyte, has been speeding up the re-opening of the economy started by Mr. Burnham before his death in 1975, in a bid to

attract badly-needed foreign exchange and loans from multi-lateral agencies.

Mr. Murray said: "I would like to send out the message from here that Guyana welcomes serious-minded investors — private investors in particular — to come and invest in the development of the country's resources".

"They are welcome to come and invest on their own. They are welcome to come and invest in partnership with the Guyanese private sector, and they are welcome to come and invest with the Government of Guyana".

Stating that his Government would offer "the most attractive incentives" to "serious-minded" investors and entrepreneurs from CARICOM member states, the Guyanese Minister said: "In short, we are opening up Guyana to you all".

The trade exhibition was officially opened by Jamaica's Deputy Prime Minister and Minister of Foreign Affairs, Trade and Industry, the Rt. Hon. Hugh Shearer.

## Proposals for Jamaica Trade

Georgetown GUYANA CHRONICLE in English 29 May 87 p 1

[Text]

KINGSTON, Jamaica: (IPS) — A trade delegation from Guyana, now on a promotional visit to Jamaica, has proposed a new way for the two Caribbean Community (Caricom) partners to increase trade.

Delegation leader Winston Murray, Guyana's Minister of Trade and Tourism, proposed to businessmen in Kingston that Jamaica-Guyana trade could be revived by pricing the goods traded in U.S. dollars, while not actually using foreign exchange to make payments.

Instead, Jamaica's exports

to Guyana would be credited to the Bank of Guyana, paid for with Guyana dollars, which would be used to buy Guyanese products.

Similarly, Guyanese exports would be paid for in Jamaican currency, credited to the Central Bank in Kingston and proceeds used to buy Jamaican goods.

Murray said the arrangement would reduce some of the problems inherent in countertrade, though Guyana would consider using the countertrade mechanism for some non-traditional exports.

The Guyanese officials met members of the Chamber of Commerce in Kingston Tuesday to outline the proposals. An exhibition of Guyanese goods is now under way at a Kingston hotel. The mission was due to leave Kingston yesterday.

Guyana hopes to sell prefabricated houses, shingles, men's shirts, cotton sheeting, assorted liquors, plywood, lumber and pharmaceuticals.

Murray said Guyana was interested in buying steel rods, gluesan crown corks, tyres and tubes from Jamaica.

Jamaica-Guyana trade has been declining over recent years, in line with the general downturn in Intra-Caricom trade caused by the severe foreign exchange difficulties facing members of the Community.

# WAGE-INCREASE PAYMENTS, OTHER LABOR ISSUES IN SPOTLIGHT

## Government Guidelines

Georgetown GUYANA CHRONICLE in English 15 May 87 pp 1, 5

[Article by Dhanraj Bhagwandin]

[Text]

*HOPES for an early payout of wages and salaries increases to public sector employees based on the recently concluded agreement between the Government and the Trades Union Congress were raised with the issuing this week of guidelines relating to the package.*

*The latest circular was issued by the Public Service Ministry yesterday to Permanent Secretaries, Heads of Departments and Regional Administrations covering the traditional public service.*

Guidelines to Guystac, Guysuco and Guymine had been issued earlier, the *Chronicle* learnt.

While the amount involved in the total payout was not available, Treasury sources indicated that increases in the traditional Public Service alone would push the Government's wage bill up by about \$110 million to some \$430 million for this year

### DISCUSSED

Yesterday's circular, to be discussed at a meeting at the Sophia Auditorium today, sets out the terms and conditions for wage and salary adjustments in 1987 for employees in Central Government Ministries, departments and Regional Administrations.

It is understood that preparations for the retroactive payout, already begun in some departments,

could result in payment being made from next week.

The PSM circular called on those responsible to ensure that all workers concerned receive the amounts due to them as early as possible.

And TUC General Secretary, Joseph Pollydore said he would expect the payments to be made shortly.

The 1987 wages package agreement, which provides for further negotiations on other aspects, will also benefit pensioners who are expected to get increases of between five and 10 per cent, calculated to cost another \$3 million.

Pensioners who retired before 1977 have already received an increase of five per cent.

In accordance with the Public Service Ministry circular, time-rated workers will get an across-the-board increase of 16.37 per cent

plus \$100 per month (or \$4.20 per day for daily paid workers) and an average appraisal component of between 5.5 to seven per cent, knowledgeable sources explained.

Both of these payments are to be based on the wage/ salary at December 31, 1986, taking into account the 1986 wage policy adjustments, they said.

Piece-rated workers will also enjoy a similar overall increase, the payment of which will depend on details of their work and current level of pay and approval from the Public Service Ministry.

Included in the 1987 wages package is a new minimum wage of \$23.75 per day. All persons in employment at December 31, 1986 are to enjoy the wage and salary adjustments retroactive to January 1, 1987.

Today's meeting at Sophia, which begins at 13:15 hrs, is for the purpose of clarification and explanation of points in the circular and will be attended by Permanent Secretaries, Heads of Departments and other officials.

Georgetown MIRROR in English 24 May 87 p 1

[Text]

"For trade unionism to become relevant, it is necessary to have a theoretical/ideological perspective", declared Dr. Cheddi Jagan in an address to a symposium at the Critchlow Labour College Wednesday evening last. Trade unions must also have a broad "political/economic and internationalist working class outlook", he added.

The other panellists were PNC representative and former Labour Minister Kenneth Denny and TUC General Secretary Joseph Pollydore.

The PPP leader noted that the local trade union movement for some time has been seen as irrelevant "as it has failed to effectively defend the economic, civil and political rights of the people".

...Speaking under the theme "Trade Unionism in the Search for Relevance" he stressed that certain trade unions had at times betrayed instead of protected the rights and interests of the working people.

After explaining the roots of

irrelevancy into which the unions have descended, and outlining the many interlinking internal and external factors, he said: "There must be fusion between the working class movement and socialism". He therefore called on unions to desist from taking an 'economistic approach' concerned only with the fight for increased wages and improved working conditions. "It is also necessary to look at the question of political power: who holds power and in whose interests it is being exercised".

TUC General Secretary Joseph Pollydore, said: "The trade union movement is as relevant as it was in the past and it is indeed an instrument of contemporary development".

Kenneth Denny who devoted most of his contribution in trying to refute points made by Dr. Jagan, re-asserted PNC claims of pursuing a socialist course 'come hell or high water'. But he was at pains to explain present government policies. The speakers all called for a national debate on the question of national policy.

