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LATIN AMERICA REPORT

No. 2739

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BRIEFS

WOMEN'S FRONT PROTESTS REPRESSION--The Peruvian Women's Socialist Front has sent a protest to the Uruguayan military regime over the repressive measures it uses against women patriots in Uruguay, and demanded the release of 67-year-old Rita Ibarborou, who has been kept in Uruguayan jails for over 8 years and suffers both physical and psychological torture. In a message addressed to Lieutenant General Gregorio Alvarez, head of the Uruguayan regime, the Peruvian Women's Socialist Front also expressed its protest over the constant violation of human rights in Uruguay. [Text] [PA220344 Havana International Service in Spanish 0000 GMT 22 Aug 83]

CSO: 3348/626

ONOFRE JARPA ON DIALOGUE, POLITICAL PLAN, OTHER ISSUES

PY231659 Santiago LA TERCERA DE LA HORA in Spanish 12 Aug 83 pp 4, 5

[Interior Minister Sergio Onofre Jarpa press conference with Chilean and foreign journalists; date and place not given]

[Excerpts] [Question] Minister, numerous raids have been carried out in the suburban areas. Do you plan to stop these raids?

[Answer] It all depends on why those raids have been ordered. Don't be deceived and believe that they are a bunch of angels, because there are a few bad boys among them that have to be searched for. Therefore, a government cannot refuse to fulfill court orders to search certain persons because they are in some specific suburban area. I cannot tell you whether we will continue to carry out raids in the future. It all depends on the reasons for them, but they will never be carried out unless there is a very good reason for them.

[Question] What do you think about those who demand dialogue but set conditions?

[Answer] I believe that the State Council is going to invite many outstanding and well-known persons to a dialogue and we will see if they accept the invitation. I think they will do so without setting any conditions because they do not know what they are going to talk about. I believe that the State Council is going to request their views; therefore, one cannot tie one's viewpoint to preestablished conditions. I believe that if anybody wants to cooperate, they will do so by offering their opinion without asking to be told what is going to happen next, because whatever will happen is precisely the outcome of that dialogue.

[Question] How do you see the role of the church?

[Answer] As a very important one, because the church can help a great deal by persuading the sectors to cooperate, stressing, of course, its spiritual and religious mission. I believe that we all need a little bit of that spiritual and religious strength to face the world's problems with a broader and more charitable spirit.

[Question] One of the main problems the opposition raises is the disappeared prisoners. What will the government's answer be to this delicate question?

[Answer] As you know, the government has always been concerned about this problem, and it is seeking a solution. I have seen this problem in Argentina firsthand. Some cases can be investigated and conclusions can be reached. In other cases, investigations are impossible because persons who have been reported missing have gone to other countries under different names.

[Question] What solutions do you visualize for the exiles?

[Answer] There will be a definite solution soon. The study to that effect is well on track, and I believe there will be an announcement soon.

[Question] You are considered to be the minister of dialogue and reconciliation. What would you tell people?

[Answer] We are here to conduct a government for all Chileans, as the president has noted. We do not want to exclude anyone, to give the government a politically sectarian character. On the contrary, the doors are open to all opinions, even to well-meaning criticism. We are not only willing to listen but also thank those who come forward with their opinions and criticism.

[Question] Full freedom of the press will be allowed?

[Answer] This question will be studied with the directors of the communications media, because no government wants to impose needless restrictions, I think. But the communications media must also assume responsibility not to foment campaigns against the interests of the nation, against institutional stability and, therefore, against democratic liberalization. If all Chileans assume the commitment to do things well, without foreign interference, without letting ourselves be pushed by foreign interests or by political positions that are at odds with our best interests, I believe that we can solve not only the problem of the communications media but many others as well.

[Question] What do you think about the return of exiles?

[Answer] It seems to me, and this is my personal opinion, that all should return who are not going to disturb public order or will not be representative of foreign interference in Chilean internal affairs.

[Question] Will you be in charge of implementing the political plan, while the supervision of the plan will continue to be in the hands of the president?

[Answer] With a cabinet change, the president has wanted to begin a new phase in the country's economic and political management. So the initiative

is his, while we limit ourselves to putting into practice his directives, both those he already imparted and those he will impart. Now I want to tell you that the responsibility does not fall only on the Interior Ministry, but on the entire government and on all Chileans.

[Question] You have just said that this is a government for all Chileans, excluding no one, without a sectarian character. Are you going to call in, for instance, the communists to participate in the preparation of the political laws?

[Answer] I have been talking about solving problems among Chileans, not among foreign parties.

[Question] What should be the basis for the reconciliation of the government with politicians who for some time have been left out?

[Answer] I would not say reconciliation of the government with politicians, because there has always been government and opposition in Chile. The bridges have not been cut off forever. A consensus can be arrived at while each side maintains its views, a consensus taking into account the interests of Chile, not those of any sector either in the government or the opposition. So what you called reconciliation has been called dialogue by the president, and on this basis I believe we can start and expect the best results.

[Question] Have you proposed the political plan to President Pinochet on your own initiative? Who went in with you? Were you asked for it? Is there a political plan?

[Answer] I have not proposed any political plan to the president. I was invited to participate when I came to Santiago to confer on questions related to the embassy [Jarpa was Chilean ambassador to Buenos Aires until his appointment as interior minister]. I was invited to a commission which was studying some of the questions about which you have been asking me, and other questions which the president will talk about later on. So I participated in that commission. The idea to do this is the president's, not mine.

[Question] Political parties do not exist. So how will this problem be overcome? Will individuals be invited privately?

[Answer] I do not believe that is a problem, because in Chile we all know one another, and persons with a well-defined political line of thinking will be invited.

[Question] The Chilean right is in disarray. Do you expect to unify this group?

[Answer] I do not intend to unify the political right. As I have said on other occasions, I believe that the concept of right and left is artificial. It does not quite fit the psychology of the people in Latin America. It perhaps fits the real situation in Europe or in other countries. I believe

that the positions here in Latin America are defined in different terms. I believe that the road to the future here either follows a national and popular policy, or a totalitarian Marxist policy. It then seems to me that the old, comfortable, and elegant division between leftists and rightists has been superseded by the real picture in Latin America.

For instance, do you recall the year 1939? The Socialists went to that year's elections as the party of the majority in Chile. The Socialist Party was led by people like Ricardo Latcham, Julio Barrenechea, Manuel Eduardo Himmer, Lenka Franulic, that is, people who represented Chilean cultural values, with a tradition of Chilean nationality; people who were not Marxists, who did not let themselves be led by Marxists. What happened afterwards? The Marxists infiltrated the Socialist Democratic Party, and transformed it into a party akin to or a follower of the communists. The Marxists then infiltrated the Radical Party, dividing it and destroying it at a time when that party was one of Chile's pillars of democracy. Then the Marxists moved into the Christian Democracy, and divided it into the MAPU and the Christian Left. Thus the Marxists are eroding the parties from the inside.

I should not dwell on this subject now, because it has to do with the Christian Democrats many of whom I appreciate and recognized as patriots and well-meaning men. But this question of Marxist infiltration in Western democracy is not a question which I fancy just to raise a political banner now. The Western world is confronting this problem, and it is an aspect which cannot be overlooked in Chile, because we are being singled out because of our geopolitical or geostrategical position in the South Pacific.

[Question] Letters have been written denouncing the distribution of threatening pamphlets, for instance, against Valdes and others. What will you do?

[Answer] I will not worry about finding out where they come from. Because if you want to know their origin, you just have to ask yourselves: Whom do these things help? Obviously they do not help the government. So these things do not come from people in the government.

[Question] It has been requested that transitory Article No 24 be abolished. Do you plan to implement that article?

[Answer] This is a subject on which the interior minister cannot decide alone. This subject is part of the country's policy in general and it is implemented or not implemented according to circumstances. We have no intentions of resorting to this transitory and special measure unless it is absolutely necessary. But this will also depend on how the various sectors react to the government's invitation and political opening.

[Question] Are you in favor of transitory Article No 24?

[Answer] I am in favor of implementing the law when necessary, because the important thing is to maintain tranquillity in the country and protect the rights of the people.

[Question] Minister, you mentioned a political plan. In addition to the organizational laws what other measures does it provide for?

[Answer] It is a very broad plan which will be disclosed later on with more details, maybe by the president of the republic.

[Question] Are there any chances that, as a result of the organizational laws, the transition may take place before 1989?

[Answer] According to the current constitution, congress should start operating in 1990; therefore, it is quite possible that the studies underway may prove that congress could conveniently be elected long before that.

[Question] Is there any chance of shortening that deadline?

[Answer] I cannot anticipate anything because it all depends on when the statutes of the political parties will be ready, and that depends on the State Council's way of handling the issue, and on the recommendations made regarding the drawing up of the corresponding laws, and the good will and participation of all the sectors of the public that are summoned.

CSO: 3348/627

PROJECTS BUILT BY CONSTRUCTION WORKERS IN LIBYA DESCRIBED

Havana CUBA INTERNACIONAL in Spanish Jul 83 pp 38-40

[Article by Javier Rodriguez]

[Text] The desert, with its impressive beauty and size, inspires not only poets and artists but also the Cuban construction workers who are building projects of great economic and social importance in Libya.

The desert, that immense ocean of sand, of impressive beauty and unsuspected size, over the years has inspired many artists and writers.

Wonderful stories and many films are generated in that magnificent setting which holds so many secrets and which represents for man a veritable challenge of nature.

There is also an answer to that challenge: actual battles are being fought in the desert, as part of man's continuing struggle to overcome natural obstacles and to promote development and progress even under the most difficult conditions.

In the heart of the Sahara Desert, some 2,500 Cuban internationalist construction workers are waging one of those transcendental battles: it would appear that they, too, are finding inspiration in the panorama which surrounds them enabling them to work on projects of great social and economic significance that have been entrusted to them by the Libyan Government.

In a relatively short time, the tenacious efforts of these men have produced important highways, beautiful schools, comfortable housing units and other buildings of a social character. A large number of these projects are being executed in the middle of the desert, and the workers are overcoming stifling heat and sandstorms, making a reality of what seemed unattainable and maintaining the highest levels of quality.

Cooperation in the construction sector between Cuba and the Socialist People's Libyan Arab Jamahiriya was initiated a scant 4 years ago, and the fruitful results are visible. It can be said that in this battle against such a hostile climate there have already been victories.

A Real Exploit

One of the most resounding exploits is the 150-kilometer highway, in southwest Libya, 1,200 kilometers from Tripoli, which links the cities of Umm al-Aranib and al-Qatrun.

This extremely important road, which was completed this year and was built by a contingent of workers from the Union of Caribbean Construction Enterprises (UNECA), is a two-lane highway that cuts through a wide expanse of the desert region where there are abundant sand dunes--one of the major obstacles that had to be overcome--which are nothing more than shifting hills of sand capable of shifting from one place to another through wind action.

The construction of the asphalt strip through 20 kilometers of dunes in one of the regions covered by the project is considered a veritable technical feat on the part of the Cuban construction workers; the on-schedule completion of the project according to specifications, with the approval of the contracting party, demonstrated the degree of effort and technical expertise of those who took part in the project.

It should be said that in order for the highway to become a reality, for the benefit of many towns in the south which are in the middle of the desert and completely isolated, it was necessary to move 1.2 million cubic meters of earth, to adapt to extremely high temperatures which on occasion exceeded 50° centigrade, to install and operate a stone-crushing mill and an asphalt plant and to rigorously control the quality of materials, using a laboratory installed for this express purpose.

Complementary subprojects included access roads to the highway constructed from the town of al-Qatrun (more than 20 kilometers) and from the town of Mazdul, which were also completed this year.

The rebuilding and widening of the highway which links the municipalities of Sebha and Ubari, about 1,000 kilometers from Tripoli, also in the desert region, is another of the accomplishments which merits special mention.

In this case the story of the dunes was repeated. They were located on both sides of the right-of-way on which the road was built. The road has been totally completed and paved as far as kilometer marker 93, out of a total of 180 kilometers, which will be its final length. The road is scheduled for completion in 1985.

To give you a clearer idea of the characteristics of this project, we can say that the highway will be 10.5 meters wide, including a 3-meter wide walkway. The design speeds range from 70 to 120 kilometers per hour, which increase its utility and permit quicker transit by users across the desert. It is also worth emphasizing that the Cuban construction workers have been doing their work on this project without interrupting traffic in the area, which, logically, makes their task more difficult.

Schools, Too

More than 200 housing units have been completed in the Tobruk area by the contingent of Cuban workers as the first phase of a program of 1,042 housing units which will be built in six different locations in the country.

These housing units are part of one- and four-story buildings, of assorted models, suited to the environment of the area; it goes without saying that projects of this kind require technical specifications to protect the buildings and preserve them from the action of bright sunlight and sand. The total area covers about 158,000 square meters; construction work on this important number of housing units will be completed this year.

The five schools which have already been turned over by the internationalists are of singular beauty and functionality; they are located in the urban perimeter of Tobruk.

Special care was taken in the construction of these schools, each of which has 20 classrooms, three laboratories, a library, auditorium, auxiliary buildings, kitchen, sports area, schoolyards and sanitary services. The schools cover an area of over 25,000 square meters.

The telephone exchange and post office are the other buildings falling under the heading of social projects. Both buildings have two stories and a basement, are equipped with air conditioning and were built in the first 6 months of 1983 at the entrance to Tobruk.

The attitude of the Libyan authorities to the work done by the Cubans reflect their full satisfaction with everything accomplished by the contingent and with the nature of this very special kind of cooperation.

In recent statements to Cuban journalists Engineer Muhammad Ahmad al-Manqush, secretary of the General People's Committee for Housing and Urban Development, recalled that "when work is done on the basis of friendship, the results are always good" and predicted the widening of cooperation between the two countries in the near future.

For his part, al-Bukhari Hudah, secretary of the General People's Committee for Transportation and Communications, the investment entity handling the highways built by the Cubans, said that he had a very good opinion of that project and also manifested his decision to increase the number of projects contracted to Cuba.

The secretary of Public Services, Muhammad Abdullah al-Mabruk, also said that the Cuban construction workers "are working quite well and the results of their efforts are good," in spite of the difficult conditions under which they had to execute the project.

All of these opinions reinforce the unanimous belief that the presence of the Cuban internationalist construction workers in that Arab country independently of the seriousness and efficiency with which Cuba fulfilled the commitments made by its State Committee for Economic Cooperation with other countries,

has a meaning which goes beyond any commercial consideration. To prove this, it is enough to talk with some of the workers who participated in these projects.

In Spite of the "Maleles"

Felipe Gil Castellanos, for example, is one of those men. He is 33 and strong, speaks easily and performed as general assistant on the construction of the highway which linked Umm al-Aranib to al-Qatrun and most particularly on the rock-crushing mill which supplied materials for the project.

His fine work and his dedication recognized by all resulted in his selection as one of the collective's most outstanding workers of 1982. He was sent to Havana to receive his well-deserved award.

When he recounts his experience he begins by recalling the first weeks of adaptation to the environment, which is necessarily harsh for Cubans who are accustomed to the Caribbean climate which in addition to being hot never has abrupt thermometer changes upward or downward as happens with the cold nights in the desert.

For Gil Castellanos the climate and also the language barrier were obstacles that worried him at the beginning. When he speaks about Libya now he has had over a year of experience with "maleles" and mirages.

"What is a 'malele'?" I ask him.

"It is a sandstorm produced principally during certain periods of the year and can be repeated several times. Maleles are really impressive but above all complicated our work tremendously and, naturally, affected our living conditions. I remember that at the end of one of those storms, we would find a stretch of completed highway covered with sand. We were also forced to remove a large amount of sand that deposited on our beds if we wanted to go to sleep...."

He laughs when he mentions mirages, of which he was the victim as is everyone who goes to the desert for the first time. And he will never forget that it is easy to "see" beautiful, fresh lagoons which invite one to quench his thirst or take a good bath...out there where only a veritable ocean of sand exists. "And they said there was no water here," he exclaimed when he came upon his first "lagoon"...Two months later he recalls that "we did not let the sand bury us as at first and did not permit the slightest malfunction of the equipment because of the dust...."