Chairman for the proceedings was T. Anson Sancho, Principal of the College.

#### Resistance to New Law

Bridgetown BARBADOS ADVOCATE in English 11 Jun 87 p 4

[Article by Courtney Gibson]

[Text]

GEORGETOWN, Guyana, Wednesday (CANA) — Several Guyana trade unions and civilians are still fighting tooth and nail to reverse controversial legislation which gives the Government the right to negotiate all public sector pay agreements with a single designated organisation here.

The Labour Amendment Act met with resistance ever since the relevant draft was introduced in the National Assembly three years ago.

On Monday, the respondents in the Labour Amendment Act appeal, in a constitutional motion supported by affidavits from six trades unions and an attorney-at-law, called on one of the three judges in the case, Justice Charles Fung-a-Fat, to disqualify himself because he could reasonably be suspected of being biased or prejudiced.

Justice Fung-a-Fat had been sitting with Chancellor of the Judiciary Keith Massiah and

Justice Rudolph Harper hearing the appeal filed by the State.

### Hearing appeal

Since the case reached the Court of Appeal, three preliminary issues — including one over jurisdiction — raised by the respondents in an apparent bid to block the hearing of the substantive appeal — have been determined in favour of the State.

Also adding to the controversy Monday was a writ filed in the High Court by cane-cutter Bubal Budhai, one of the respondents challenging the right of Judge Fung-a-Fat to sit as a justice of appeal hearing the Labour Amendment Act appeal.

The Labour Amendment Act, 1984 empowers the Guyana Trades Union Congress to enter into wages agreements (with the Guyana Government) on behalf of all public sector workers.

However, in addition to challenging the constitutionality of the Act, some unions here are strongly against the TUC bargaining on behalf of their members for increased wages. Such an arrangement, they contend, undermines the whole process of negotiating collective labour agreements.

The current appeal by the State has its roots in two declarations by a High Court judge who struck down as ultra vires and violative of the Constitution of Guyana, sections of the Act.

The hearing of the substantive appeal was scheduled to begin last Monday, but was delayed as a result of the filing of the motion last week.

At Monday's sitting Justice Fung-a-Fat was replaced by Justice Cecil Kennard to hear arguments on the constitutional motion.

Presenting the motion on behalf of Budhai and others, senior counsel said the court was not being asked to find that the judge is biased or prejudiced, but to find whether the due administration of justice has been affected by the matters complained about by the respondents and others.

Among the matters complained about in the affidavits is a statement allegedly made by Justice Fung-a-Fat critical of persons who complain about Acts of Parliament.

Counsel said no persons should adjudicate in the administration of justice if he might reasonably be suspected of being biased or if a real likelihood of bias exists.

Chancellor Massiah told counsel about complaints he receives in his official capacity and he emphasised that there must be reasonable grounds and not "whimsical and capricious" allegations.

### Nine orders

Among the nine orders being sought through the constitutional motion is one that a "full bench" of five judges should sit and determine the case.

The motion is being supported in affidavits from the Guyana Mine Workers Union, the National Association of Agricultural, Commercial and Industrial Employees, the National Union of Public Service Employees, the Clerical and Commercial Workers Union, the University of Guyana Workers' Union, and the Guyana Agricultural and General Workers Union.

Counsel for the applicants were expected to continue to address the court yesterday.

Meanwhile, in the writ filed in the High Court, Budhai is asking for a declaration that Justice Fung-a-Fat should not participate in the hearing of the civil appeal. He is also asking for an injunction restraining Fung-a-Fat from participating in the hearing of the said matter.

He is contending that, among other things, the extended retirement period of the appellate court judge would end before the conclusion of the present appeal.

The hearing of the current appeal, he contends further, is expected to last six weeks and to engage the court's attention for up to about five months.

He is also arguing that Fung-a-Fat had reached the age of retirement as is set out in Article 197 of the 1980 Guyana Constitution and that Fung-a-Fat ought to have retired on May 31, 1985.

However, in keeping with the provisions of the Constitution, the President extended Fung-a-Fat's term of office by one year and then for a further term of another year expiring June 28, 1987.

### Not contemplated

But Budhai is arguing that the Constitution does not contemplate the retention of the services of a justice of appeal beyond one term and that any extension of time for a further term beyond June 28, 1987, for Fung-a-Fat, is ultra vires and unconstitutional.

According to Article 197 of the Guyana Constitution, "the President, acting in accordance with the advice of the Judicial Service Commission, may permit a justice of appeal who has attained the age of 65 years to continue in office until he has attained such later age as may (before the justice of appeal has attained the age 65 years) have been agreed with the justice of appeal."

But Article 197 of the Constitution also states that "the President, acting in accordance with the advice of the Judicial Service Commission, may permit any judge to continue in office for such period after attaining the age at which he is required by other provisions of this paragraph to vacate his office as may be necessary to enable him to deliver judgment or to do any other thing in relation to any proceedings heard by him before he attained that age."

In his writ against Fung-a-Fat, first aired Monday before High Court Judge John Romao, Budhai has also named the Judicial Service Commission and the Attorney-General as defendants.

Justice Romao ordered that copies of the writ be served on all the defendants within 10 days and he fixed June 23 as the date for hearing the matter.

# PROFITS, WAGE PACT BRING RECORD PAY TO SUGAR WORKERS

Georgetown GUYANA CHRONICLE in English 29 May 87 p 1

[Article by George Baird]

[Text]

The return to profitability of the sugar industry and the recent agreement reached between Government and the Trades Union Congress on wages and salaries in the public sector have combined to give the nation's sugar workers their biggest-ever payout.

With Guysuco returning to profitability last year, its more than 20 000 workers will receive close to \$8 million in profit-sharing; and the Government-TUC package will push the total payout to about \$28 million.

Guysuco's Chairman Harold Davis, who confirmed the figures yesterday, announced that the payout will start by the middle of next month and be completed as soon as possible.

From field workers to top administrators will all share in the historic payout.

As far as the profit-sharing is concerned, it will be the first time in 13 years that

sugar workers will benefit, the corporation having recorded heavy losses since 1974.

Last year Guysuco recorded a pre-audited profit before tax of \$20 million contrasting with a loss of \$77.8 million the previous year and even larger deficits in 1983 and 1984.

Substantially improved sales of sugar in Caricom countries -- especially Dominica and St. Vincent and The Grenadines -- improvement in the price received for European Economic Community quota sugar, as well as an increase in income from the domestic market contributed significantly to the corporation's 1986 revenue.

The formula being used to determine the sugar workers profit share was adumbrated by the Persaud Commission in 1968 and amended in 1975 by the Crane Arbitration Tribunal.

And the guidelines for the new wages and salaries levels were issued simultaneously to Guystac, Guymine and the traditional Public Service, following the Government-TUC agreement in April which put the new minimum wage at \$23.75 per day.

Although there was no word on the Guymine payout, it was confirmed that Guystac group employees have also not yet received their backpay. However some corporations and companies have already submitted the relevant information to the Guystac Secretariat and expect to make payment by month-end.

In the traditional Public Service it was reported that several ministries have already made retroactive payments based on the new public sector wages and salaries levels.

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CSO: 3298/247

# IDB LOANS APPROVED FOR PUBLIC , PRIVATE SECTOR PROJECTS

Georgetown GUYANA CHRONICLE in English 19 May 87 pp 1, 6

[Article by Ron Morrison]

[Text]

*A \$10m [US] loan to procure spares and accelerate rehabilitation activities at seven of Guyana Sugar Corporation's [Guysuco] sugar mills and another for some \$1.1m [US] to expand and balance logging operations at Willems Timber and Trading Company Limited were approved by the Inter-American Development Bank [IDB] last week.*

The two sub-loans, approved under the \$28m (US) Industrial Re-activation Loan Programme signed by the Government of Guyana and the IDB in 1986, bring to eleven the number of loans sanctioned by the international funding agency to streamline various developmental programmes in the nation's public and private sectors.

In a recent interview, IDB Representative, Mr Manuel Aristy said that the eleven sub-loans approved total more than \$17 m (US). Six of them went to the private sector industries and the others were for the public sector.

And the IDB expects more applications through the executing agency, Guyana Co-operative Agricultural and Industrial Development Bank (Gaibank).

The Guyana National Engineering Corporation, Banks DIH, Swiss Machine Establishment, Demerara Distillers Limited, Kayman Sankar and Sons, and Bata Shoe Company Limited are among the other recipients, and disbursement on some of the loans is currently in progress.

Mr Aristy praised the officials of Gaibank, noting that the financial institution has been doing a remarkable job in the promotion and development of agricultural and agro-based industries.

## IMPROVE

Speaking about Guysuco's projects, the IDB Representative pointed out that the \$10 m (US) loan, the largest so far approved for any single entity, will further streamline and improve and make for the more efficient production of sugar. The disbursement process for the Guysuco loan will begin when the corporation completes arrangements for the procurement of required equipment.

Observing that Guysuco has been a very efficient entity, Mr Aristy announced that there is a possibility of the corporation receiving an IDB grant of some \$130 000 (US) to facilitate its diversification programme, and another loan of \$350 000 (US) to undertake a feasibility study to generate electricity from bagasse. The \$350 000 (US) loan will come under a technical co-operation arrangement, he said.

Mr Aristy said that the projects are being studied, but with the current world economic situation of sugar, they are likely to be approved within the next two months.

The senior IDB official said that the projects in the pipeline for Guysuco, one of the country's largest foreign exchange earners are generally aimed at making the corporation more efficient and enhancing Government's policy of self-sufficiency.

The loan just approved is the first IDB has approved for Guysuco and Gaibank will contribute \$2.5m (US) to finance the rehabilitation programme, estimated to cost Guysuco some \$125m (G).

#### **HUMAN RESOURCE**

The Bank is also currently financing a \$14.3m (US) Human Resource Development Programme for the University of Guyana, the New Amsterdam and Georgetown Technical Institutes and the Guyana Industrial Training Centre.

IDB has been one of the largest external sources of finance for Guyana since 1978. To date the Bank has disbursed more than \$230m (US) in loans for development in the country.

Through technical co-operation programmes, an additional \$18m (US) were made available, 70 per cent of which was grant funding. About 65 per cent of the Bank's total investment in Guyana has been on concessionary repayment terms, Mr Aristy said.

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CSO: 3298/247

## MORE RICE EXPORT MARKETS RESULT IN INDUSTRY GROWTH

Georgetown NEW NATION in English 24 May 87 p 8

[Text]

THERE are positive signs of growth and development in Guyana's Rice Export industry. With systems already in place and more in the pipeline, there is every indication that 1987 will be a bonanza year for the Guyana Rice Export Board. Rice export for 1986 was 36 634 tons, a 31 per cent increase over 1985, and the target for 1987 doubles that figure.

Significant achievements for the year include securing a retention account from the Central Bank under which funds can be retained for further development of the industry. Funds will be used primarily for the purchase of emergency and lower cost spares needed to move the rice industry to greater efficiency.

According to GREB's General Manager, Cde. Claude Housty in keeping with the emphasis on private enterprise development, in the first quarter of this year Government granted the licensing of private dealers to export rice. Initially, six agencies have been

licensed. Two have already commenced exporting. Retention accounts have also been approved for these dealers.

More recently, application was made by GREB for an IDB loan through Galbank to assist in the rehabilitation of machinery and equipment. This if approved will ensure better equipment for use in the industry.

At present only two of five packaging machines are operational.

Informed sources say that the new 10-ton mill acquired from the German Democratic Republic (GDR) currently being erected at Anna Regin in Region Two is expected to come on stream by July 1.

And with the recent adjustment of the Guyana currency Guyana's rice has become more competitive, thereby enjoying a preference on the European Economic Community (EEC) market under the Lome III Convention.

In 1985 export to the EEC was 7 501 tons, progressing to 21 544 tons by the end of 1986. Because of competitive prices the 1987

projection is in the vicinity of 40 000 tons.

Guyana currently supplies two qualities of rice to the EEC: broken in which whole grain content should not exceed eight per cent, and cargo or husked rice for which there is great demand on the European market.

Under a contract secured with the World Food Programme in 1986, Guyana continues to supply rice to Honduras and Nicaragua.

And in the Caribbean region, Guyana after three years, recaptured the Jamaican market last year with 5 413 tons valued at G\$9m.

The introduction of a standardised quality of milled white rice now being offered for sale throughout Caricom has had favourable results for the GREB. This has led the rice exporting agency to correct the damage to its reputation caused by private persons who smuggled bad rice out of the country for sale to these markets.