Gil worked a 10-hour day at the mill and at night was one of those who drove trucks transporting stone for the next day's work. He says this matter-of-factly because he does not think he has done anything extraordinary, and if he has this attitude it is because he has not forgotten the vanguard work of all his comrades.

"The combat spirit of everyone is very great, and the only concern you can detect among them is completion of jobs on schedule and, of course, doing quality work, as they should," he says unassumingly.

Next he recalls how in the middle of the desert and in the little free time left to the construction workers by exhausting workdays, the Cubans held their trade union meetings to analyze the status of internal emulation and to make special contributions to the development of their country's economy. In proof of this, when he traveled to Havana he carried with him a donation of \$20,414.

When one talks with this young worker one repeats the history of other dialogues with Cubans who have provided or are providing their services in different parts of the world. In all these Cubans the common denominator is that they are bursting with pride at being internationalists; they all recognize the importance of this factor in their lives.

Gil Castellanos is not an exception; with modesty he emphasizes that he never thought he would learn as much as he did during that year of life and struggle in the desert, on his first mission of that kind.

Now he hopes to be selected for a similar task in any other country which asks for his services and is certain that he will never forget the profound satisfaction produced by completion of the important highway which has brought well-being and progress to thousands of inhabitants of towns and cities in the region.

For him, that represents the satisfaction of duty fulfilled, which is worth much more than all the treasures of earth.

Something Unforgettable for All of Us

Cuban Engineer Armando Dominguez Fustes is the executive director of UNECA and handles everything related to contracts executed by that organization in the Socialist People's Libyan Arab Jamahiriya.

This man who has a great deal of experience in Cuban construction work abroad has been closely following the program being carried out in Libya during the last 4 years. He shows us on a map the places which are the scene of the production battle being waged by the internationalist workers.

He recalls the beginning of cooperation in the construction sector; it was during the month of January 1979 when the first groups of Cuban construction workers arrived in Libya. Since then, everything has gone very well, according to the evaluation made by the government of Tripoli itself.

Dominguez pays tribute to the attitude of the men in the contingent who adapted quickly to the climate--summer temperatures of over 50°, strong sandstorms and temperatures in the winter which on occasion reached 4 degrees below zero--as well as the natural difficulties of the terrain.

He also recalls that the construction of highways across the dunes was a real challenge from the technical standpoint.

"Given the complexity of the project, an in-depth study was made to ensure accomplishment of the tasks without a hitch," he points out.

Special analyses were also made of the construction methods that we subsequently put into practice to attain the objective of guaranteeing quality and durability."

And if he is asked what has been the biggest achievement up to now, he answers without hesitation:

"The construction of the first of the highways through 20 kilometers of dunes. That was really a very complex matter, one that is unforgettable for all of us."

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CSO: 3248/1203

NEW PLANT TO REPAIR TRUCKS BUILT IN SANTIAGO

Havana VERDE OLIVO in Spanish No 29, 21 Jul 83 pp 52-53

[Article by Luis Lopez]

[Excerpt] It is now a matter of hours, not days, until the people of Santiago will have a new industry, in this case a Soviet truck repair and components assembly plant. The plant is located in the industrial region of the provincial capital.

And, as is customary in such cases, the day's work is being devoted to putting the final touches on something which will be a cause for pride on the part of everyone, as the plant's operation is the equivalent of new savings for the country in the import of trucks and a large quantity of spare parts to equip the plant and tertiary industries. In addition it is a source of employment basically for youths.

The cost of building and equipping this industry totals about 24 million pesos, covers an area of 9.75 hectares and will employ about 1,330 workers, although in the initial stage the workforce will only number 534.

On one of the sites of what will be the plant administration building the project plans are spread out; they cover a total of 49 subprojects.

A total of 17 of these subprojects will be completed very shortly, including: production building No 1, compressors, water facilities, a chilling tower, sewer pumps, drying bed, kitchen, plus streets and parking lots, outer roadways, a perimeter road, landscaped areas and others. The remaining subprojects will be finished next year at which time the plant will move into a more advanced production phase with the capability of repairing about 4,000 Zil 130 trucks per year, assembling the component parts of 2,000 of this kind of vehicle and 2,800 of Gaz 53 vehicles.

The equipment is the most modern of its kind. The machine shop has over 90 machine tools, a number which will permit the carrying out of an ambitious reclamation and spare parts fabrication program, a very important plan for our country at this time.

There Is no Lost Time or Used Capacity

Even though the plant is nearing its inauguration day, the day we visited the plant its production quotas for the current 6-month period had already been exceeded.

Stated in this manner, it seems a contradiction, then, as we are accustomed to determining the production of a plant after its start-up. In this instance, such was not the case, as every machine or completed assembly line immediately began to produce, which decreased the cost of the project, avoided unused capacity and idle depreciating equipment while at the same time permitting the training of workers and specialists in the operation of the plant.

This has made it possible at present to have a number of rebuilt engines, transmissions and axles and recently even complete trucks in spite of the fact that the entire project had not been completed.

What is more, the qualified personnel working in this plant were trained sufficiently in advance so that they could acquire the needed experience and perform their jobs efficiently.

Thus, for example, large numbers of the current workforce were trained at the SIME [Steelworking Industry] in the capital of Santiago and were given training courses in the Soviet Union, where they had the opportunity to work in plants similar to this one alongside experienced personnel.

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CS0: 3248/1203

FOURTH ANNIVERSARY OF SANDINIST REVOLUTION HAILED

Havana GRANMA in Spanish 19 Jul 83 p 1

[Editorial: "On This Fourth Anniversary, All Arms to the People"]

[Text] While thousands of combatants are taking up arms and filling the narrow space of their trenches, Sandino's homeland, which has become a bastion of impregnable firmness, is today celebrating the fourth anniversary of its victorious revolution.

Calm and tranquil but alert and on a war footing, the people of Nicaragua are celebrating one more anniversary of their victory over those very persons who now are vainly attempting to snatch from their hands the renovating spirit of a different way of life, a victory which gave our sister Central American nation its true, resolute and inalienable right to construct a new homeland.

A positive balance sheet of wonderful achievements is discernible 4 years after the Sandinist victory, as the result of the political will of the revolution and the irreversible course of history of a people who fervently love peace and life but who are not afraid of the dirty war which the tyrants who have been with them for 130 years would impose upon them.

Yankee imperialism, in its miserable role as historical aggressor and ever associated with the worst and most repulsive enemies of the peoples with the complicity of the lackey government of Honduras, has financed and organized a mercenary war of invasion against Nicaraguan territory, utilizing the very former Somoza guards who fled in a disordered stampede before the steamroller of the genuine peoples' revolution which took control of the country's leadership on 19 July 1979.

One of the indispensable prerequisites for progress toward any effort at dialogue in search of solutions is the unconditional withdrawal of the mercenary forces which are attempting to introduce the United States into Nicaragua via the Honduran border and a halt to the attacks being made from Honduras by the Somozist counterrevolution with the military support of the last-named country.

Participating in the "undeclared" war imposed upon Nicaragua by the United States with its consequences of bloodshed and destruction are former Somoza guardsmen, who are the assassins, traitors and corrupt politicians of the recent past.

The current Yankee administration has maintained its unrelenting, aggressive and muscle-flexing attitude toward Nicaragua, underestimating international solidarity with the Sandinists and sabotaging every initiative designed to eliminate existing tensions.

The invariable premise of any solution is the withdrawal of task forces from the national territory and a halt to attacks and harassment from the border.

The unconscionable economic aggression, destabilizing activities and military actions against Nicaragua which are being directed, organized, advised and paid for by American imperialism are not only producing the most indignant rejection on the part of the peoples but are also deeply wounding and shaking the conscience of the democratic and progressive forces of the entire world.

Many heroic actions in the past century were taken by unforgettable Nicaraguan patriots. In that century, the legendary figure of the general of free men, the hero of Las Segovias, Augusto Cesar Sandino, stood out.

The historical legacy of Sandino was resuscitated by Carlos Fonseca Amador, founder and creator of the Sandinist National Liberation Front (FSLN), the promoter and architect of the popular armed movement which later took on the size and scope of a revolution to put an end to the repugnant and odious Somozist tyranny.

For all these reasons, 1979 was not only the year of victory and the culmination of an era which lasted 130 years for the Nicaraguans but also and above all represented the attainment of the stage of real and definitive independence.

The FSLN vanguard enabled the Nicaraguan people to win the revolutionary victory and placed the viability of revolution on this continent once again at the Latin American level.

With the revolutionary firmness that has characterized the history of this noble people and with the same striking forthrightness with which Sandino rejected the miserable demand that he lay down his arms, the leaders and people of Nicaragua have steadfastly stated: "The invaders shall not pass."

The Sandinists have always been and will continue to be open to dialogue, as they have reiterated even in the worst circumstances but always respectful of a line of principles which passes inexorably through the firm and irrevocable defense of the revolution.

The fact that the United States, together with its unconditional Honduran confederate, continues to be opposed to dialogue and negotiation bears witness to the initiation of a new escalation against Nicaragua, with the participation of the Honduran Army, which makes possible the step toward direct American military intervention in Central America.

The principal effort in Nicaragua is directed toward the defense of the homeland. This notwithstanding, 4 years after the Sandinist victory, the country is beginning to gather the first fruits of the new policy, represented by important achievements in the sectors of education, health and economy and the adoption of many measures of social benefit, such as the implementation of agrarian reform, preferential attention to children and youths and the unceasing fight to eliminate the age-old discrimination to which the Indian population was subjected.

A demonstrable example of what the young Nicaraguan revolution can achieve are its efforts to expand the educational process, illustrated by the following figures: the last Somoza budget was 341 million cordobas (\$34.1 million) while the current budget allocates 1.487 billion cordobas (\$148.7 million).

The revolution decreed that education would be free of charge at all levels and successfully carried out a literacy campaign to make it possible today for over 1 million Nicaraguans to be in school.

The people of Cuba join with the Nicaraguan people in the celebration of this important victory anniversary and reaffirm their combative and activist solidarity with the heirs of Augusto Cesar Sandino and Carolos Fonseca Amador who labored mightily every day, every hour, every minute to construct the new Nicaragua, to consolidate its independence and to perpetuate the sovereignty attained through the right conferred upon the country by its own history.

We salute the Sandinist slogan: "On this fourth anniversary, all arms to the people."

8143

CSO: 3248/1203

PAPER REVIEWS DOMINICAN REPUBLIC'S DOMESTIC PROGRAMS

Port-au-Prince LE PETIT SAMEDI SOIR in French 9-22 Jul 83 p 19

[Text] "There's no money. It's a bad situation." Such reflections were common until last spring. Even among members of the middle classes who were assured of employment, malaise gave rise to a certain disenchantment. Indeed, among officials, this scarcity of money and, of course, the persistent inflation of the first year of the Jorge Blanco administration were keenly felt.

And the same dissatisfaction is seen in the well-designed apartments, in the condominiums endowed with modern conveniences, in the outdoor restaurants on the long avenues, in the passer-by or the young secretary visiting the Fair: dissatisfaction because of the "depression" that the government, already a year in power, has so far not been able to throttle.

Nevertheless, to judge by outward signs, the Dominican Republic is a country fully on the move, and this refers not only to the human movement that is so characteristic of the country to our east. The state television network also gives a foretaste of this willingness to forge ahead. Here is the Cibao region with the cannons testifying to the Spanish conquest against the backdrop of the sea. Here is a village that, far from the eyes of men, has always danced; it is at once color and sound. Here are the ramparts of an old fort, defying the vastness of the Atlantic. Here, with the passage of time, everything goes and everything remains.

But the country that is being created now comes, so to speak, out of the ground. Nearly everywhere, at less than half-an-hour from Santo Domingo, new cities bear witness to an active housing policy. Since Guzman's administration, the Juan Pablo Duarte "Organization," to cite only this example, has housed members of the middle classes.

It is past noon at Banio Duarte. The workmen leave and, on the expressway, the taxis move off resentfully. Chichi Diaz, a young agronomist, lives in an apartment at Juan Pablo Duarte. As if taking it for granted, he points with his finger at the construction site of the new "organization," which the workmen are leaving. And the space that stretches out ahead seems ready to welcome several other "organizations."

Now, with these imposing achievements of the Trujillo period, this profusion of stone and concrete that confounds the eye, the contribution of these uniform lodgings would result at one and the same time in harmony and happy discord. But in this respect, too, the neighboring republic really looks like a country with a future.

They Number 400,000

Two constant concerns of the new administration have been urbanization problems and an advanced tourism policy. For such a government and such a country, this double undertaking hardly seems consistent with Third World status--a reflection that, no doubt, all the "guerrilla" children rambling about the capital, thrown upon their own resources, and also the harsh realities of life in the interior will soon show to be false. But, for the moment, let us look at the humanitarian approach that the government takes toward such vital questions as illiteracy.

Santo Domingo is a city of "slogans" and "mottos." These speak of free will, of democratic values and of love of country. These ideas risk becoming meaningless and bereft of a future if the people to whom they are proposed have neither the means nor the possibilities of fostering them and of living them out. The Jorge Blanco government has therefore attacked the problem at its root; illiteracy; and has decided to devote 1 million dollars to overcoming it. And those who cannot read number 400,000. It is hoped that success will be achieved in 1986.

12336

CSO: 3319/8

MONETARY BOARD APPROVES CREDIT TO IMPORT TEXTBOOKS

San Salvador EL DIARIO DE HOY in Spanish 13 Aug 83 pp 4, 41

[Text] The Monetary Board has approved lines of credit for the importation of textbooks and technical and scientific books, according to foreign trade officials.

The Central Bank has decided to include the importation of such books, as recommended by the Ministry of Foreign Trade, in the category of imports that may be financed through lines of credit from Argentina, Colombia and Venezuela, sources say.

In addition, it was announced that the proposal made by the ministry was based on the analysis of the request for textbooks from the student population, as a result of which the Salvadoran Book Chamber will benefit from the fact that members will be able to import books by means of such lines of credit. This aspect is very important because in recent years, book prices in El Salvador have reached exorbitant levels, which greatly affects the pocketbooks of parents.

"It is hoped that bookstore owners will be aware of the effort made by the Monetary Board and the Ministry of Foreign Trade and will receive the decision in a positive way and ensure that books are not marketed like any other type of goods. Rather, it is a matter of a cultural medium benefiting the student population and the budget of Salvadoran families, especially since there are no duties on imported books," informed sources say.

The news was received with great satisfaction since, as a result of the founding of 28 new private universities, there has been an increase in the demand for bibliographic material indispensable to educational activities. In addition, students other than those enrolled in universities may receive textbooks for intermediate and basic education, which requires separate materials for proper instruction. Thanks to this measure adopted by the Monetary Board, it will be possible to obtain the proper texts at the right price.

In conclusion, we have been informed that book importers may initiate procedures for the importation of the books. Those interested will obtain import permits or proper information from the Ministry of Foreign Trade on the use of these lines of credit through any bank in the country.

CHURCH REFUGEE POLICY SAID NOT TO HARBOR EXTREMISTS

San Salvador EL MUNDO in Spanish 15 Aug 83 p 3

[Text] Msgr Rivera Damas yesterday defended Church policy in support of persons displaced by violence, denying that these refugees harbor extremists, as was hinted through certain allusions which he termed slanted.

Monsignor Rivera expressed these ideas during the homily yesterday, Sunday, in the cathedral, explaining that work in support of the refugees in San Roque, San Jose de la Montana, and the Basilica of the Sacred Heart is highly humane and Christian.

The monsignor refuted certain stories spread by the National Police and attributed to prisoners who include some workers from the Archdiocesan Social Secretariat, who are accused of belonging to the ERP (People's Revolutionary Army). The monsignor stressed the work of the Church in support of the refugees and said that "If there are some people who are interested in preventing an increase in the number of displaced persons, that repression be stopped, along with informing on others, as well as illegal procedures involving kidnappings, and disappearances, [military] operations and indiscriminate bombings, occupations, and pressure to get support, then these are the causes of increase in the number of displaced persons," he said.