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## BRIEFS

PROTOCOL WITH CUBA--Georgetown, 22 May (CANA)--Guyana and Cuba have moved closer to establishing their first joint-venture economic project with the signing here of a protocol providing for cooperation in the mining of kaolin and gold. Officials here say the kaolin project is being given top priority and it is hoped that this project will get off the ground before the end of this year. Details pertaining to matters such as equity participation are yet to be worked out but these are likely to be finished at a meeting to be held in Havana, the Cuban capital, in six weeks. Work on the gold project is still at the preliminary stages. Proposals for the two projects were first raised during discussions between Presidents Desmond Hoyte and Fidel Castro during bilateral talks when they were in Zimbabwe last September for the Eighth Non-Aligned Summit Conference. And following agreement at the 12th meeting of the Guyana-Cuba joint commission in Guyana in March, this year, a three-man technical team from Cuba arrived here earlier this month and gathered information pertaining to the exploitation of kaolin from the deposits at Topira in the bauxite belt. [Text] [Bridgetown CANA in English 1906 GMT 22 May 87 FL] /9274

GNEL STRIKE--A strike by a section of the workforce of the Guyana National Engineering Corporation (GNEC) has ended and workers were back on their jobs yesterday. The week-long strike ended on Saturday after officials of Guyana Labour Union and management of GNEC agreed to continue discussions under the aegis of the Ministry of Labour, following yesterday's resumption. [Text] [Georgetown GUYANA CHRONICLE in English 19 May 87 p 4] /9274

CSO: 3298/247

## SOCIALIST PARTIES OF 14 NATIONS MEET IN MEXICO CITY

Mexico City PUNTO in Spanish 25 May 87 p 7

[Article by Jose Woldenberg]

[Text] Fourteen Latin American Socialist parties met in Mexico City from 15 to 17 May to discuss the problems confronting our continent, the viability of socialist proposals and the most appropriate arrangements for exchanging experiences and working together.

Support for the parties varies widely in their own countries, but what they have in common is their concern about combining socialism and democracy, their efforts to undo the huge prevailing social inequalities and to dampen the dynamics of blocs and the fact that they are totally independent of any center of power.

Visiting our country were representatives of the Popular Socialist Party of Argentina, the Socialist Uno Party of Bolivia, the Socialist Party of Chile (Almeyda), the Socialist Party of Chile (Nunez), the Mexican Socialist Party, the Febrerista Revolutionary Party of Paraguay, the Revolutionary Socialist Party of Peru, the Socialist Party of Uruguay, the Socialist Party of Ecuador, the Democratic Socialist Party of Guatemala, the Free Bolivia Movement, MS Firmes of Colombia, and Venezuela's MEP [People's Electoral Movement] and Movement Toward Socialism.

Here as invited observers were delegates from the Permanent Conference of Latin American Political Parties (COPPPAL), the Communist Party of Cuba, the Socialist Party of Costa Rica, the Italian Communist Party, the Communist Party of the Soviet Union, the Labor Party of Korea, the Radical Party of Chile, the Unified Socialist Party of Germany, the Revolutionary Democratic Front of El Salvador, the Polisario Front, the Sandinist National Liberation Front, the FMLN [Farabundo Marti National Liberation front] of El Salvador, in addition to the PLO, Israel's MAPAM [United Workers Party], the League of Communists of Yugoslavia and the Latin American Committee Against Apartheid.

The conference was thus significant because of its makeup alone, but much more so as a result of the resolutions it passed. We will attempt to give an overview of the proposals that were approved in a brief summary of the three

basic documents ("Latin American Socialist Coordination and Its International Relations," "The Socialist Space" and the "Declaration of Mexico").

In profiling themselves, the gathered parties turn to Latin America's tradition of emancipation. Thus, they describe themselves as "heirs to the struggles of our peoples for their liberation; to the heroic exploits of Bolivar, Artigas, San Martin, Catari, Hidalgo, Morelos, Zapata, Marti, Sandino...and to the contributions to the struggle and to Latin American socialist thought by Jose Carlos Mariategui, Vivian Trias, Manuel Ugarte, Marcelo Quiroga Santacruz and Carlos Fonseca Amador; to the Cuban and Sandinist revolutions; to...Gen Velasco Alvarado...Omar Torrijos...Salvador Allende."

The list of names is an attempt to bear witness to a deep-rooted tradition on our continent and to fuse the national, grassroots, democratic and socialist dimensions.

Reviewing the region's recent history, the conference deduces the need to combine several ambitions: democracy, social justice, national independence and the search for peace.

In assessing the emergence of "democracy and revolution" in the 1980's, the socialists conclude that "the experience of the working class sectors during the authoritarian period" and "socialism's ability to embrace that experience and take on the struggle for democracy" oblige socialists to "defend democracy where it has recently been achieved (an allusion to the transition in Argentina, Uruguay and Brazil).

But unlike other strengths of socialism, the commitment to democracy is not circumstantial. They say: "Socialism on our continent, which is rooted deeply in democracy, rejects any notion that our peoples can exercise their national sovereignty and achieve a just distribution of social wealth through authoritarian channels. The dictatorships and antidemocracies under which we have suffered have clearly shown that the only channel is the open and free participation of political and social forces, precisely so that the majority, made up of those who live from their own labor, can acquire the capacity to decide through their own strength and organization."

Nevertheless, what distinguishes the democratic aspiration of socialists from that of other sectors is its obligatory link to proposals designed to relieve abysmal social inequalities. In a context marked by declining real wages, attempts to curtail union rights and accomplishments, rising unemployment and systematic cuts in social spending, the conference indicated that: "Our countries need in-depth social reforms that will lend support and permanence to new economic policies. We require the productive use of major resources that are being squandered, a drastic reduction in the consumption of luxury items by privileged minorities, an increase in productive savings, an end to all forms of speculation, and production and employment promotion.

Nonetheless, more than just "internal factors" are weighing on the countries of Latin America; there is also their subordinate relationship with international financial centers. "Most Latin American countries have become

taxpayers to international financial capital and are victims of a system of large-scale plundering that is preventing the development of their economies."

The foreign debt is becoming an unavoidable aspect of the relationship; however, "that extremely serious problem cannot be addressed solely through isolated, unconcerted actions by certain countries." In this regard, "anti-imperialist unity" has become a requirement. The conference again stressed the need for a suspension of or a moratorium on the enormous debt, but it also underscored "comprehensive negotiations" between debtors and creditors to come up with an answer.

To make headway towards democracy and social justice and to strengthen the sovereignty of nations, we also need, in the words of the conference, "a new international framework in which growing detente will predominate and thus pave the way for a guarantee of world peace." We need to do away with the idea that the world must inevitably be divided into political-military blocs that confront each other on the various world scenes" because under that sort of arrangement our continent will be nothing more than a "sphere of influence of the United States."

Seeking to contribute to that detente, the conference came out in favor of accords to limit "weapons of mass and instantaneous destruction" and regarded as significant "the new policy of peace that the Soviet Union is promoting," the "appeals by the New Delhi group, and the pacifist pronouncements of the Movement of Nonaligned Countries and the Socialist International."

In light of this objective, the participants expressed enormous concern "over the suicidal division of socialism" in our countries. They assessed what unity has meant in Nicaragua and El Salvador but also how it is being sought in Argentina (Socialist Confederation), Peru (United Left), Uruguay (Broad Front), Mexico (Mexican Socialist Party), Chile ("imperative to reverse fragmentation") and Colombia (organized labor unity). The extent and significance of these moves toward unity are very different, but what they have in common is the quest to broaden "the socialist space."

According to the Socialists at the meeting, the people behind these moves cannot cease to observe and work together with "the new social movements" and the "new actors": "groups that defend human rights...grassroots church communities, young people, women, middle-class segments, environmentalists, ethnic groups. They have all helped to create a favorable atmosphere in Latin American countries to enrich democratic values not only in politics but in the everyday modes of behavior and coexistence."

How will the socialist movement evolve in Latin America? The question is difficult to answer. The "exhaustion" of the Right's agendas, of which the documents speak, seems more like wishful thinking than reality. Nevertheless, there can be no doubt that new winds are blowing through the movement and that its potential for growth is directly linked to the strengthening of democracy on the continent and to genuine detente that will boost the potential for the self-determination of peoples, which from a socialist perspective must lead to more just conditions in which the needs of the majority can be better met.

GROUPS FROM 20 STATES PLANNING PARTY OF LEFT TO RIVAL PMS

Mexico City LA JORNADA in Spanish 19 May 87 p 3

[Text] Grassroots organizations from at least 20 states of the republic have announced that they will create a leftist party to compete, registered or unregistered, with the Mexican Socialist Party (PMS) and to defend the interests of the masses.

The front was convoked by the People's Defense Committee of Chihuahua, the Revolutionary Left-Line of Masses, the Revolutionary Organization of the People, the Independent Peasant-Popular Organization of the Veracruz Huasteca and the National Independent Teachers Front.

Alberto Anaya, from the Land and Liberty Popular Front of Monterrey (FPTyL), asserted that work is under way to organize the members of the new political force in all states, in working class colonias [urban communities], peasant communities and union groups.

They contended that the tactics of their as yet unnamed organization would differ from those of the PMS until the two groups could reach a consensus and fight as the Mexican Left's alternative.

In the meantime, he argued, "we reject any attempt by that party to set itself up as the only hub of the Left."

The press conference at which the official announcement was made was held at the Hotel Prim. Several representatives were in attendance, including Juan Lopez, from the collective leadership of the COCEI [Labor, Peasant, Student Coalition of the Isthmus], which is taking part in the talks.

Deputy Ruben Aguilar said that they are trying to tap the grassroots movements that the Right, specifically the National Action Party (PAN), has so far attempted to capitalize on.

Anaya, who throughout the press conference praised Governor Jorge A. Trevino because his administration "has been one of dialogue, not persecution like that of Alfonso Martinez Dominguez," said that the new party, whose name will be decided later, "is emerging with organizations of great social strength."

Their move, he added, cannot be opposed violently, as the FPTyL, which he heads, was attacked in the past; dialogue is the answer. "We are not outlaws or criminals just because we are raising the working class banners of the underprivileged."

The new party, he contended, is trying to shatter the "petty and mercantilist" pattern of the traditional political opposition. It brings together a variety of political persuasions, and to be functional it will be structured in accordance with an in-depth analysis of the electoral code. "The problem of registration is not vital in establishing ourselves and making electoral headway," party leaders emphasized.

The final decision was made during the first national meeting of four of the six state organizations, held on 16 and 17 May at the National Medical Center. Their document reads: "The objective of this national meeting was to intensify the efforts at a merger among our organizations, with an eye towards establishing a new political party that will represent the interests of the masses and defend the ideas of the revolutionary Left."

During their discussions they also resolved to demand the release of teachers Manuel Hernandez, Jacobo Nassar and Jesus Constantino, the leaders of Section 7 of the SNTE [National Trade Union of Education Workers] who were "imprisoned for political reasons in Chiapas," and of Felix Maldonado, Gerardo Barrios and Agustin de la Torre; they also demanded that Candelario Campos be brought forward.

8743

CSO: 3248/331

WORK OF CUBAN SURGICAL BRIGADES DESCRIBED

PA280023 Havana International Service in Spanish 0000 GMT 28 May 87

[Report by Isidro Fardales from Managua, Nicaragua]

[Text] Doctors and paramedical personnel of the Berta Calderon Hospital are doing an outstanding job here in Managua. As members of the surgical brigades, they have performed more than 150 voluntary operations from 1-24 May.

These professionals' attitude is more meritorious if we realize that as a result of the shortage of specialists and other problems, such as the lack of some surgical instruments, 280 general surgeries and 5,000 ophthalmologic cases were pending at that medical center.

Five brigades are working at the Berta Calderon Hospital, where 80 members, including doctors, nurses, anesthesiologists, surgeon assistants, and stretcher-bearers contribute with their daily voluntary work.

Last Sunday, Humberto Castillo, a well-known Nicaraguan ophthalmologist and his wife Marcia, who is also an ophthalmologist, each performed 24 cataract operations. Castillo, who is member of the Jansen-Nunez-Calero Brigade told us that there are patients in Nicaragua who have been waiting for this type of surgery for over 4 years. He added that with the help of volunteers, the pending cases could be drastically reduced in approximately 6 months.

Meanwhile, Ligia Altamirano, coordinator of the Jansen-Nunez-Calero Brigade, said that on Sunday, there were 34 operations, mainly to remove cataracts, and to sterilize women.

The enthusiasm and the results of the work carried out by the doctors and other members of the surgery brigades at the Berta Calderon Hospital are so great that anesthesiologists of other medical centers such as the Manolo Morales Hospital have offered to work voluntarily during weekends and holidays.

/6662

CSO: 3248/343

DEATH OF RESERVIST SPARKS PROTEST IN BOACO

PA201438 Paris AFP in Spanish 0539 GMT 20 Jun 87

[Text] Managua, 19 Jun (AFP)--A tense situation took place on Friday in the city of Boaco, 140 km southeast of Managua, when several hundred people, mostly mothers, occupied the Red Cross headquarters to protest the Military Reserve System (SMR).