The monsignor assured his audience that, with allusions against refugees being taken care of by the Archbishopric, some people try to misinterpret the aid work being done by the Archdiocese. In this connection he deplored the fact that official agencies are making aprioristic judgments of these persons without first having tried them properly.

Msgr Rivera Damas denounced the fact that, during the week of 8-13 August, there were 29 reports of arrests although some of the persons arrested are shown as having disappeared.

On the other hand he denounced the fact that, according to data supplied by the Legal Aid Office of the Archbishopric, recorded between 29 July and 11 August, 44 civilians were murdered in actions blamed on "death squads" and members of Civil Defense. To this he added we must join the 76 casualties reported by the army, 86 guerrilla casualties, and two murders blamed on the guerrillas.

Another one of the facts denounced by the Archbishop in his homily yesterday consisted in the statement that "the army took food from Caritas in the township of La Laguna, Chalatenango, distributing the food items only for a day among those who asked for food, even handing over entire bags to persons who did not need that food."

The monsignor also informed the parishioners that he would this week visit Costa Rica to attend a meeting of archbishops and presidents of the conference of bishops of Central America and Panama.

He finally said that, after this meeting, he would go to Holland and Belgium to attend a seminar on education in response to an invitation from the Salesian Fathers.

5058

CSO: 3248/1193

NEW BCIE PRESIDENT ELECTED

Tegucigalpa LA TRIBUNA in Spanish 13 Aug 83 p 2

[Text] The new president of the Central American Bank of Economic Integration (BCIE), Honduran Dante Gabriel Ramirez, elected yesterday by the board of governors meeting in Guatemala, said that he will seek ways to ensure that the five countries in the region will benefit from the institution equally.

The unanimous election of the candidate from Honduras is a triumph for the government's foreign policy, and measures were being taken to gain backing for Ramirez' proposal by President Roberto Suazo Cordova himself and his minister of foreign relations, Edgardo Paz Barnica.

Ramirez, formerly an official with the Secretariat of Central American Economic Integration (SIECA) and an economic adviser to President Suazo Cordova, announced that he will make every effort to normalize the Central American Common Market, based on the situation prevailing in the region, which he labeled as difficult.

The Central American Bank of Economic Integration, whose headquarters is in Tegucigalpa, went without a permanent president for nearly a year, since the departure of another Honduran, Alberto Galeano Madrid. Acting president was Guatemalan Gilberto Sekaira.

"The temporary presidency in no way affected the bank," Ramirez emphasized, adding that while it is true that the acting president was unable to attract resources to increase the institution's capital despite the efforts he made, the real reason was the world crisis.

The regional official, who will take office on 1 September, stressed that the bank is not lacking in capital, but he recognized that financial problems do exist within the institution, problems he will study in order to solve them and move ahead.

Ramirez said that his election to the post represents backing from the countries in the region for the government of Honduras, headed by constitutional President Roberto Suazo Cordova, and for the democratic process underway in the nation.

11,464

CSO: 3248/1196

PDC BLASTS ANEP DELEGATION, FLIGHT OF CAPITAL

San Salvador EL DIARIO DE HOY in Spanish 17 Aug 83 p 2, 15

[Text] We have received a communication from the Christian Democratic Party with the following text:

"With effrontery and a total lack of patriotism, a delegation of the representatives of the Salvadoran oligarchy is traveling to the United States of America for the purpose of asking for economic aid for the development of private enterprises which in this country still are owned by the elite of millionaires who live abroad.

"We say with effrontery and a total lack of patriotism because, if those representatives of the oligarchy wanted to resolve the economic crisis which they themselves brought about, the first thing they should do is to demand of their owners that they return all the capital which they have amassed in El Salvador at the cost of the exploitation, misery, and social injustice of the working class of the country, money which they today have deposited in foreign banks, earning high interest rates. This money was obtained in El Salvador at low interest because they took it from the national banks under the pretext of using it for the improvement of agriculture, industry, and commerce.

"These leaders of the ANEP [National Association of Public Employees] the Chamber of Commerce and Industry, and the ASI [Association of Industrial Sectors], headed by Dr Antonio Rodriguez Porth, instead of asking for economic aid in the United States of America, should tackle those problems--should they not?

[Passage missing in original text]

"...its campaign against structural reforms which are being carried out in the country since those reforms saved their life because, if those changes had not been made and if the peasants had not been involved in the agrarian reform, at that time, the guerrillas would now be running the country and the oligarchs and their representatives would have to answer to their Creator for that.

"No, gentlemen delegates of the oligarchy, you may avoid unnecessary expenditures in your efforts against the structural reforms and put that money to

work through projects which would provide jobs for thousands of unemployed peasants whom you put out of work when you seized the common land that was the property of the country's townships.

"Gentlemen oligarchs, just look at all the money you took from the National Bank and from private banks during more than 100 years of corrupt administrations during which you used the well-known system of mortgaging your properties at high prices only to strip the credit institutions of the financial resources they had--money which could well have been given to the small and medium merchants so that they might improve their production systems and thus give jobs to thousands of unemployed Salvadorans."

5058

CSO: 3248/1193

PDC, AD, PAISA LEADERS COMMENT ON GUERRILLA DIALOGUE

Duarte Doubts Left's Sincerity

San Salvador EL MUNDO in Spanish 11 Aug 83 p 2

[Report on interview with Jose Napoleon Duarte, Christian Democrat candidate for president; at EL MUNDO offices, 10 August 1983]

[Text] Jose Napoleon Duarte, Christian Democrat candidate for president of the republic, visited us yesterday afternoon accompanied by Dr Ernesto Belloso, a member of the PDC [Christian Democratic Party] Executive Committee, and we took advantage of the occasion for a short interview.

The main question concerned the dialogue between the government and the guerrillas, and Mr Duarte replied as follows:

"The basic concept of dialogue goes back to the fact that God gave us words, and not guns, to communicate our ideas. Therefore, in principle, any dialogue aimed at settling a conflict must be sincere and not tactical. I believe that at this time all the factors entering into this dialogue process, internal as well as external, are planning the dialogue from the tactical point of view, which forces one to conclude that the dialogue will not achieve the desired peace objectives. "For the Left, the proposal is a series of conditions which imply unconditional surrender by the government hidden under a formula for dialogue without any conditions, but which in the long run will lead to the same thing.

Two Armies

"The Marxist-Leninist Left has presented several proposals for a dialogue, which they consider negotiation, and although they speak of a dialogue without conditions, they do establish conditions, with the clear objectives of forming a provisional government in which they would have a right to veto; establishing a government program which they themselves approve; dividing the country into two separate territories, in which the guerrillas would control one sector and the army the other; restructuring the armed forces, involving the recognition and acceptance of a fusion of two armies: the guerrillas and the regular army. These same points appear in the document that was delivered to Senator Stone, President Reagan's representative in Central America.

Official Position

"On the other hand, the government limits the dialogue exclusively to the Left's participation in the electoral process; but it does not guarantee the security details which are a primary demand of the leftist sectors. The United States, in turn, is trying to promote a dialogue which will generate some public opinion in that country, given the fact that 1984 will bring another presidential election there. This is why I believe that the dialogue, as it is set up, will not be successful in finding the right formula in the search for peace, which should be the primary goal."

Another question our reporter asked Duarte was what he thought was the most suitable way to solve the conflict and find the peace for which the people are longing and clamoring. The PDC candidate replied as follows:

"Duarte" Plan

"I believe that in order to find a solution to the conflict we must seek the causes and remedy those causes instead of correcting their effects. For that reason I think that the structure of our society, based on power, on the abuse of authority and on the institution of violence, has been and still is the principal reason why broad sectors of the country are frustrated and have even become radicalized and turned to the guerrilla movement. Therefore the government must face firmly the problems created by the social concept of rule by terror, and if it succeeds in doing so then it will have the moral authority to assure all the citizens and those sectors which are radicalized that violence is not needed to solve the current social ills of our country. If this is accompanied by economic measures, by correction of abuses in the economic and social structure, and if a pluralist system and participation in politics is encouraged, opening the way for all sectors, then the conditions can be created in which, there being no need for violence, there can be a dialogue for peace."

Freedom of Press

Another question asked by the reporter of the candidate was about freedom of the press, and whether he would guarantee it if he were elected. His reply was: "I firmly believe that freedom of the press is a 'sine qua non' of any democratic process, and in the guarantee of that freedom for the social communications media one should also include the possibility that all factions and all ideological thought may have the opportunity to express themselves and to be expressed freely, and that the social communications media will be open, without fear, so that the people may know and listen to all kinds of thinking and thus be able to decide freely in the participative democratic process."

Negative Remarks Recalled

The reporter reminded Duarte that at one time, when he was president of the Revolutionary Government Junta, he had totally negative ideas about EL MUNDO. He replied as follows:

"It is precisely freedom of the press which permits all human beings to express our differences, without any reticence or fear of reprisals, and the example you mention is one demonstration of how the chief of state respects the opinion of the newsman but at the same time feels the right to express his own opinion, and that is democracy."

Although he did not say so, or even imply it, Duarte has changed his opinion with regard to EL MUNDO, and his visit demonstrates that.

Institutions Must Be Respected

San Salvador EL DIARIO DE HOY in Spanish 3 Aug 83 pp 3, 27

[Report on interview with Dr Rene Fortin Magana; date and place not given]

[Excerpt] The "dialogue" of which we are speaking cannot have for its goal a negotiation which may result in the surrender of our country or a compromise of its basic institutions, says Dr Rene Fortin Magana.

Definitely we do not want a repetition of the case of Nicaragua where, as a result of familiar political and diplomatic juggling, the revolutionary ideals of an entire nation were betrayed, he added.

We have always said that we were in favor of "dialogue," because we considered it the most rational means of solving the Central American crisis; we were, as I recall and in spite of all the risks, the first to speak of that means, he answered when asked his opinion about conversations begun by Ambassador Stone with the guerrillas.

"In short, we are in favor of dialogue, and we encourage it as long as the political, economic and social organization set forth in our constitution, as well as our basic institutions of the republic--such as the armed forces--are preserved. The general will expressed so vigorously on 28 March 1982 cannot be ignored," Fortin Magana asserted categorically.

"What do you think of the postponement of the elections?" we asked the political leader.

"I think that postponement is quite natural; it goes without saying. We have always held it to be so, and we did not see nor do we see any reasons to hasten the date of the elections. Once the constitution, the electoral law and the corresponding register are approved, we will have the elections in logical order. Consequently the postponement, basically, only corrects an error which was being made."

He added: We are in agreement, therefore, with the announced postponement, because it will permit things to be done as they should be done: well. Besides, it is a contradiction to seek, on the one hand, participation in the elections by those who have taken up arms, and on the other hand to close the door to them immediately.

Elections Can Initiate Dialogue

San Salvador EL DIARIO DE HOY in Spanish 3 Aug 83 pp 3, 39

[Report on interview with Col Roberto Escobar Garcia, secretary general of the Salvadoran Authentic Institutional Party (PAISA), by Francisco Romero Cerna on 2 August 1983; place not given]

[Text] I believe the day the elections become a reality will be a perfect day to dialogue with the leftist groups," Col Roberto Escobar Garcia, secretary general of the Salvadoran Authentic Institutional Party (PAISA), told EL DIARIO DE HOY yesterday.

The opening sentence is part of Escobar Garcia's answer to the question about how he viewed Richard Stone's efforts for peace in El Salvador.

Escobar Garcia said that his party has come to the conclusion that the problem of violence in El Salvador consists basically in that a group of Salvadoran citizens has abandoned the society of which it was a part and that in order that peace may return, one condition is that those people give up their attitude against society or be neutralized.

Civilized Mechanism

Escobar Garcia added that under the circumstances, elections represent the most civilized and least costly mechanism for all members of this society to use to participate in searching for a balance among the various forces they have. So, he said, if the leftist groups, by virtue of their own reflections or through the initiatives of others, should decide to come to the elections and try their luck at the polls and by these means try to strengthen the positions that their forces might permit, then, he said, "I believe there would be no one in El Salvador who would oppose the integration of those groups into the civilized mechanisms."

He added that an electoral process is one of dialogue in which the political leaders speak to the people, makes proposals and presents programs and submit to their understanding a number of things which originate with the parties and the leaders themselves. And he warned that the dialogue does not become clarified until the very day of the elections, when the people leave their homes, go to the polls and approve there, with their votes, the monologue that the political leaders have kept up for the entire pre-campaign period and during the campaign itself. And election day in a country, he added, is the day on which the "perfect dialogue" becomes a reality. This is what PAISA and its leaders believe.

Then Escobar Garcia said that if this way of viewing the general situation responds, in passing, to the initiatives being taken by Mr Stone or other persons, countries or officials, "then I would feel very happy to have been able to contribute a little in offering to the Salvadoran people a different perspective on things."

Concerning Election Date

In response to another question about how he felt about a possible change in the date of the next elections, Colonel Escobar Garcia said that PAISA has never talked about dates, but rather about the fulfillment of certain basic conditions, which are:

- 1) The political constitution must be approved;
- 2) The new electoral law must be approved, and
- 3) An electoral register must be in force.

He added that if these three things are accomplished in 1983, PAISA would welcome elections this year. Then he said that since the current situation indicates that the three mechanisms mentioned could not reasonably be ready this year, then there is the possibility that the elections may be held in 1984, but--he emphasized--PAISA hopes that the date will not be any later than March of the coming year.

Concerning Coalitions

Asked whether PAISA would form a coalition with ARENA [Nationalist Republican Alliance] and PPS [Salvadoran Popular Party] Colonel Escobar Garcia indicated that at present PAISA's thinking is concentrated on the formulation of the political constitution, so that for now the subject of coalitions is premature.

8735

CSO: 3248/1180

BRIEFS

INCREASED FISHING AID--The Federation of Loan Banks (FEDECCREDITO) and the Agricultural-Livestock Development Bank (BFA) will expand loan assistance to fishing communities in the area of La Herradura and Costa del Sol in the Department of La Paz so that they may intensify their cottage fishing activities, the Ministry of Agriculture has announced. In order to outline the foundations of this system of aid, which will be complemented by a broad program of technical assistance, experts from the Fishing Development Center and representatives of FEDECCREDITO and the BFA have been meeting with groups of fishermen residing in La Herradura and Costa del Sol, who, through their representatives, have expressed their concerns and needs to improve deepsea fishing. Officials from the Fishing Development Center have put before the different cooperatives, consolidated groups and individual fishermen from both areas plans of action specifically designed to provide the technical advice making it possible to apply new methods of catching sharks, a very abundant species off the Costa del Sol, and aimed at opening up both domestic and foreign markets. It was announced that, through the Fishing Development Center, the Ministry of Agriculture and Livestock Raising, will soon open a technical office that will channel all aid for groups of fishermen from La Herradura and Costa del Sol. [Text] [San Salvador EL MUNDO in Spanish 12 Aug 83 p 13] 11,464

RAIL SERVICE RESTORED--Rail service has been restored and locomotive 856, attacked this week by terrorists who blew up the train's cars, has been put back into operation. Spokesmen for FENADESAL [National Railroad of El Salvador] announced that the same locomotive is now operating as far as Zacatecoluca, where it was taken after proper repairs. Ten of the derailed cars had been righted and put back on the track by yesterday, sources said, who added that the locomotive and the rest of the cars were taken to Zacatecoluca. These cars of the freight train blown up by terrorists this week had been put back on the track by yesterday, through the hard work of FENADESAL workers, who also repaired the track. The site of the attack on the railroad was between the cantons of Las Canas and La Joya in the jurisdiction of Tecoluca in the Department of San Vicente. The rail line was seriously damaged by the explosions. FENADESAL spokesmen said that damage to locomotive 856 was not major and that it can therefore be used. They added that out of 20 locomotives, only 6 are still in operation and that there have been countless terrorist attacks on the railroads since the beginning of the war. "We cannot give an exact figure on the number of attacks on locomotives and trains, but there have been many, to the extent that if the situation continues, there is a danger that rail transport may have to be suspended. [Text] [San Salvador DIARIO LATINO in Spanish 12 Aug 83 p 3] 11,464

UNFAIR ELECTIONS CHARGED--Dr Luis Rolando Lopez Fortis said that "The road we are on now has no credibility when it comes to free elections as announced by the Central Board of Elections." Fortis, who identified himself as the secretary-general of the ECO [Business Operator, Peasant, and Worker] Party now being organized, says that "The country's highest board of elections not only denies this party the right to register but even threatens to send the leaders to jail, forcing it to resort to the Amnesty Law." This attitude completely conflicts with the statements made by the members of the CCE [Central Board of Elections] who are promoting a "political opening." "What political opening?" Lopez Fortis asked. "What we have here," he says, "is a denial of the citizen's right to organize in a political party and what those gentlemen are doing is to refuse to comply with the law in not presenting their receipts to the General Accounting Office." Lopez Fortis also accused the deputies of covering up all of these abnormalities "because they are the ones who hold power." On the other hand, Lopez Fortis says that the office of the attorney general of the republic once again has fallen into the hands of the PCN [National Conciliation Party] and this is why its actions will always be partial to that party or in support of its interests. [Text] [El Salvador EL MUNDO in Spanish 15 Aug 83 p 3] 5058

CSO: 3248/1193

LIAISON COMMITTEE EXAMINES ADMINISTRATIVE, TRADE PROBLEMS

Cayenne LA PRESSE DE GUYANE in French 18 Jul 83 pp 1, 4

[Text] The Permanent Interdepartmental Liaison and Cooperation Committee of the Antilles and French Guiana completed its work on Monday, 11 July 1983, with the approval of a certain number of motions and resolutions pertaining to various issues on the agenda.

--Concerning the allocation of regional-departmental authority, the committee unanimously approved a motion which was passed on to the cabinet, the minister of interior and decentralization, the secretary of state to the minister of interior responsible for the DOM [overseas territories and departments], and to the parliamentarians of the four DOM, firmly urging the government to respect the provisions of Article 59 and the spirit of the 22 March 1982 Decentralization Law with regard to the authority of the departments.

--On the question of the cost of the decentralization which the elected officials of the four departments have always strongly urged, the committee emphasized the contradiction in the Decentralization Law. In fact, it would mean for the department an increase in its operational expenditures to the detriment of its capacity to take action to sponsor rural development and to support priority economic activities within our underdeveloped context.

--Concerning the reconciliation of the dock dues rates and the inauguration of free circulation of goods among the three DOM, the matter proves more difficult to solve. In fact, the elected officials in Martinique and Guadeloupe have fully recognized and legitimized the restrictions established by French Guiana as to its specificity. Let us recall, in fact, that in our country, dock dues constitute a primary resource for the departments and communes, and that we are exempt from the TVA [value-added tax]. Taking these characteristics into account, the committee decided that each department should undertake a technical study within the next 3 months with a view to establishing the conditions for this reconciliation and free circulation. To this end, it appointed a commission with the responsibility of studying these problems, and designated three elected officials from the Antilles-French Guiana to coordinate this work.

--On the question of transportation among our three DOM, after having stressed the lack of progress, indeed the deterioration of the situation on the level of cooperation among the Antilles, French Guiana, the mother country and the various departments, the committee took a position condemning

the air service policy of the Air France company. Similarly, it expressed deep disapproval of the continuing refusal of the government to date to grant traffic rights to the DOM to the French companies which have applied for them. With regard to maritime transportation, the importance of more regular links among the three DOM were stressed, and it was decided to organize a general and systematic study of these problems, under the jurisdiction of a permanent commission including elected officials from the Antilles-French Guiana and transportation experts.

--In view of the new responsibilities of the departmental assemblies resulting from decentralization, and of the growing mass of juridical, economic, financial, scientific and other matters with which the local councils must currently deal, the committee made a certain number of recommendations, including making the local councils subscribers to general data banks, a study for the establishment of local data banks, an exchange of bibliographic information among the local councils in the Antilles and French Guiana, and informative lectures on budget techniques, public contracts, social assistance, etc.

--In addition, the committee took up various questions having to do with community taxes in the DOM and the development of fishing.

First, on the matter of community taxes varying among the four DOM, particularly with regard to imported corn, the committee decided to send a demand for the cancellation of the tax requirement directly to the EEC. In the event that it proves impossible to get this request approved, it insists that the sums obtained through these taxes be reserved for the three departments directly, to be used for the financing of livestock breeding development.

Secondly, where the development of fishing in the Antilles and French Guiana is concerned, the committee emphasized the important role played by the maritime fishermen. It based this statement on the recommendations made by the experts and the elected officials of the three DOM with a view to reducing the cost of this social coverage borne by those in this profession. As a result, it is urging the government to review the calculation of the role played by the maritime fishermen of the Antilles and French Guiana on the basis of the average estimated income, with a view to decreasing the amount without, however, affecting the corollary benefits. It is asking moreover for resumption of the negotiations with the Caribbean countries concerned about their needs with regard to fishing rights, and authorization allowing the local elected officials in the three departments to collaborate on the drafting of a basis for a formal agreement to be reached with the EEC. Finally, it is urging the EEC to give official consideration on the highest level to an integrated community regulation for the coordinated development of the fishing sector in the Antilles and French Guiana.

This step would make it possible to modernize the production tools and techniques for fishing, to establish the port infrastructures, to organize effective complementary action among the three departments, and to develop aquaculture and to promote shipbuilding, as well as the training of personnel.

Before completing their stay in our department, the delegations from the Antilles visited the Mana rice fields as well as a certain number of very modern exploitation operations in the department, including the PAPPI Company and various fishing enterprises. These tours enabled them to state that the department of French Guiana is in the process of experiencing unprecedented development, the harvests of which can be reaped in the very near future, particularly where our exports are concerned.

5157

CSO: 3219/43

HAITIAN IMMIGRANTS ORGANIZATION DEFINES ITS MISSION

Cayenne LA PRESSE DE GUYANE in French 8 Jul 83 p 1

[Text] The problems caused by the immigration of Haitians to French Guiana have been raised again following a note sent to the Prefect and Commissioner of the Republic by the Bureau of the Association for the Independent Promotion of Haitians.

The following text, as President Jacques Andre Brutus indicated, is designed to inform the public, through its legal representatives, of the true intentions of the Haitian community, which aspires to nothing more than to be received in French territory, in "respect for human dignity"....

We reprint this text below in extenso for the benefit of our readers:

"Having noticed a tendency to make light of any initiative coming from the Haitian community in French Guiana;

Having noted that the right of association for Haitians is regarded as a potentially very dangerous pressure group (ref. immigration bill);

Having further noticed that our association has been referred to as a "corporation" and has had law suits filed against it (ref. Mr. Gare on the R.T.M. program on June 14, 1983):

We, the Bureau of the Association for the Independent Promotion of Haitians, publicly state that these interpretations lack any objectivity and are aimed at inciting the Guianese people to rebellion. To prevent this eventuality, we hasten to inform the government representative, elected officials and the Guianese people that the legal representatives of the Haitian community have no intention of manipulating their compatriots to set up a power base or a counter-force in French Guiana. We have too much respect for the laws and rights of a nation not to acknowledge the sovereignty of all Guianese in all decisions involving them and their department.

Aware of the socio-economic upset caused by the massive immigration of Haitians to Guiana, we strongly hope that just and effective measures will be adopted and followed by reforms and improvements.

As for our association, it is a place to meet and have open discussions. We intend to develop our associative activities there, which amount to nothing more than a school for democracy. It is not by chance that a despotic government came to power in Haiti and has impregnated the minds of the last generation. There is a lack of associations, and absolutely no democratic institutional framework in the country. We would like to tell you what the Haitian community wants:

- first, to have freedom of expression, to put forward their ideas, to create a spirit of tolerance which is essential for them to fend for themselves and master their own destiny and to participate wholly, with other groups, in the social, economic and cultural life in French Guiana;

- second, in the hope of returning, to participate concretely and effectively in rebuilding their country.

We trust that this letter will put an end to all the subjectivity and will create a spirit of understanding and cooperation which we want so much. The Haitian community is only asking for shelter from the political and economic turmoil raging in Haiti, with all due respect for human dignity, naturally.

You are free of your responsibilities in the eyes of history!"

Written in Cayenne, 21 June 1983.

9805

CSO: 3319/7

CARIBBEAN INTEGRATION, ADVANTAGES OF EEC URGED

Pointe-a-Pitre FRANCE-ANTILLES in French 27 Jul 83 pp 1, 12

[Article by Andre-Jean Vidal: "Mr Lemoine's Press Conference"]

[Text] On Monday evening, toward 2100 hours, Mr Georges Lemoine, secretary of state to the minister of interior responsible for the DOM-TOM [overseas departments and territories] concluded his visit to Guadeloupe.

Mr Lemoine, who arrived in Guadeloupe on Wednesday, 20 July, from Martinique, where he had paid a similar visit, divided his stay between two concerns: work and tourism.

Working sessions were scattered throughout Mr Lemoine's stay. He met with the socioprofessional experts in the sugar cane sector to discuss the agrarian reform and the sugar cane situation. During this session he informed all of those present of a complex of government measures designed to provide aid to this important sector of activity for our region (establishment of the Guadeloupe Farm Savings Civil Company (SCEFAG)) and the provision of the resources for its operation, and a subsidy to help compensate for the poor sugar cane harvest this year (12.5 million).

In working sessions with the elected officials, Mr Lemoine, without overcommitting himself, announced the intention of the government to leave each assembly its own authority, without modification or reversal. At working sessions with the workers trade unions, Mr Lemoine announced what he called "government efforts in the social sector in the DOM-TOM (an increase in the SMIC [interoccupational minimum growth wage] among other things).

In the course of a press conference held in the international airport premises in Raizet a few minutes before his departure for Paris, Mr Lemoine expressed his feelings about a certain number of problems: the place of Guadeloupe in the Caribbean world, the technical aid provided to the DOM-TOM, the recent outrages and the regional FIDOM [DOM Investment Fund], a supplementary resource made available to the region.

Technical Aid and Reliance on Europe

In the course of this press conference, Mr Lemoine criticized the aid provided.

In his view, the people of Guadeloupe no longer want aid granted in the name of France and a certain solidarity, but would prefer a swing toward technical aid. "The people of Guadeloupe do not want to hear any more about aid. We must put an end to the impression established in people's minds that we turn to aid because the people of Guadeloupe are not capable. I for my part have confidence in the capacity of the people of Guadeloupe to manage and develop their own economy."

According to the secretary of state, this economy can be developed on the basis of a bipolar approach: profiting from the advantages offered by the European Community and making use of this privileged situation to incorporate the economy, with these trumps, in the Caribbean world.

"It seems to me essential that Guadeloupe become a part of the Caribbean world," Mr Lemoine stated, adding that "the policy pursued by Guadeloupe in the Caribbean world should be specific. In certain sectors, this policy will not enjoy every advantage unless it relies on metropolitan France. Guadeloupe and Martinique have every reason to rely on Europe, within the French context, in order to derive maximal advantages from the EEC. In fact, the support given to the underdeveloped regions represents a resource which should not go unutilized. It can only be utilized through Paris."

As can be seen, Mr Lemoine entirely supports the desires of the local industrialists to open up to Caribbean markets and to play a role there, a process is only viable through France.

The SODEG and the Outrages

While Mr Lemoine stated that the FIDOM had become regional, contributing a resource to the region which is substantial, he did not stop there, but went on to give his views about the SODEG affair and the recent outrages.

In this connection he sought to dissociate the aspect which lies in the realm of the courts and outside the jurisdiction of the governmental sector, and the financing problems of this establishment.

"I have made contact with the elected officials. It is necessary to separate two aspects of the facts in this file--one is in the hands of the courts, the embezzlements. The court process is characterized by a certain slowness, a guarantee, through the expert testimony for and against, that when the court decisions are made, they will be duly weighed. I cannot interfere in this court aspect of the matter, in view of the separation of powers.

"Another aspect of the SODEG problem is the financing of the establishment. This matter will be taken up at an interministerial meeting in the month of September."

The secretary of state also expressed his feelings about the recent outrages. "Those who have recourse to such methods do not realize the dangers to which they subject all those they could kill by these outrages. There is no possibility of dialogue with these people."

DOM MINISTER URGES DEVELOPMENT OF CARIBBEAN MARKET

Pointe-a-Pitre FRANCE-ANTILLES in French 23 Jul 83 p 6

[Text] Mr Georges Lemoine ended the morning in Basse-Terre last Thursday with a meeting held at the prefecture with socioprofessional experts in the industry and trade sectors in the department. He was accompanied by Commissioner of the Republic Robert Miguet, Mrs Michaux-Chevry and Mr Jose Moustache, the presidents of the departmental and regional assemblies, respectively, and Secretary General for Economic Affairs Geraut. Among those present, we noted Dr Marcel Esdras, mayor and member of the town council of Pointe-Noire and deputy from the third Guadeloupe district. The least one could say is that in comparison to his predecessor, Mr Lemoine was very open in his statement. He proved very attentive to the statements made to him in the course of this meeting, which developed in a very constructive atmosphere characterized by cordiality.

The secretary of state wanted to discuss with the socioprofessional experts in trade and industry the problems which are specific to our archipelago. In his view, the most worrisome problem remains that of opening the country up to the Caribbean world, because our economic development depends on this step. Where the Lome agreements are concerned, he announced that the request concerning the specific requirements of the DOM [overseas territories and departments] was accepted and that what was decided at Lome 2 will be carried over to Lome 3.

The president of the local council then recalled that the elected officials of Guadeloupe hoped to be better informed about the decisions made by the EEC on the subject of the DOM. He explained that on the level of the departmental and regional assemblies, an agreement had been signed with a company which will pass on the information obtained in Brussels. But he asked above all that closer collaboration be established between the state and the local elected officials with regard to the study of the files which pertain to us specifically.

This would be desirable in a number of sectors, such as farm production of rum in particular.

In connection with the fishing between Guadeloupe and some of the surrounding islands, it is to be regretted that this matter is dealt with in Brussels, which involves excessively long procedures, whereas negotiations could be undertaken between the authorities on these islands, the representative of the state in Guadeloupe and the local elected officials, on the spot.

The president of the regional council, Mr Jose Moustache, spoke to endorse these statements fully, explaining that a commission within his assembly had been entrusted with studying these various affairs with the socioprofessional experts within the framework of the plan contracts. In the view of the president of the regional council, there can be no doubt that it falls to the state to supervise the participants in the economic life of Guadeloupe.

Interregional Cooperation

Mr Lemoine wanted to take up interregional cooperation problems, first of all. On this subject, it was noted that the CCI in Pointe-a-Pitre had initiated contacts between Europe and the Caribbean last year, in which more than 400 individuals from the European mother country, the French Antilles and the rest of the Caribbean area participated. The Caribbean countries, up to that time, it was explained, had developed mainly their relations with their mother countries. They then realized that they needed to develop trade among themselves. Now there are no established distribution circuits, and trade to date has been very limited (fuels, rice). There are indeed explanations for this state of affairs, including the language problem, but above all, customs regulations hinder such trade, particularly on the level of the CARICOM, for example the "negative lists."

However, trade could be promoted among these islands in such sectors as training, education, agriculture, health and safety (for catastrophes). Guadeloupe is today a member of the CAIC [Caribbean Association of Industry and Commerce], is familiar with the regulations, and is regarded as a full partner. Some islands have even proposed its membership in the CARICOM, but this will not happen overnight.

An interconsular committee involving Martinique and French Guiana has already been established, and should be able to guarantee a followup of the considerations within the framework of development of the Antilles and French Guiana, and to coordinate activities with regard to the surrounding countries. In the view of Mr Pravaz, Guadeloupe could serve as a Caribbean point of dispersal and distribution for Guadeloupe and Europe. Here commercial bases could be established and they could gradually be converted into centers for maintenance, reconditioning and assembly workshops.