"There are at least 800 people, perhaps more, in the yard of the headquarters," a Boaco Red Cross official, who asked not to be identified, told AFP over the telephone.

According to the source, the occupiers, who include several dozen mothers, are demanding that the recruits be transferred to locations near Boaco, a town of 40,000 people and the capital of Boaco Department.

In Managua, the Defense Ministry confirmed that the Red Cross headquarters had been occupied by a group of mothers. A church spokesman in Baoco also said that the headquarters were occupied this afternoon by a group of people, mostly women.

According to unofficial reports, the incident occurred after a reservist died in an accident at the location where he had been assigned.

As a result, the demonstrators are asking that the recruits be transferred to areas near Boaco and be assigned to safe locations, the spokesperson said.

Since the Patriotic Military Service was established 3 years ago, there have been several incidents in various parts of the country during which parents have taken to the streets to oppose the drafting of their sons. The draft is obligatory for all youths between 18 and 24 years of age.

However, this is the first time that a protest has been made against the reserve service, a new method of military service established in Nicaragua a little over 1 years ago that includes all males aged 25 to 40.

Two years ago, there were serious disturbances in the city of La Paz, in "Northwestern Nicaragua, when a group of angry people used sticks and other objects to confront the authorities so as to prevent the recruitment of a group of youths in the active military service. Similar accidents also took place at the same time in the southern city of Rivas.

/6662  
CSO: 3248/342

MONETARY STABILIZATION RATE DECREE

PA111423 BARRICADA in Spanish 7 Jun 87 p 6

[Text] Decree No 268

The President of the Republic of Nicaragua, exercising his authority decrees the following "Law Creating the Monetary Stabilization Rate."

Article 1--Creation

A monetary stabilization rate will be charged as a tax to be used exclusively in financing the overall deficit originating from the budget deficit, monetary devaluation and investments financed with credits from the Nicaraguan Central Bank [BCN]. It will consist of a certain amount of cordobas for each U.S. dollar or its equivalent in other foreign currency corresponding to the CIF value of capital goods imports, transportation equipment construction material, perishable and nonperishable consumer goods--excluding those considered essential--obtained with foreign exchange acquired at the official exchange rate, through official credit lines, agreements, bartering, or any other method determined by the Central Bank.

The rate will be fixed by the BCN Board of Directors.

Other categories of imported goods will be charged based on rate lists issued by the BCN.

Article 2--Transactions With Foreign Exchange

The monetary stabilization rate will be charged independently of the currency used to import the goods affected by this law.

Article 3--Responsible Authority

The monetary stabilization rate will be collected and its product managed by the BCN for the purposes established in Article 1 of this law.

Article 4--Previous Payment Obligation

In order for the General Customs Directorate to authorize BCN customs clearance, it will be previously required to have paid the monetary stabilization rate in the following cases:

When imports are for the importer's use of consumption.

When imported goods are perishable and nonperishable, except for essential goods and raw material.

When imports fall within the category of "In-Bond [word in English] Merchandise."

Regarding the payment of import rates for goods mentioned in this article, the BCN is authorized to grant the importer special payment facilities. These payment facilities will be valid in obtaining the customs clearance.

#### Article 5--Payment Obligation

For imports other than those mentioned in the previous article, the importer will include the monetary stabilization rate in the selling price of the merchandise affected by this law. The amount collected monthly will be deposited the following week in an account to be opened for that specific purpose in the BCN.

In that regard, delays in making the deposits will be liable to a late charge equivalent to the interest rate for short term commercial activities current at the time the deposit was due.

#### Article 6--Complementary and Supplementary Laws

Concerning this rate, complementary "Common Regulations and Administration" of taxes will be applied according to the Laws on General Value-added and Selective Consumer Tax and its regulations, as applicable.

#### Article 7--Tax System

The sum deposited in the BCN in accordance with this law will not be considered in paying selective consumer taxes or in determining the sum to be paid for commercial permits; and will not be considered an income for income tax payments.

#### Article 8--Rate Establishment

The BCN Board of Directors grants the following authorities under this law:

a) Fixing the monetary stabilization rate mentioned in the first paragraph of article 1 of this law.

b) Applying the monetary stabilization rate to the other categories of imported goods mentioned in the second paragraph of article 1 of this law, in accordance with a resolution containing a list of those products and corresponding rates.

## Article 9--Additional Authority of the Board of Directors

In the event of problems related to the balance of payments or the monetary stabilization, the BCN Board of Directors is also entitled to:

- a) Partially reduce or increase the rates applicable to the imported goods mentioned in the first paragraph of article 1 of this law;
- b) Totally or partially exclude all or certain goods from rates payment or establishment of new import rates; and reestablishing the application of the excluded tax for imported goods.

## Article 10. Power To Exempt

Considering the cost of investment projects financed through the national budget or by the Nicaraguan Investment Fund resulting in increased financing, the BCN is hereby empowered to exempt from the payment of the monetary stabilization rate the imported goods which are affected by this rate.

## Article 11. Approval by the President of the Republic

The resolutions of the BCN's Board of Directors passed in accordance with articles 8 and 9 of this law must be approved by the president of the republic and will take effect at time of publication in the official gazette.

## Article 12. Power To Issue Regulations

The minister-president of the BCN is hereby empowered to promulgate the regulations to enforced this law.

## Article 13. Temporary

All imported goods covered by this law, which at the time of enactment are part of the unsold inventories of persons or enterprises engaged in the distribution or commercialization of such goods, even if these goods were imported at a previous time, will be subjected to the monetary stabilization rate. Imported goods to be used or consumed by the importer which have been cleared at customs will not be included in this provision.

Article 14. This law will take effect as of its publication in any collective news media, its publication in the official gazette notwithstanding.

Managua, 1 June 1987. "1987: Nobody surrenders here."

[Signed] Daniel Ortega Saavedra, President of the Republic

/6662

CSO: 3248/343

VENALUM, ALCASA RECEIVE FRENCH, GERMAN LOANS

Caracas EL UNIVERSAL in Spanish 5 Jun 87 p 2-2

[Text] The finance minister, Manuel Azpurua, and the president of the Reconstruction Bank of Germany, Gerhard Goette, signed a loan for the expansion of VENALUM [Aluminum Company of Venezuela, Inc] amounting to 100 million marks (833 million bolivares). Meanwhile, the president of CVG [Venezuelan Corporation of Guayana], Leopoldo Figarella, and the president of ALCASA [Caroni Aluminum, Inc], Celestino Martinez, did the same with the Pichiney Group, in the amount of 551 million bolivares.

Yesterday, the German and French banks showed their confidence in Venezuela's economic development by signing loans of approximately 1.385 billion bolivares with the national government, in order to undertake the projects to expand the aluminum companies, VENALUM and ALCASA, which will bring the total production to over 800,000 metric tons per year.

Both the German and French representatives agreed in declaring that, when a country devises serious, feasible projects such as those submitted by Venezuela, there are no major problems in granting financing. Similarly, they did not preclude and, on the contrary, nearly gave assurance that new flows of capital may come to our country in the petrochemical and steel areas, and for coal projects, among others.

In the office of the minister president of CVG, Leopoldo Sucre Figarella, first, a credit for 100 million marks (about 833 million bolivarés) was signed between the latter official, representing VENALUM, and the president of the Reconstruction Bank of Germany, Gerhard Goette.

This financing will make it possible to undertake part of the construction for the expansion work on VENALUM, whose president, Enrique Castell, received from Goette the credit package stipulating for the most part, rates of 6.14 percent, wherein the amount will be paid off in 10 years, after the installations, which will raise that company's aluminum production by 400,000 tons, have gone into operation.

A second contract for the transfer of the most advanced technologies and technical assistance in the aluminum production and processing sector, lasting 5 years,

and amounting to 59.9 million French francs (276.5 million bolivares), was signed between the minister president of the Venezuelan Corporation of Guayana, Leopoldo Sucre Figarella, the president of ALCASA, Celestino Martinez, and the president of the Pechiney Group, Jean Gandois, as well as the representative from Cegedur-Pechiney, Robert Gayol.

But the matter was not left there. The contract also calls for ALCASA's purchase of two new continuous melt units with two Alpura C-500 filtering sets, with a production capacity of 18,000 metric tons annually for each, at a cost of 59.6 million French francs (275 million bolivares).

In other words, the full total is about 551.6 million bolivares, to be paid as part of the line of credit granted ALCASA by the French bank Indosuez. To cover that loan, this aluminum company has a highly beneficial element, namely, the commitment also included in the contract signed with Pechiney, that this group will purchase from ALCASA sufficient volumes of aluminum to pay much of the costs of the annual reimbursement of the aforementioned loan with exports.

#### The German Loan

Gerhard Goette, president of the Reconstruction Bank of Germany, claimed that his country has complete confidence in Venezuela, and this has been proven by the loan of 100 million marks aimed at industrial development, which marks the beginning of new relations in this respect, whereby other loans will be forthcoming. They have not arrived before because Venezuela had not requested them, especially for good, well supported projects.

This will enable VENALUM to raise its production to 455,000 metric tons of primary aluminum at the end of 3 years. Goette said that he approved of credit operations such as the one implemented yesterday, and believes that they might be applied to other sectors and projects as solid and profitable as those of the Venezuelan aluminum industry; in this instance, VENALUM, which had sales amounting to 5 billion bolivares in 1986, producing profits for it totaling 1.504 billion.

Gerhard Goette reiterated his willingness to continue financing Venezuelan projects such as that of VENALUM, involving a credit line aimed at the purchase of equipment and services of German origin.

This German banker consistently voiced his gratification at the signing of the credit agreement claiming that the 100 million marks will not be a limit, if there are well supported and profitable projects which they will quite certainly be willing to finance.

He also remarked that the institution which he represents belongs to the German state, and observed that, at the moment, except for the loan signed, it had no other in effect in the country; adding that this was not because of any lack of confidence in Venezuela, but rather because the country had not requested them.

Goette stressed the vast natural and human resources that our country has, and remarked that we have better chances of continuing with our economic development than the great majority of Latin American countries. He also acknowledged the position assumed by the government to pay the creditors abroad as being correct. "I think that the Venezuelan Government has been receptive to dialogue with the international financial community, and this has enabled it to continue maintaining good relations."

The finance minister, Manuel Azpurua, for his part, also expressed pleasure at yesterday's ceremony at CVG, which will result in an expansion of VENALUM's production capacity and in an increase in its exporting potential.

Azpurua attributed the granting of this loan of 100 million marks to the show of confidence that they have in Venezuela, which has been overcoming its times of difficulty. "We have kept our commitment and we shall continue to keep our commitments to the international banks. This is essential for procuring fresh funds. President Lusinchi's government has made great efforts to pay, and this will be rewarded with new loans."

#### More on the Loan to Alcasa

The Pechiney Group, the world's fourth-ranking aluminum producer, is implementing in its own facilities and in a large number of different countries the most advanced and sophisticated technologies in the area of primary aluminum production, container processing, and ferroalloys.

Based on this technology, ALCASA has been developing with Pechiney the plan for its fifth production line of 180,000 tons per year, which will raise its total production to 400,000 tons.

With investments exceeding 6 billion bolivares, starting now it will embark on the process of producing sheet aluminum with high technology; while waiting for the equipment which is being manufactured in France, Germany, and Switzerland, among other countries, and which should be arriving in the country during the first half of 1988. From that time on, ALCASA will be able to produce 60,000 metric tons of hard alloys annually, to supply the domestic market (they are currently being imported). Of that volume, some 25,000 metric tons would be directed toward export, and the generation and saving of foreign exchange. ALCASA will have \$140 million available per year.

2909

CSO: 3348/293

80 PERCENT OF POPULATION FAVORS DEBT PAYMENT

Caracas EL UNIVERSAL in Spanish 5 Jun 87 p 2-2

[Text] According to the polls taken by the "National Pulse" firm, 82 percent of Venezuelans regard it as feasible to pay the foreign debt.

This polling company has been making consultations of opinion on this controversial issue for the past 4 years and, according to those results, there is a favorable view toward the payment thereof.

Nevertheless, comparing the results procured during the second half of 1984 and the second half of 1986, the percentage of persons polled who came out against payment of the foreign debt, that is, in favor of a moratorium, has risen. In 1984, it was only 2 percent of those polled; in 1986, that percentage doubled to 5 percent, and it doubled again in 1987, reaching 11 percent.