The priority today is the development of markets with the Caribbean islands. But since the Americans and the Canadians have proceeded speedily and concretely in this direction in this area, what can we do? Our banking enterprises lack capacity. Our financial presence abroad is nonexistent. However, it is necessary to find a way to break out of this restraint if we want to develop our markets.

How does it happen that in the surrounding islands, only Japanese vehicles are used? Is there not a market to be found in this sector? The Caribbean is currently in the middle of a structuring process, and in the islands surrounding us, one finds technicians from various countries, but not however from France, a presence in this region of the world. We must avoid isolation in the Caribbean basin, and we should establish a presence on Antigua,

Dominica and Saint Lucia. Concrete and speedy steps should be taken in this direction. Our industrialists are still today producing for too limited a market, and we must succeed in creating a Greater Antilles-French Guiana region such as to allow us to develop our market now. The industrialists established on the British islands benefit from tax advantages, and, other than here, they find themselves in a veritable "fiscal paradise." For the industrialists of Guadeloupe, it is necessary to succeed first of all in mastering our market, and for this state and local aid is necessary. It is necessary to guarantee profitability for the enterprises they operate, to develop small industrial units, and in order to do that, to prevent European industries from coming to "destroy" these creations. Then too it is necessary to develop new production, for if Caribbean trade does not exist at present, it is because on each island, we produce the same thing.

Mr Lemoine proved very attentive to these comments, giving assurance that he had clearly seen what the economic swing in Guadeloupe should be for this end of the 20th century. According to him, we must succeed in integrating ourselves in the Caribbean market, without however neglecting the United States and Canada, as well as maintaining good relations with the CARICOM, without losing the advantages offered us by the EEC. The European market is saturated today, and Guadeloupe can profit from this and constitute a bridgehead with regard to the Caribbean and the Americas. And he stated that henceforth, Guadeloupe and the DOM must be full participants in the negotiations in Brussels which concern them. Another issue dealt with in the course of this meeting was the improvement of air and maritime transportation between Europe and the Antilles, and among the Antilles themselves, improving trade circuits, and standardizing dock dues among our three departments.

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CSO: 3219/45

DOM MINISTER ASSESSES AGRARIAN REFORM, SUGAR PRODUCTION

Pointe-a-Pitre FRANCE-ANTILLES in French 23 Jul 83 p 6

[Article by Andre-Jean Vidal]

[Text] One of the key aspects of the visit paid to Guadeloupe by French Secretary of State to the Minister of Interior Responsible for Overseas Territories Lemoine will have been his meeting with the socioprofessional experts in the farm sector last Thursday, 21 July, immediately after his return from a short visit to the Grand-Anse factory in Marie-Galante.

It was at the premises of the Guadeloupe Agricultural Secondary School in Destrellan-Baie-Mahault that the secretary of state, his entourage, government officials and the socioprofessional experts met for an interview lasting more than an hour, during which two working subjects were taken up:

--agrarian reform; and

--sugar cane.

The first subject took up almost all the time available to the secretary of state for this assessment of the farm sector. There was only time for a few comments of a general nature concerning sugar cane.

After the agrarian reform presentation by Mr Lemoine, who had some good news for the socioprofessional experts present, for example the payment of the state contribution for the establishment of the SEFAG and an extension of the subsidies to help the SAFER balance its budget, Mrs Michaux-Chevry, president of the local council, and Mr Moustache took the floor, the former to announce readiness to participate financially in the undertakings to develop agrarian reform in the department, and the latter to state, with a suggestion of impotence in his contribution, that with money lacking, he could provide advice and suggestions.

Two positions adopted by the professional experts were noted: Messrs Mounien and Boulogne commented on a certain failure in the policy pursued to date by the various officials following one after the other.

Finally, to conclude this portion of the meeting, a Ministry of Agriculture expert, Mr Castaldi, answered all the questions asked and explained a number of points.

In the 20 minutes it took for the secretary of state to make his statement, the sugar question was "settled."

Reform Pending for Two Years

The secretary of state inaugurated the working session a few minutes after his helicopter arrived.

After having recognized the impatience, first and foremost of the socio-professional experts, and then of the politicians, Mr Lemoine announced a certain number of items of news which brought smiles to the listeners' faces: credit unblocked and optimistic measures. Unfortunately, these agricultural experts have borne the weight of promises, and had no intention of allowing themselves to be deceived once again.

"I know that you have been waiting for this reform for 2 years," the secretary of state said. He went on to say that "no one is unaware of the importance of this operation to the future of agriculture in Guadeloupe, because we are sure that the success of this reform will depend on the maintenance of farm jobs as well as the diversification of crops, and maintenance of the sugar cane potential through the creation of family operations, since half of the surface planted to sugar cane is found in the 11,000 hectares which are within the SAFER portfolio today."

The secretary of state then took up the problem of retrocession. "The impatience you show to see this return of assets effected is justified. Your elected officials have informed me of this impatience. We must not conceal the fact that reform of such scope cannot be improvised.

"The committee directing agrarian reform must play its role and must rule on the plans for returning assets within the framework of each residence."

The secretary of state announced the release of credit and other new measures.

Local Assembly Decisions

"The agrarian reform will be able to move into its active phase." It was with these words that the secretary of state announced certain measures with financial effects adopted by the government in recent days.

"A few days ago, the minister of economy signed the decree approving the Guadeloupe Farm Savings Civil Company (SCEFAG). The allocation of 30 million in state capital has been paid and all of the instructions for the establishment and organization of the Farm Land Groups (GFA) have been issued in a letter addressed to the director of the National Farm Credit Fund. Nothing remains to hinder the establishment of the first GFA in the weeks to come so that they can rent out land."

He made a suggestion to the leadership of the local assemblies, urging them to participate actively in this financing. "With the hindrances removed, the

local assemblies must voice their opinions on their effective participation in providing the SCEFAG with its company capital. The 30 million from the state, by financing 65 percent of the GFA shares, can only provide 2500 out of the 3500 GFA with farm ownership under the SAFER, not to mention the 7,000 hectares of the small owners. The government has just decided to pay the small holders who abandon all agricultural activity indemnity ranging from 6,000 to 23,600 francs, depending on the specific case.

"I hope that the Regional Farm Credit Fund will make its contribution.

"In agreement with Mr Rocard, I must say that the board of directors of the SAFER must continue to play its role. The elected officials and socioprofessional experts will be partners in this process, and the new authority given to the regional council would justify a study of the participation of this assembly in the capital of the SAFER."

Mr Lemoine concluded this list of measures by saying that "the government is concerned about the financial situation of the SAFER, and in order to allow it to function under normal conditions, a special subsidy of 12.5 million will be paid to it.

"Thus all of the basic conditions for an active resumption of this land reform to which we are all committed are provided."

Local Officials' Views

While Mrs Michaux-Chevry, the president of the local council, indicated the intention of this group to make a substantial part of its savings available for agrarian reform, Mr Moustache, who spoke immediately afterward, could only note a certain financial incapacity. "We will provide advice," he said in substance.

"Our participation to the extent of 15 million in the SCEFAG was requested 2 years ago. We have always been interested in and in agreement with agrarian reform." But, Mrs Michaux-Chevry went on to say, "we have always said that the budget situation of the department does not allow it to pursue this matter without increasing the budget by means of income from dock dues.

"Moreover, we have effected savings of 30 million from supplementary dock dues income.

"Where this land reform is concerned, I believe that it should not be undertaken to allocate land, but should also, at the same time, provide Guadeloupe with a farm policy, the replanting of sugar cane for example."

Mrs Michaux-Chevry said she was moved by certain steps to benefit young farmers under 35 years. "And what about those who have exceeded that age limit?"

She said in conclusion: "This land reform must not be halted because of a question of age."

Mr Moustache, president of the regional council, added: "Like the local council, we would like to participate, financially speaking, but we do not have the financial resources as a region since, to date, our authority has not been clearly defined.

"This forces us, for lack of other resources, to issue advice and suggestions where the redistribution of land is concerned."

Mr Moustache did not yield to bitterness, since he did not hesitate to say that "we have ideas to make operations profitable, and within the framework of the Ninth Plan, we have proposed a policy which could be pursued on the national level so that the redistribution of land would be a success, finally, in Guadeloupe. The maximum must be done to maintain activity."

The secretary of state thanked the two speakers and then asked the socio-professional experts to take the floor.

From among the five or six speeches made, we have chosen two statements made by two young citizens of Guadeloupe concerning the problems of their country. They are those of Mr Rosan Mounien, spokesman for the small sugar cane growers, and Mr Jean-Yves Boulogne, representing the young farmers.

"We have noted a number of facts but there are two which must be remembered," Mr Mounien stressed. "Steps have been promised but not carried out and the proposals made by the work group appointed to prepare for agrarian reform have gone without an answer.

"If this continues," he warned, "it will mean the ruin of the farm economy of Guadeloupe. It will be too late to go back."

This forceful speech was followed by statements which were equally so, in this case from Mr Boulogne. "We favor the maintenance of sugar cane but oppose the enslavement of the sugar cane peasants. New methods must be used to allow the farmers to obtain training so that they can manage a farm operation and not just a plot of ground. Guadeloupe is the department in which there are people who farm, but there are few people in Guadeloupe who make a living from farming. We want people to be able to live off this agriculture."

A technician from the Ministry of Agriculture, Mr Castaldi, explained several points. "The establishment of the SAFER which has been announced involves a rather simple mechanism. On the financial level, the company will carry 65 percent of the GFA shares. It will be necessary to find the other 35 percent. A number of solutions come to mind: land loans open to all, up to 80 percent of the expenditures, etc.

"These loans resolve numerous problems."

Maintaining the Sugar Economy

Mr Lemoine took several minutes to explain his feelings about the intentions of the government in the sugar cane sector, and then to announce good news.

"The maintenance of a competitive sugar economy is an imperative for this department. The implementation of this reform is in my view one of the conditions for giving the sugar economy every chance of success.

"The complete implementation of the replanting plan which Mr Mauroy had presented when he came to Guadeloupe is also one of the conditions making it possible to foresee a future. The government wanted the conditions for the implementation of this plan to be established locally, with the socioprofessional experts. I would like to hear your opinion on a certain number of points."

And Mr Lemoine listed the questions posed to the socioprofessional experts. An overall response to these questions was provided by a representative of the sugar cane growers, but what should be remembered is the statement by Mr Lemoine. "The state budget has allocated more than 50 million for the purpose of compensating for the poor sugar harvest, giving priority to measures and actions preparing for the future.

"It has been possible to allocate 8 million for the replanting plan out of the general FIDOM credit for the year 1983."

From this meeting, one can derive the conclusion that the problems of a sector as important as agriculture is in Guadeloupe cannot be resolved in a single hour.

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CSO: 3219/45

ARGENTINA DONATES WHEAT, EXTENDS 10 MILLION DOLLARS IN CREDIT

Port-au-Prince LE NOUVEAU MONDE in French 8 Aug 83 pp 1, 8

[Article: "Remarkable Results of Cooperation Between Haiti and Argentina"]

[Text] His stay in Haiti over, Felix Pena, undersecretary for international economic affairs to the ministry of foreign affairs of the Argentine Republic, left Port-au-Prince on Saturday, 6 August after having concluded a fruitful mission to the Haitian capital which ended particularly well.

In addition to the gift of 4,000 tons of wheat to the Haitian government that has been put at the disposal of the Michele B. Duvalier Foundation, the Argentine government offered a \$10 million line of credit at extremely advantageous conditions in order to finance the importing into Haiti of goods and services from Argentina. In addition, trade agreements will soon be signed and measures will be taken to encourage and promote Argentine investments in Haiti, especially within the framework of the Initiative for the Caribbean.

The visit to Haiti by the vice minister of Argentina, as well as the first concrete results of cooperation with this great nation of the southern hemisphere, illustrates the deepening strength of the links between the two countries. We cannot fail to mention the prospects that are opening up in several areas, particularly in the industrial and agricultural sectors, and which will make Haitian-Argentine relations a model for South-South cooperation.

These spectacular results must be considered an asset of the courageous support given by the government of His Excellency Jean-Claude Duvalier to the sister republic of Argentina in its grave conflict in the Falklands; these results are also the fruits of the official visit paid by the esteemed chancellor to Buenos Aires last October, which allowed Haitian-Argentine relations to be based on active solidarity and deep friendship that has always remained strong.

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CSO:3219/44

FINANCE SECRETARY DELIVERS PROPOSED 1983-1984 BUDGET

Port-au-Prince LE NOUVEAU MONDE in French 12 Aug 83 pp 1,8

[Text] Mr. President of the Legislative Chamber, Distinguished Members of the Ministries, Honorable Deputies:

In the name of the government of His Excellency the President for Life of the Republic, Jean-Claude Duvalier, and in accord with the usage and intention of the law, I have the honor of presenting the appropriation bill for the 1983-1984 fiscal year.

When, 1 year ago, I emphasized in my presentation of the budget that is soon coming to a close that it was a budget of hope and faith in our abilities to recover, I was already foretelling the success of the energetic fiscal measures inspired by presidential directive. This hope has not been disappointed. Current receipts of this fiscal year will come close to the figure of 840 million gourdes, thereby surpassing the receipts of 1981-1982 by 15 percent and the calculated forecasts of 1982-1983 by 12 percent.

The apparent improvement in tax collection will again be emphasized in the coming months by enforcing the last 10 bills related to taxes, finances and the economy, now being approved by this body. But the necessity of healthy caution and the primary goal of our financial policy--the rational recovery of our economy through the gradual realignment of the balance of payments--are keeping the spirit of austerity alive. The total budget for fiscal year 1983-1984 was calculated on the basis of these constraints.

The ways and means committee has drawn up the following forecast for receipts:

Customs receipts	300 million
Tax receipts	650 million
Extraordinary resources	60 million
Total	1.010 billion gourdes

Customs receipts in 1982-1983 showed a definite upward trend, totaling 247 million gourdes as of the end of July, close to the annual estimate after deducting, for internal receipts, the TCA [Business Turnover Tax] included in customs receipts. We were, however, moderately optimistic when calculating the forecasts for the 1983-1984 fiscal year. Tax collection will of course benefit more than ever

from the strengthening of control measures at all levels and imported inflation, still high although declining, will naturally affect taxable values. On the other hand, the drought in various coffee-producing areas will reduce the volume of the harvest of this commodity and 1984--a high year in the biennial cycle--will paradoxically have a smaller harvest than 1983. We have therefore adopted the reasonable figure of 300 million gourdes as the forecast for customs receipts for the 1983-1984 fiscal year.

Even during the worst years of the crisis, internal receipts continued to increase, which was an indication of the efforts and the results of the reform. From 1980 to 1983 receipts from taxes went from about 330 to 530 million gourdes and this trend will continue in 1984. The TCA, after a year of enforcement that was not without delays and rough spots, will reach its cruising speed and take the position that its importance in our tax system bestows on it. From a rather modest yield of 85 million gourdes in 1983, it will be approximately 150 million in 1984 according to carefully calculated estimates.

The income tax is traditionally one of the largest components of our internal receipts. Despite the unfavorable economic situation that prevailed during the past few years, receipts from the income tax continued to increase, going from 87 million gourdes in 1980 to 135 million in 1982; the estimate for the current fiscal year is 140. The recent withdrawal of Reynolds has, however, reduced the basis for this tax. But thanks to the vigilant action of the tax inspection teams and to the increasing help of the tax files, which will soon have a legal basis, the growth in income tax will continue, justifying an estimate of 160 million gourdes for 1984.

Generally speaking, both the structural reforms and the tax measures will favorably affect internal receipts which have been forecast at 650 million gourdes for the new fiscal year.

The combined activity of our two large tax collection institutions--the General Tax Administration and the General Customs Administration--will generate during the 1983-1984 fiscal year total estimated receipts of 950 million gourdes, which is about a 13 to 15 percent increase over total tax resources expected from the fiscal year that is ending.