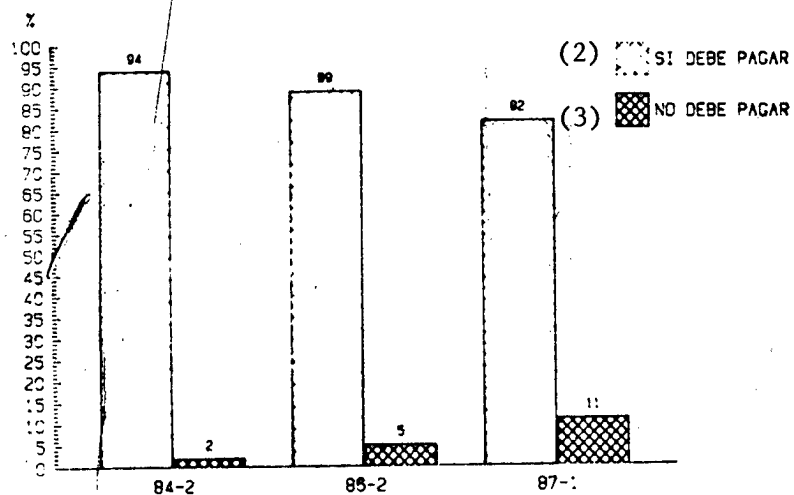
In any event, there still persists the majority view of paying the foreign debts, even if other countries on the continent claim that they will not pay their respective debts.

The percentage of undecided has also increased during the past 4 years, although the figure is quite small: in 1984 it was 4 percent of those polled; in 1986, 6 percent; and in 1987, it rose to 7 percent.

Key to Chart:

1. If other countries on the continent say that they will not pay their debts, do you think that Venezuela should imitate their example, or should pay?
2. Yes, it should pay
3. No, it shouldn't pay

(1)  
Si otros países del Continente dicen que no van a pagar sus deudas cree Ud. que Venezuela debe seguir su ejemplo o debe pagar...?



2909

CSO: 3348/293

PDVSA PRESIDENT ON OIL EXPORTS, OPEC PRICES

Caracas EL NACIONAL in Spanish 4 Jun 87 p D-1

[Text] In 1987, the Venezuela oil industry will accrue better results than in 1986, the worst year since nationalization, when income of \$8.023 billion was achieved for oil and petrochemical exports.

In his introduction to the annual report for 1986, the president of PDVSA [Venezuelan Petroleum, Inc], Juan Chacin, notes that the world economic picture and the oil demand show signs of a moderate recovery in 1987.

"Nevertheless, the action decided upon by OPEC, which has been backed by other exporting countries, has brought about a rise in the price of hydrocarbons warranting moderate expectations of better financial results for the national oil industry."

PDVSA Is a Complex Energy Corporation

"PDVSA's progress since nationalization, with an advanced oil industry and the subsequent addition of petrochemicals and the coal industry, has turned it into a complex energy corporation."

He added: "In this dimension, we must cite the degree of technological development attained by INTEVEP [Institute of Venezuelan Petroleum Technology]. Prominent among its accomplishments is the steady progress of the Orinoco project, aimed at developing the technological bases that will make it possible to use the hydrocarbons in the Orinoco Oil Belt.

"As a result of this research, they have succeeded in preparing Orimulsion, a new fuel with which we shall be able to compete advantageously on the electric power generation market and in other industrial sectors. The development of this and other projects by the industry, and the fact that it has identified, during recent years, a total of 70 inventions with patents pending, and having already obtained 39 patents granted in the world's leading technological centers, prove the degree of technological maturity achieved by the industry, and its international recognition."

## 1986: a Bad Year for Oil

Chacin remarks: "During 1986, the oil market was typified by a severe price decline, shown by a sizable reduction in income with a substantial effect on financial participation and the country's foreign currency income, which amounted to \$8.023 billion in oil and petrochemical sales."

For the oil industry, 1986 was the most damaging year since nationalization. Nevertheless, despite the difficulties of an unstable, competitive market, the international sales amounted to 1,508,000 barrels per day, at an average price of \$13.90 per barrel. Owing largely to the internationalization operations, 41 percent consisted of crude, and 59 percent, of products.

On this weak market, the consolidated earnings of PDVSA and its branches were 8.972 billion bolivares: 20 percent less than those of 1985. The disbursements for investments totaled 16.029 billion bolivares. Despite the inflation, the operating costs were 16.589 billion bolivares, with only a 6.7 percent increase over the previous year. The production costs remained unchanged, at 22 bolivares per barrel, for the third consecutive year; which was a noteworthy achievement.

## Nine Refineries Abroad

Chacin notes in the report that the improvement in the export package, the increase in the refined volume in its facilities, and the expansion of the overall refining capacity through its stock sharing in eight refineries abroad, as well as the operation of the Curacao refinery based on a contract, comprise the group of actions taken by the national oil, petrochemical, and coal industry last year to maximize the nation's revenue in the face of the difficult economic conditions stemming from the drop in oil prices.

## Savings of \$320 Million With Increased Purchases in the Country

Strict control was kept over the use of the foreign exchange, reflected in a savings of \$320 million. This was made possible by the increase in purchases of manufactured goods in the country to the maximum extent, backing the efforts of the associated industrial sector on a program to replace imports.

INTEVEP's efforts to achieve greater technological autonomy were also intensified, as was Venezuelan engineering's greater participation in the design and construction of oil sector projects.

As part of this savings in foreign exchange, he mentioned the guideline followed in the internationalization agreements. "The purchase of refineries and marketing facilities abroad was carried out with a moderate initial backing and individual financing procured by the companies resulting from those agreements."

The stabilization of manpower, despite the increase in activities, was also an important factor in cost control. With the restructuring of the industry (a decrease from four to three operators) a group of managers was able to take on new, complex tasks, such as internationalization, coal development, and the operation of the Curacao refinery.

In 1986, PEQUIVEN attained its highest figures for production and sales of fertilizers and industrial products, and continued its expansion plan aimed at the domestic market and at exporting.

Investments of 19.300 Billion Bolivares in 1987

During 1987, the investments planned by the oil, petrochemical, and coal industry total 19.300 billion bolivares, 2.900 billion more than those of 1986.

The investments will be directed toward projects aimed at improving the supply of liquid fuels in the country; expanding the gas distribution system on the national territory; making petrochemical products in new plants whose investments will be mixed in some instances, with a national and international private capital; the advancement of the Zulia coal project; and the execution of projects intended to maintain and optimize the production potential.

In concluding his report, Chacin remarked: "With the PDVSA management committed as it is to the programs for cost control and foreign exchange savings, we shall engage in reinforcing the consolidation achieved to date, carrying ahead in the country the projects and programs which are strategically most important, and capitalizing on the good opportunities that may appear on the international scene."

2909

CSO: 3348/293

END

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