Obviously, receipts from the tax system have improved, but the situation is not so good that we can dispense with the financing help of the central bank. Estimated at 150 million gourdes last year, only 40 percent of this assistance (60 million gourdes) was used. We have calculated the deficit of the new budget so as to limit our drawing rights on the Bank of the Republic of Haiti to this latter figure. This institution, which has been turned to so frequently the past 3 years, can therefore rebuild a certain level of reserves needed to obtain a financial balance. Assistance from the Bank of about 60 million gourdes barely represents 0.6 percent of the country's GDP.

Tax resources and the moderate use of the financing of the central bank will enable a total of 1.01 billion gourdes to be allocated to the budget's various categories. Up substantially in comparison to 1982-1983, this sum is still less than the real

needs of the central administration, than the costs of the national debt, which increases daily, and than the requirements of development and is still below the budget of 2 years ago, which was 1.041 billion gourdes.

The difficult task of formulating this appropriations bill can be summarized by the task of reconciling these enormous needs with such limited resources.

First of all, because the various sectors of the administration had had their allocations reduced for 2 years, it was only appropriate to bring them a little relief. An increase of about 5 percent over the 1982-1983 sum was granted the ministerial departments. At the same time, the special supplemental subsidies which they received from the Central Sinking Fund were incorporated into their allocation permanently. In addition, a certain number of new or reorganized services will be placed this year under the operating budget. In the department of the presidency there will be:

- I. The Haitian National Institute for Culture and Art
 - The Haitian National Pantheon Museum
 - The National School of the Arts
 - The Bureau of Ethnology and Agriculture
- II. The Institution for Developing the Gonaives Plain in the Planning Department
- III. The National Office of Technology
 - The Nutritional and Food Planning Unit in the Department of Public Works
- IV. The Land Survey Bureau of Port-au-Prince
 - The Maritime and Navigational Service of Haiti
 - The Metropolitan Service of Solid Waste Collection

Note that this department will also include SEPRRN under its operations, for an amount of 32 million gourdes. In 1982-1983 SEPRRN was financed by the development department under the categories public treasury and PL-480.

A breakdown of the operating budgets of the various ministerial departments is given below in millions of gourdes:

1. Presidency	16.515
2. Legislative Chamber	5.032
3. Finance and Economic Affairs	95.168
4. Agriculture, Natural Resources and Rural Development	31.475
5. Public Works, Transportation and Communications	73.983
6. Foreign Affairs	38.478
7. National Education	94.799
8. Social Affairs	16.852
9. Commerce and Industry	15.827
10. Worship	3.373
11. Justice	12.168
12. Information and Public Relations	32.177
13. Interior and National Defense	35.666
14. Public Health and Population	88.0

15. Armed Forces of Haiti	89.0
16. Mines and Energy Resources	6.913
17. Planning	20.581
18. Youth and Sports	6.177
Total	682.184

Inadequate public savings at the central administration level make it necessary to resort to borrowing and external aid. This type of financing, indispensable at present during this precise stage of the development of the country, burdens the national debt with heavier and heavier costs. Meeting these expenses within the appointed time and under the agreed conditions in order to keep our credit intact is a major worry of the financing authorities. The special services of the Department of Finance and Economic Affairs have systematically catalogued the various internal and external obligations of the state in order to update information regarding the national debt.

The Central Sinking Fund, whose reorganization is under study, has been relieved this year of the obligation of supplying the special additional subsidies, which have been returned to the ministerial departments. It will, however, strictly supervise the service of the consolidated and floating debt. Its allocations are divided as follows:

External obligations	120 million gourdes
Miscellaneous obligations and floating debt	104 million gourdes
Total	224 million gourdes

National development requires funding enormous financial resources much greater than our capabilities. The external resources that are added to our own can generally be mobilized only by contributing a certain percentage of equity which constitutes the local share. To facilitate the availability of such funds, we have decided to put under the operating budget a series of obligations until now handled by the development department, including the very important road repair and maintenance service. Thus relieved of these charges, the development budget could be used so as to provide a maximum multiplying effect for its funds by emphasizing projects that will benefit from external assistance.

The 96 million gourde budget includes two categories of projects:

Projects with 100 percent local funds	40.866 million
Mixed projects	55.134 million
Total	96 million

It should be noted that this is strictly the development fund taken from the public treasury to which of course should be added the resources of the public institutions themselves, such as: the National Port Authority (APN), the TELECO, Electricity of Haiti (EDH) and the National Airport Authority (AAN) as well as external cooperation funds.

Mr. President of the Legislative Chamber and Honorable Deputies:

The increase in receipts, the decrease of the deficit, the improvement in trade and the new tone of communication with our partners in cooperation--fruits of the government's current policy--justify continuing in this vein. That is why an entire series of tax measures were taken again this year to consolidate financial stabilization. But the goal of the government, beyond simple improvement, is national development and it is working directly and energetically to hasten the recovery by:

- Expanding the banking structure in order to mobilize Haitian savings
- Organizing the Industrial and Agricultural Development Bank, a restructured version of IDAI [Industrial and Agricultural Development Institute?]
- Regulating insurance companies in order to promote the use in Haiti of a reasonable portion of their profits
- Studying the implementation of an insurance on credit plan.

On a strictly economic level the government will intensify the policy of encouraging the private sector to make investments that will generate production and jobs. In this respect we are pleased to cite:

- The revision of certain tax measures concerning reinvesting profits and of the income tax brackets.
- The simplification of administrative procedures, particularly those imposed on industrial firms (most notably customs formalities).
- The creation of an industrial free zone.
- The completion in the near future of efforts for setting up the National Housing Bank.

Mr. President of the Legislative Chamber and Honorable Deputies:

The appropriation bill for fiscal year 1983-1984 is obviously greater than that for fiscal year 1982-1983, but it reduces the margin of the possible deficit and remains an austere budget. A new step on the path to financial equilibrium, it is nonetheless part of a consistent philosophy completely oriented toward reviving our economy.

Sustained by the faith, the constancy and the civic spirit that our adherence to the government's ideals demands, this new effort will hasten the recovery which will be characterized by a growth rate of about 3 percent of the GDP.

Mr. President of the Legislative Chamber:

I have the honor of submitting to this assembly the appropriation bill for fiscal year 1983-1984.

Frantz Merceron
Secretary of State

9720
CS0:3219/44

PAPER REACTS MILDLY TO CARICOM VETO OF NATION'S ENTRY

Port-au-Prince LE PETIT SAMEDI SOIR in French 23-29 Jul 83 p 7

[Article by Cassandre Kalim]

[Text] The fourth meeting of CARICOM [Caribbean Economic Community], held at Port-of-Spain (Trinidad and Tobago), completed its work last Thursday, 7 July. From 4 July to that date, 13 heads of state and government discussed the economic and political situation in the Caribbean and Central and South America.

At the time of its creation in 1973, the organization was composed of Trinidad, Guyana, Barbados and Jamaica. Today, it has grown to include 13 English-speaking countries in the region, which represent a large community of economic interests and, for the most part, are endowed with democratic governments favoring ideological pluralism, freedom of workers to organize, etc.

During its last meeting, in November 1982 at Ocho Rios (Jamaica), the states participating in the summit unanimously questioned the motives of the authoritarian regime installed in Grenada by the revolutionary People's Party, and demanded, at all costs, "the country's return to its democratic tradition"; the development of the Caribbean common market is subordinate to such conditions, it was said, and the summit of that time did not fail to underline their importance and significance for the countries in the organization. In the opinion of certain delegates, substantial improvements resulted, for a People's Assembly will soon replace the party now in power in Grenada.

Nevertheless, when the organization met last week, its agenda included several points, the most controversial of which was the question of enlarging the community. Thus, Suriname and Haiti were put in the pillory. They do not fulfill the conditions required for membership. With regard to the former, its membership proposal met with opposition; the delegates maintained that Col Desi Bouterse is behaving more and more arbitrarily and has seized civilian institutions and prerogatives by force. To explain the reasons for CARICOM's decision concerning the regime in Paramaribo, a Barbadian journalist has cited the threats and intimidation to which all local and foreign journalists, especially those opposing this cruel regime, have been subjected in the practice of their profession. The article points out that this mini-state's political landscape has been thrown into deep confusion by this abnormal situation. This protesting attitude reflects the search for an airing of the Suriname political climate, an indispensable condition for the country's integration into the common market.

At the same meeting, the participants agreed that Haiti could not become part of CARICOM. Neither the content nor the intensity of the arguments made to justify the veto is known. Nevertheless, it seems that, following the strong statements made by the participants, the Haitian Government did not delay in reacting. Through its Ministry of Foreign Affairs, it sent a note of protest in which it emphasized particularly the voluntary withdrawal of Haiti's candidacy for membership in the community. However, the note reveals the government's manifest desire to participate in the work of CARICOM. Attesting to this is "the status of observer that has been requested of certain technical organs of the Caribbean community." While rejecting as inappropriate the arguments considered at the summit, the text implicitly acknowledges the importance of this common market.

In the course of the Port-of-Spain debates, the Dominican case was also raised. The community unanimously acknowledged that the Dominican Republic is a state which enjoys democratic freedoms and, moreover, could play an important role in the region, thanks to its strong production capability. A number of positive observations were made in its favor, and the next meeting, next July in the Bahamas, will undertake to confirm them.

After 4 days of debate, the delegates of the 13 countries represented at this fourth CARICOM summit took up certain well-advised projects demonstrating that this common market has not stopped making changes in itself. Thus, the assembly decided to carry out a rationalization of the organization of the region's air and sea transportation to facilitate the means for effecting multilateral payments and exchanges among the countries of the "English-speaking club." to lift all customs barriers that protect imports, to devise a program to protect the environment and to prepare a plan designed to promote the industrial development of the least developed countries.

In addition to economic questions, the 13 representatives at Port-of-Spain exchanged opinions on the international scene. The border dispute between Guyana and Belize, the civil war in Central America, the White House position on the solution required to resolve these conflicts and the supplying of arms and ammunition by the CIA [American Central Intelligence Agency] to the Nicaraguan counterrevolutionary forces in Honduras constituted the several elements of their discussion. Several delegates expressed their fear of the involvement of a member with too much influence, whose relative weight would determine the essence of the negotiations, the major decisions, on the basis of its own position. According to observers, the countries in question are the United States and Cuba.

It is precisely in relation to this scene, and with the goal of bringing about a dialogue capable of constituting a bulwark against unequal exchanges, that CARICOM is trying to build structures that truly represent the higher interests of the Caribbean nations. Such an association works not only to oppose the economic pressures of the great powers and economic boycotts by ideological, imperialists organs like the IMF [International Monetary Fund] and World Bank but also favors a policy of replacing imports in order to expand the local market.

In any case, in a situation much more troubled than the one of 10 years ago, these Caribbean countries seem to be more determined than ever to fight. In brief, the Haitian public has followed this whole story with the liveliest interest. It is waiting to see what happens in July 1984 in the Bahamas.

12336

CSO: 3319/8

DOMINICAN SUPPORT OF OPPOSITION GROUPS AFFECTS RELATIONS

Port-au-Prince LE PETIT SAMEDI SOIR in French 23-29 Jul 83 pp 19, 30

[Text] At least twenty days or so ago, the political climate in Port-au-Prince was marred by troop movements in the direction of the Haitian-Dominican border and by the institution of the notorious "D conditions"; "condition" in military slang means that important events are underway or in preparation. It is curious that these measures have had no repercussions on everyday life; everything continues as before.

This state of alert, which will not have spared even the General Headquarters (some field officers have had to remain at the barracks), follows rumors emanating from the Dominican Republic [RD] where some opponents of the Duvalier regime are active. One must note in passing that since the protest note from Ambassador Duplan to the Dominican Ministry of Foreign Affairs in mid-June, the neighboring republic's newspapers on the right have been discussing, in rather scathing terms, the problem of the peaceful reversal of the Haitians in the adjoining territory.

In light of this equivocation which leaves the border situation unresolved, the Haitian ambassador to the Dominican Republic has taken it upon himself to specify that the troop movements are part of the periodic maneuvers of the Haitian Army.

This does not prevent us from posing the problem of the Dominican government's attitude vis-a-vis that of Haiti. Approximately one month earlier, the mayor of Santo Domingo, Dr Francisco Pena Gomez, along with several thousands of Dominicans, greeted the Haitian exile Serge Gilles of Socialist International at the Las Americas airport. The Haitian exiles, it must be noted, have enjoyed a climate of tolerance for the last two or three years in this neighbor republic, encouraged perhaps by the new administration of Jorge Blanco.

In the Haitian diaspora, notably in New York City, one easily remembers that upon his return from Europe in 1978, Dr Salvador Jorge Blanco declared in Manhattan that if the PRD [Dominican Revolutionary Party] achieved power, the Haitian opposition could count on the new administration. It must be quite clear as a result that if the PRD, now in power, is not encouraging these anti-Duvalier activities, at least it is not categorically forbidding them, thus proving its good intentions to the "exiles'" cause.

These 300,000 Haitians, who constitute a Haitian colony on Dominican territory (deserters from the Haitian Army, leftist elements, survivors of the 1965 civil war, activists traveling from Miami to Mexico via the Dominican Republic), form a rather heterogeneous group which has been annually expanding the number of "braceros" who have chosen to live there. Frequently these fellow countrymen become politicized and speak too quickly of society's plans.... How will this colony affect the Haitian political balance? This is the big question of Haitian-Dominican relations.

As always in this political climate, Haitian observers also wonder about the fate of those most recently charged, including Denize and the lawyer, Dupleix Jean Baptiste. A visit to the Department of the Interior revealed that the release of Denize is being considered and that they only wished to teach him a lesson. Denize and Jean Baptiste have maintained relations with the obstinate leader of the PDCH [Christian Democratic Party of Haiti], Sylvio Claude.

We learned at the same time that Sylvio Claude's party continues to function, Regular meetings are held, and the party's organ, LE JOURNAL VERITE SOU TAMBOU, is published, clandestinely of course. Sylvio Claude himself shows no signs of life, for reasons of security according to some sources. No one knows whether he is brewing something in the underground.

12308

CSO: 3319/9

INTERIOR MINISTER DISSOLVES PARAMILITARY GROUP

Port-au-Prince LE PETIT SAMEDI SOIR in French 23-29 Jul 83 p 19

[Text] The para-military training, known as the Airain Circle, which was born on the southern peninsula at Les Cayes, was dissolved by a departmental order issued by the Ministry of the Interior July 19, 1983.

This corps, which was beginning to expand into the majority of southern market-towns, was in fact a new version of the militia, except that it was relatively young and its clientele was predominantly rural.

Adherents of the new training appeal to 1957, wear a green uniform and a service cap emblazoned with Duvalier's guinea fowl, and sometimes carry firearms. But, actually, in doctrine and creed, the Airain Circle is characterized by a certain laxity, even though it affirms its faith in Duvalier.

On Sunday afternoons, it is not unusual to see an individual dressed in green standing motionless on national route 2 near Laurent, 8 kilometers from Les Cayes. This farmer affiliated with the Airain Circle, aside from the glory of arms, can not always justify his enrollment in the civilian-military order.

What is the use, anyway? Fascinated by carrying arms, nourished by an inclination for reprisals, and often in order to protect himself against the abuses of authority, the member of the Airain Circle is only responding, after all, to personal motivations. That is why he is ready to pay an unconscionable price for his inclusion in the "new militia" which otherwise would have lasted only as long as the blink of an eye.

The government tolerated the Airain Circle until it realized that it has too many armed adherents under its control. Duvalier always suspected the corps whose reason for being he did not really understand, but he accepted, by tradition, this new farmers' alliance which had somehow or another functioned since 1958.

The Airain Circle included an element of mysticism that a number of observers characterized as fraud. Its founder, the notorious Joseph C. Lubin, dreamed of reducing the information services, in a Haitian version, to a mystical cult.

At the end of 1978, under the influence of no one knows who, Joseph C. Lubin, shady personage of Les Cayes, undertook to plant a cross in cement on the banks of important waterways. Lake Miragoane, the Southern Ravine, the Devil's Table Sea, and the entrance to Boat Rock, received crosses which added a macabre aspect to these places. Popular malice, fired by the fever of imagination, fabricated stories of sorcery and human sacrifices worthy of the Middle Ages....

This, in fact, was useful to the high priest. Joseph C. Lubin, delegate extraordinary, distributed statements which permitted an estimate of the extent of his power. One night at Coteaux Joseph C. Lubin took pleasure in calling attention to his presence in the city by firing three shots in the air.

His every inclination obeyed by his men, pushed into the background by the "establishment" of Les Cayes, Joseph C. Lubin must have dreamed of creating a corps which, under the pretense of Duvalierism, would allow him to gain power.

The Number One of the Airain Circle loves to talk about the CIA and the FBI. Perhaps he dreams of reproducing his notorious information services into the unguarded Caribbean atmosphere.

12308

CSO: 3319/9

PETROLEUM CONSUMPTION UP ; NATIONAL DEBT INCREASES

Tegucigalpa LA TRIBUNA in Spanish 12 Aug 83 p 40

[Article by Victor Hugo Alvarez]

[Text] While fuel conservation measures drafted by the Interinstitutional Energy Commission at the end of last year remain pigeonholed, our national fuel consumption continues its dizzying rise, with the major increase being observed in diesel consumption.

Increased Deficit

Figures on projected fuel consumption for this year are surprising because of their increasing trend rather than the opposite, which has had a noticeable impact on the country's budget in the form of high deficits.

Statistics from the Ministry of Economy state that oil accounts for 24 percent of all imports made by Honduras from the international market.

Specifically, the country spends between 300 and 400 million lempiras a year on oil -- that is, one-third of the national budget, which amounts to 1.1 billion lempiras this year.

Measures

Conservation measures aimed at a 30-percent drop in current consumption. They involved reduced vehicle imports, regulation of transit, moderate use of private vehicles and even a change to daylight savings time.

The package set off a chain of national reactions. Consumer groups, professionals and trade unionists opposed the measures, already before economic officials for approval.

The then minister of economy, Gustavo Adolfo Alfaro, postponed debate by officials and the measures were pigeonholed.

Additional 50 Million

Now, as consumption increases and Honduras runs the risk of spending 50 million more lempiras on oil, the situation is once again one of concern for government experts.

The increase in the consumption of diesel fuel during the first half of the year alone was over 12,000 barrels and the figure is expected to go even higher, while the government's energy policy remains undefined.

National consumption is 12,000 barrels a day, including gasoline, kerosene, fuel for ships and diesel. Fifty percent of the total is purchased from Venezuela in the form of reconstituted oil and tankers arrive in Puerto Cortes every two weeks, where the oil is refined at the Texaco Refinery.

The other 50 percent is obtained by Honduras in the form of finished products from Trinidad and Tobago and purchases are made by the government through the newly-created Oil Administrative Commission (CAP).

Previously, the refinery bought tanker loads directly, but the government's debt with the transnational company began to build because of the lack of foreign exchange. The new method was then approved and lines of credit were opened between the governments of Honduras and Venezuela.

Comparative Increase

However, the whole picture is marked by concern over the increase in consumption because a reduction was achieved last year, especially with respect to gasoline.

In 1982, national fuel purchases amounted to 400 million lempiras and the government thought that that same figure could be maintained this year. Consequently, it did not pass on to the consumer the drop in international prices at the beginning of 1983.

That drop was the death blow to conservation measures. Many pointed out that if prices were going down, the measures were not necessary and the government absorbed the drop, saying that the funds gained thereby would be used to finance social development projects. However, no information has yet been released about such a measure.

11,464

CSO: 3248/1196

SITRATERCO HOUSING PROJECT OFFICIALLY OPENED

Tegucigalpa LA TRIBUNA in Spanish 15 Aug 83 p 18

[Excerpt] A ceremony held yesterday marked the official opening of the first phase of the SITRATERCO [Trade Union of Tela Railroad Company Workers] housing program. Presiding over the ceremony was Minister Carlos Flores, representing President Roberto Suazo Cordova.

Support of President

Rafael Valle, president of SITRATERCO, expressed his gratitude for the resolute cooperation of the Executive Branch through President Roberto Suazo Cordova and of the executive board of the Housing Institute (INVA), as well as for the help of the Tela Railroad Company, for without these three elements, the project would not have succeeded.

He said that SITRATERCO's desire is not merely to build 2,000 housing units, but rather, to give every worker a dwelling so that he may provide an adequate home for his family.

"As we officially open the first phase of the housing project of 2,000 self-built units, to be known as La Paz Colony, we deem it of great importance to state that the name was not the result of any mere whim. Rather, it signifies the peace which SITRATERCO enjoys. In addition, the philosophy of the government of the republic, as expressed by its president, is to internationalize peace because in the final analysis, all Hondurans wish to live in peace."

For his part, Azcona Hoyo said that those attending the opening ceremony were hearing the democratic reaffirmations of workers in private industry and the banana company at a difficult time for Honduras, thereby demonstrating the support of the nation's productive forces, which will help President Suazo Cordova in the continuation of his struggle to gain progress for the country.

He added that the Honduran people won their political freedom at a heavy cost and that economic freedom can only be gained through democracy. "The economic and social freedom of Honduras will only be gained through daily work. We must therefore all join in singing our national anthem, affirming our common effort to lead the country out of the situation it now finds itself in."

11,464

CSO: 3248/1196

BRIEFS

INA AGRICULTURAL PROJECTS--The executive unit of the INA [National Agrarian Institute] Small Projects Program has financed 27 agricultural projects in different areas of the country, using its own funds and funds from BANADESA [National Agricultural Development Bank]. Cost of the projects is approximately a half million lempiras. This announcement was made by Leonel Sosa, who said that the financing occurred during the first half of the year and was in addition to technical assistance given to the projects, all confirming the good administration of the INA. During this first phase and using its own funds, the INA loaned 250,508 lempiras and, with BANADESA, guaranteed the sum of 351,285 lempiras, making a total of over half a million. "Due to both technical and financial aid," Sosa continued, "we hope to obtain a gross income of over half a million lempiras and a net income of 1,170,400 lempiras. The executive unit of the Small Projects Program has made an effort to have an economic impact on the first farm season and the statistics speak eloquently," he said. "It must be noted that for the reformed sector, prospects are broadening through the executive unit for these projects because it is raising the economic level of the country, thanks to the INA's philosophy on agriculture," he concluded. [Text] [Tegucigalpa LA TRIBUNA in Spanish 10 Aug 83 p 33] 11,464

OIL EXPLORATION--Prospects of finding large quantities of oil in the La Mosquitia area are very good, William Kaya, president of the Canadian firm in charge of exploration in the sector, said yesterday. Exploration will begin during the next two months and during early phases, the company will invest an average of 60 million lempiras. It has been estimated that total investments will amount to 800 million lempiras, which sum will be defrayed by Canadian funds. Kaya announced that the Honduran Government has already granted the necessary concessions so that the Canadian firm can perform exploratory operations in the La Mosquitia zone. "The advantages that Honduras will reap from the project include, first of all, the hiring of a substantial number of workers." He went on to say that explorations will be done as soon as possible in order to verify whether oil reserves do in fact exist. If they do, Honduras will benefit because it will have another vital product, gasoline, which would spare it from having to pay exaggerated sums of money on such imports. [By Georgina Ordonez Cabrera] [Text] [San Pedro Sula LA PRENSA in Spanish 12 Aug 83 p 2] 11,464

CRIME, VIOLENCE IN CAPITAL INCREASE 40 PERCENT

Mexico City UNOMASUNO in Spanish 21 Jul 83 p 23

[Article by Fernando Ramirez de Aguilar L.]

[Text] From what was said in an interview given by forensic doctors, criminologists, sociologists, criminal lawyers, businessmen, industrialists and police commanders, one draws the conclusion that unemployment, the spread of gangsterism and the lack of vigilance have led to reduced security and increased violence in the Federal District [DF].

Official statistics indicate a 40 percent increase in crimes--primarily against property and persons--during the first 7 months of 1983 as compared with the corresponding period in 1982. Several neighborhood associations, especially in Coyoacan, Alvaro Obregon, Tlalpan, Magdalena Contreras and Miguel Hidalgo have stated that the underworld "is inflicting serious harm on the worker population of the capital. Hence it is urgent that the police institutions regroup and organize to fight crime and to provide the stability and tranquillity we previously enjoyed."

Professionals who were interviewed by this newspaper said that the proliferation of neighborhood gangs, bands of criminals and former policemen, together with the lack of preventive vigilance and the demonstrated inability of the Judicial Police [PJ] to stop crime, have made the DF "an urban jungle" where there is a climate of insecurity, fear and instability.

In spite of official denials, there are obvious contradictions between the Federal District Prosecuting Attorney's Office [JDF] and the General Directorate of Traffic and Police [DGPT]. For example, when President Miguel de la Madrid Hurtado went to the Judicial Police of the Federal District [PJDF] on 13 June 1983, Prosecuting Attorney Victoria Adata de Ibarra and her assistants informed him that there had been a 40 percent increase in reported crimes according to the number of investigations initiated up to that time by agencies of the PJDF, then 38 in number. However, on 4 July, during a breakfast with reporters, Ramon Mota Sanchez, DGPT director, denied that such increases in crimes had occurred. He said, "Today there is greater security than there was 6 months ago" and that there are no reliable statistics because none were collected in previous years. However, they do exist. This periodical has the statistics from 1975 up to the present, which were gathered, analyzed and studied by the National Penal Sciences Institute. [INCP].

Arturo Diaz Alonzo, former president of the City Consultative Counsel, has stated on various occasions that every day there is an increase in the number of complaints by citizens about the high crime rate in the metropolis as well as the continuous increase in the number of armed robberies.

Several associations of residents of middle class neighborhoods and residential areas have become so desperate that they have closed off access to their neighborhoods and set up guard posts. Many families have reported being attacked in their homes. Rolando Alvarez Rivas was asked, "What about the preventive police?" He replied, "Just fine, thank you. They never come when they are needed."

Gen Mota Sanchez said that this year the DGPT has answered 79,737 emergency calls on Telephone number 06 and has captured a very large number of criminals.

Dr Luis Landizabal Campero, dean of the DF police experts, said, "There is no doubt that the outlook is very distressing. How can one speak about security when attackers, armed with submachineguns break into houses and carry everything away. In view of this insecurity, due to lack of preventive vigilance, the people are arming themselves. This results in the proliferation of armed persons in the DF and this has caused a notable increase in the number of homicides."

He went on to say, "In the past, assassinations were committed only with 22 cal. bullets. Now all calibers are used, including 44, 45, 380, 38, 25 and 9 millimeters as well as those of rifles and submachineguns. I would advise the authorities, in view of the police inefficiency, to assign the army to patrol the city and to carry out a national campaign to confiscate firearms."

When consulted concerning the statements by his colleague Landizabal Campero, Dr Ramon Fernandez Perez, director of the Forensic Medical Service, said that the number of homicides has increased and that there is urgent need for a campaign to confiscate firearms.

Adolfo Samaniego, the criminologist, stated in support of this thesis that one of the mistakes made was the dissolution of the Federal District Police Intelligence Department [DIPD], "which, in spite of what may be said, was a good police service. What should have been done was to purge, improve and train it and, above all, to force it to respect the citizens."

Samaniego added, "Several factors have contributed to bring about this climate of violence such as the growing unemployment, the hard times we are in, the shortage of food, inflation, the proliferation of neighborhood gangs and of bands of outlaws and former policemen."

He commented that this increase in crime can now be brought under control by taking the necessary steps to guarantee security and peace of mind for the citizens. He explained that the present programs set up by DGPT in its academy are not extensive enough to provide the citizens with an efficient preventive police. He said, "One cannot make policemen in less than 2 months."

Panfilo Tejeda, a university professor specializing in urban sociology said, "We must realistically face the problems confronting us, due primarily to the crisis, and seek solutions which will allow us to live securely." He said, "We must propose to the authorities solutions to the problem of the increase in delinquency and crime, and we must demand that those solutions be implemented. At this moment, I would not be able to provide solutions to these social phenomena."

Gen Ramon Mota Sanchez said recently that the DF's 21,000 preventive policemen, the 500 patrol cars, the 500 motorcycles, 100 tow trucks and mini tow trucks and the 4 helicopters in daily service are not enough to meet the requirements.

According to reports by the General Directorate of Preliminary Investigation [DGAP] of the PJDF, between 1 January and 31 May, 58,219 preliminary investigations were made, an increase of 14,779 over the same period in 1982. Of these, 67 percent were crimes against property--theft, fraud and robbery--and 18 percent were crimes against persons, primarily homicides and injuries.

The office of the Attorney General of the Republic informed this newspaper that banks have also been hit by crime since so far in 1983 there have been 71 holdups in the country with losses of 295 million pesos. It was reported that in 1982 there were 47 holdups of bank branch offices in the country. In the DF there are 775 banks.

On 23 May 1983, a DGPT official disclosed to this newspaper that although efforts have been redoubled to block the wave of holdups and crimes, it has not been possible to stop them.

According to criminal lawyer Gabriel Romero Gutierrez, the crime and delinquency problem is not yet very serious but he said that it is important that the authorities take the necessary steps to prevent them from becoming a national problem.

9204

CSO: 3248/1171

CCI CLAIMS 10 MILLION HECTARES AVAILABLE FOR DISTRIBUTION

Mexico City EL DIA in Spanish 28 Jul 83 p 7

[Article by Juan Danell Sanchez]

[Text] While the secretary of the Agrarian Reform, Luis Martinez Villicana, points out that "it gets harder every day to satisfy the demand for land, due to the scarcity of mortgageable property," the general secretary of the Independent Peasants Central Organization (CCI), Alfonso Garzon Santibanez, announced that in Chihuahua, Chiapas, Michoacan, Hidalgo and Sonora alone there are 10 million hectares available for distribution, claimed by 480 CCI groups.

These statements were made yesterday, the first one during the closing of the 20th general assembly of the CCI and the second during an interview a few moments earlier in the same meeting.

Martinez Villicana defended the policy of the Agrarian Reform of parceling out all the distributable land among all the peasants applying, although he recognized the existence of the division of lands and false latifundios which he characterized as "subtle ways" of hoarding lands.

Before approximately 500 peasant members of the CCI, the official asserted that with the reforms of the 27th article of the constitution "we have not only perfected our program of institutional labor but also improved the methods of treatment and services for the peasants."

He also stressed that with the help of the peasants themselves, "we have set forth on the road that will lead us to the delivery of the last parcel of distributable land."

He explained that with the purpose of developing the agrarian reform, a broad program of organization has been implemented in parallel with the land distribution, which is for the first time sustained and supported economically and has a good prospect of being realized in the country.

This, he says, opens the doors to rational use of the support that the state gives to all phases of agricultural and livestock production. He underlined that "nothing appreciable could be accomplished without the daily encouragement of the peasants," and he recognized that the CCI plays "an important part in this regard."

During the interview with Garzon Santibanez, he said that the CCI has received eight ejidos to date, although he denounced the injustice with which the Nahuat Indians are treated in Hidalgo, where 80 towns were robbed of their lands by the political bosses, who prevented the Indians from traveling through Huejutla.

In another vein, he demanded the restructuring of the Secretariat of Public Education (SEP), in order to ensure that the teachers may reach the most deprived areas and provide an effective dissemination of culture and education among the rural population with limited economic resources.

Up to the present, he asserted, the CCI has requested 400 teaching positions. He made this statement with a certain annoyance on perceiving that the director of delegations of the SEP, Ignacio Vazquez Torres, who was commissioned by that organization to attend the general meeting of the peasant association, had already departed at the time of the announcement.

Finally, he urged the CCI peasants to denounce the teachers who do not fulfill their obligations, in order to contribute to the reform of the teaching profession and raise the educational and cultural level in the agricultural sector.

9907

CSO: 3248/1170

PRI, PAN JULY ELECTION RESULTS CONTRASTED

Mexico City UNOMASUNO in Spanish 26 July 83 p 3

[Article by Jorge Hernandez Campos]

[Text] There is a lack of data, of research, of public opinion polls with respect to the 3 July 1983 elections. What is missing above all is a wide distribution of pertinent information so as to provide a true picture of what happened. However, some information is beginning to be disseminated so that it is now possible to make a few inferences.

For example, anyone who still entertains the idea that the voters in Chihuahua voted for the National Action Party, [PAN] in an outburst of anti-Institutional Revolutionary Party [PRI] anger, nourished by the events in Camargo, would do well to change his thinking. The election results, at least in Chihuahua, were the result--aside from local PRI sluggishness in this instance--of many months of work by the opposition.

PAN carefully trained its poll watchers on election and legal matters so as to make them capable of dealing with any conflict which might arise. It also successfully organized women and youths to carry on a campaign of spreading PAN ideas by word of mouth. PAN did not limit its propaganda to the well-off middle class but made its presence felt among workers and inhabitants of blighted areas in the urban centers: in Ciudad Juarez, for example, it distributed water by convoys of water trucks organized ad hoc. Needless to say, the PAN candidates circulated widely among the masses, in the streets, on the means of transportation, for example in the buses which, for all practical purposes, they converted into places for instantaneous rallies, the effectiveness of which is obvious.

During the voting they did not leave their representatives alone. Wherever a PRI poll chairman raised difficulties, a CB radio communications net called in a flying patrol of loudspeakers, activists, and if necessary, a lawyer. Obviously, it was not practical for any PRI representative to try the decrepit set of tricks of the party's Golden Age. At least in Chihuahua, PAN was present at all the polls; on the other hand, the PRI did not have representatives at a large number of polls.

In brief, one can see that there begins to emerge a contrast between PAN as an apparently rising party which, for whatever reasons, is beginning to have a real existence, and PRI, in disarray, inert, evidently without a clear goal or self image. I have said "evidently" but nothing else could be deduced from the PRI statements at the elections post mortem, especially the nonsense spoken by Fidel Velazquez and Lauro Ortega.

This is in regard to the PRI. As to the leftists, if the five-state elections serve as a sample, they seem to be losing ground as to the percentage of votes in comparison to those obtained during the 1982 presidential elections. Let each person draw the conclusions he pleases from the possible effect of the June strikes on the elections, but it is worthwhile pointing out that PAN, in spite of the intensity of the campaign--it is said they were supported, at least in Chihuahua, by personnel brought from their national headquarters--did so without public disturbances, without disruptive demonstrations, without intimidating slogans or shouting.

The idea of an incipient two-party system has been brought up, with alarm, especially within the PRI party, placing the blame for it on the PAN party as if this were an ambition contrary to the interests of the Republic. At the same time the ideal of a return of the PRI to the state of invincibility which existed before the political reform has been regarded as summum bonum--as if the true proof of our democracy were not the emergence of real alternatives in the exercise of power. The very fact that this problem is evaded or ignored, that it is not discussed in depth so that the next presidential elections might be less of a formal exercise, reveals a great deal about the state of our democracy.

It can be said with certainty that the current processes, by ending single party centralism, are causing us to distinguish more clearly between the respective camps in the political spectrum. But such distinction presupposes a great effort on the part of the major protagonists to state precisely what they stand for. Our main protagonist, the PRI, is not doing this.

What we have seen, rather is that the PRI evades the problem and seeks refuge in canned statements, or to the extent that the situation calls for it, in cries of alarm which have no reverberations within the party, which are not transformed into a debate in depth, much less into a readjustment of PRI which, as everybody keeps pointing out, is indispensable.

This means that, in the midst of the crisis, in the interior of the body on which, to a great extent, the future of the nation rests, nothing is happening. Thus, from the party as a whole, no clarifying statements emerge, no topics for argument which would help structure dialogue in the country, in spite of the demands to the contrary voiced by PRI party members themselves.

One realizes--this is even confirmed by recent statements--that taking such a stand would at the same time mean a purge. It is also understood that a purge would mark the end of the status quo. But there are no delays which will banish this specter from PRI circles; on the contrary, delays will be an additional cause for uncertainty and thus for concerns which pursue all of us in general.

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CHIHUAHUA PAN OFFICIALS ELECTED ON NEED FOR CHANGE

Mexico City EL DIA in Spanish 19 Jul 83 p 7

[Text] Chihuahua, Chih, 18 Jul--Managers, land owners, businessmen, cattlemen, some professionals and some unskilled persons, for the most part from the National Action Party (PAN), are the people who, starting in October, will make up the new administrative staffs in the most important cities in this state, including its capital, and five local delegations.

By interviewing those persons who will be the future municipal presidents and the delegates from 12 municipalities, EL DIA verified that besides having had no contact with public service positions at the decisionmaking level, in 90 percent of the cases they lacked political as well as public administration experience.

These people were victorious in an electoral process in which, with few exceptions, the public did not vote for them nor for the PAN but rather for their status as opponents of the present leaders, for which reason they encouraged the people to "vote for change", not knowing themselves what they were talking about.

Even so, judging by the statements made by members of the PAN, they agree that far from being a mistake or a disadvantage, not having experience is a virtue, "since we have not been exposed to institutional corruption."

In the case of the PAN, which won a majority in nine municipalities and in five delegations, only 60 percent of the victorious candidates had been activists in that party for 3 years at the time of the election; others were inspired to become activists in the PAN, by Pablo Emilio Madero's campaign for the presidency of the republic, and the rest became party supporters in May 1983, the date when the campaign for the municipal elections of 3 July began.

This is so in the case of Federico Barrio Terrazas, who a month after founding the Civic Front for Citizens' Participation became a member of the PAN and a candidate for mayor of the municipality of Ciudad Juarez without having previously participated in the PAN and even having been an activist in the PRI [Institutional Revolutionary Party].

A similar case is that of Julian Hernandez Chavez, who, until the time when he became the PAN's candidate for the presidency of the Nuevo Casas Grandes municipality, was organizational secretary of the Popular Support Committee, an organization that offers counseling to citizens with legal problems. Hernandez Chavez has also become a member of the PAN after having, registered as a candidate, and although he does not identify completely with PAN's basic principles, "in general I agree with them."

The same thing happens in Meoqui, where 3 months ago Sergio Mata Lazo became an activist in the PAN. He had always belonged to the PRI and had been their candidate for the presidency of the municipality. "Unfortunately I disliked the classic "dedazo" and became a full-fledged member of the PAN."

The case of Delicias, where Horacio Gonzalez de las Casas has been a PAN activist for over 30 years, occupying important positions in the party, contrasts with those of previous candidates.

And so, making use of expert advice, helped by the crisis and waging a virtual publicity war, with support from the mass communications media and from the clergy, veteran PAN members and new ones took advantage of the people's discontent and channeled it in their favor, thus succeeding in "painting the Panamerican Highway blue and white."

This, together with the fact that the PRI continued to present candidates that did not have the support of the people, except in the case of Ciudad Juarez and Chihuahua, where Santiago Nieto Sandoval and Luis Fuentes Molinar are old activists well known to the people, and the inept administration of Governor Oscar Ornelas K., of whom the people of Chihuahua say "they have done nothing for the benefit of the state," were determining factors in the PAN's obtaining a larger number of votes than the PRI.

They Do Not Understand the Change They Are Proclaiming

The PAN candidates are not representative of the general population but were selected in the image and likeness of the PAN, so that they would reflect the party's class interests, as is evident from their own statement: "In our administration we will offer more participation in every sense to the private initiative, we will encourage the conversion of individuals, accept the church's participation in politics, and we will use as an example the best democracy in the world, which is that practiced in the United States."

The PAN members themselves recognize that people did not vote for them, but that they no longer want the present system, "and we are the option for people who want a change," but to the questions: What will the change consist of? How?, none of the chosen candidates or leaders of the PAN was able to elaborate: "We will democratize the municipality, we will solve the problems, we will offer greater participation to the people," in brief, only vague phrases that do not mean anything.

For the PAN's state president, Guillermo Prieto, the concept "join the change"--slogan on which the PAN campaign was based--simply means "defeat the PRI so that afterwards the people can decide what should be done." That

is to say, as the PAN Leader points out, "we are not going to do anything special; the people themselves will decide the changes that the party should make with the purpose of doing away with the corruption inherited throughout the course of 54 years of intense manipulation of power."

The truth is--asserted the PAN's state president--"the electors did not vote in favor of the candidates' qualifications, inasmuch as many of them were not even known well enough by the party before the election, but in favor of a "change" of party and against the official party, which has not fulfilled the promises made during hundreds of political campaigns."

In this case--pointed out Guillermo Prieto--the PAN endorsed its candidates, and the PRI, making bad choices in the municipalities in which they lost, helped our party to achieve success, especially in clear-cut cases such as those of Camargo, Madera, Parral and Chihuahua, where the PRI candidates had a long record that was known to and disapproved of by the people.

In the same vein, the PAN candidate for the municipal presidency of Chihuahua, Luis H. Alvarez, proposed in his idea of "change" that "if we can enlist all the people from the disadvantaged regions to take part in matters that concern them, we will be able to solve many of the problems of the capital, where nearly 200,000 people lack water and complementary services; they do not have an adequate sanitation service, besides having to pay an inoperative tax, receiving nothing in exchange, for which reason my first legal action will be to abolish this type of tax, or at least I will not collect it."

The president elected by Chihuahua considers also that the imparting of justice has reached dangerous levels, since there is a high level of delinquency and little police effectiveness, for which reason he will dedicate a large part of the resources to the promotion of justice through technical training programs for the security forces.

He adds that a large proportion of the public servants in this branch have criminal records, for which reason he will get rid of all those who represent a blot on the image of his municipal government.

Also, Federico Barrio, who obtained a rather doubtful victory in Ciudad Juarez, for which reason he has been impugned by the PRI, affirmed that nearly 250,000 inhabitants lack the most basic public services, and that it will be difficult to solve all problems inherited by the PRI administrations [as published], and he considers that the ideal way to achieve this is through what he calls "solidarization."

This is based on a example of participation already being implemented in the PAN municipality of Hermosillo, Sonora, which endeavors, through a Christian democracy, to solve the most important social problems. That is to say, there will be an ecclesiastical-type justice based on the church's doctrine but not including religion proper, since what is involved is its moral principles, such as honesty, truth and love for fellow human beings.

He asserts that this lack of experience will not be an obstacle to his leadership of the Ciudad Juarez municipality, and that he counts on the advice and help of many citizens, even members of the PRI, who have sent him valuable proposals and projects geared to solving the same problems being studied by his group of collaborators, "to be implemented if they are useful to the interests of the municipality."

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JUCHITAN MAYOR SAYS PRI, WEALTHY PROVOKE VIOLENCE

Mexico City PROCESO in Spanish 25 Jul 83 p 31, 32

[Article by Manuel Robles and Ernesto Reyes]

[Text] Leopoldo De Gyves warns that violence will increase even more in the coming months and that the municipality he heads will thus face its greatest challenge.

The future of Juchitan looks difficult for its municipal president on the eve of elections to replace delegates--in 2 more weeks--and 4 months before the election of the officials of the 570 municipalities in the most fragmented state in the country.

Difficult "in view of the constant harassment by the police and also of the interference even by members of the military."

"The political environment is heating up," admits De Gyves, direct victim of the last aggression against the Juchitan city hall, in which he received two buckshot wounds.

"There is clear intention on the part of the state government, the PRI [Institutional Revolutionary Party], businessmen, landowners, in synthesis, of all the powerful groups in the state, to increase political tension in Juchitan by means of systematic provocation."

This, says De Gyves, "with the obvious intention that at a given moment the COCEI [Labor, Peasant, Student Coalition of the Isthmus] would react to the provocation and this would bring about the imprisonment of the officials of the Juchitan city government."

As is the case with the rest of the municipalities in the state, Juchitan--the second in importance in the state--will replace its officials. And even though its present municipal president does not believe that the COCEI will be victorious, he warns that the PRI "is getting ready to seize city hall through violent means."

He talks about the electoral fraud already being prepared. He says:

"We know that the members of the PRI are getting ready here for electoral fraud. We should not forget that the PRI is ready to resort to crime in order to regain city hall. All of this of course by means of constant violations, lies and deceptions. Has it not been said here that there are even encampments of Central American guerrillas who are getting ready to fight? Lies that have served to provoke the city council and to introduce members of the army who have already occupied City Hall."

He then says that aggressions against the municipality of Juchitan have increased during the last few months. An example of this, he says, is what happened a month and a half ago to people from the COCEI when they were attacked by members of the PRI in the municipality of Xadani, only 6 kilometers from Juchitan.

Or what happened a month ago when members of the COCEI were once more repressed, this time in the municipality of San Francisco del Mar, a Huasave community, where members of the PRI burned a bus owned by the COCEI.

Or the last incident, that of Sunday the 17th, when De Gyves and four other people were wounded--one seriously--in the La Ventosa agency in Juchitan.

In all cases--he pointed out--violence was used. And in this last one the participation of the state police was evident, especially that of the riot police.

De Gyves deplores even more the incident that took place in La Ventosa, since it happened in spite of the promise given by the governor of the state, Pedro Vazquez Colmenares, who 8 days before, during an interview with members of the COCEI, promised to find a solution to the problem of land occupation in that region.

"It was a mockery. Because in spite of the fact that a commitment had been made beforehand the opinion of the city council was not taken into consideration, and because it also violated article 115 of the constitution, the first part of which states that the municipalities, the city councils, have legal status, and that there is no intermediate authority between the state government and the city council."

The 31-year-old member of the Juchitan city council stressed that the riot police--"the blue ones"--took part in the eviction, along with 80 members of the PRI, who attacked 100 peasants, including men, women and children.

During the incident, the painter Francisco Toledo, the photographer Rafael Doniz and Alfredo Valdivieso were injured. This last victim has been admitted to the Isthmus Medical Center with wounds in a kidney and the liver.

"I believe that the PRI demonstrated with this act what will be its strategy, its final coup: provocation, intimidation and violence, based on a campaign carried out by means of lies. The objective? I insist, I believe that if the COCEI falls for the provocation, persecution against its leaders will immediately be unleashed, which will leave the popular movement without leaders. As the situation gets more tense, the army and the municipal police will be asked to intervene, as it is happening now."

De Gyves says that 2 days after this occurrence, a squad of the riot police was stationed in Juchitan and is still there. And after the last aggression nearly 500 policemen arrived at the municipality, ready to intimidate the officials of the city council.

For this reason the city council member believes that "there will be more aggressions against the city hall and the members of COCEI."

For the time being, on the day of the last aggression against the members of the COCEI, the government of Pedro Vazquez Colmenares, supported by the state police which doubled the number of their troops, enforced the Federal Law on the Carrying of Arms and Explosives.

In the military stations located in the area firearms were confiscated "to avoid confrontations among the opposing groups."

One of the first things the state government did was to take away the weapons of 10 out of the 15 municipal policemen in charge of the security of more than 80,000 citizens of Juchitan, while 100 members of the state police took charge of guarding the area, using squad [cars] and privately owned buses furnished by PRI officials and businessmen.

Vazquez Colmenares ordered the state public prosecutor, Miguel Angel Guzman Labastida, to carry out "a swift investigation of the incident" that took place in La Ventosa.

During the incident, around 100 peasants who were claiming land as their heritage on the basis of a presidential decree of 1962 were evicted. Three hundred riot policemen and members of the PRI from La Ventosa took part in the eviction.

The attack was headed by Teodoro Altamirano, alias "Red", president of the Committee for the Defense of the Rights of the People of Juchitan--a PRI organization--and Porfirio Montero, regional leader of the National Confederation of Small Properties.

Hours after the eviction, Vazquez Colmenares confirmed that his government had ordered the police action "to avoid confrontations" between the small proprietors and the COCEI activists.

"Nobody has the right to take justice into his own hands," said the state official, according to whom the conflict in La Ventosa "is of an agrarian nature."

Meanwhile, the COCEI announced the celebration of a mass gathering, next Sunday, to protest the presence of the police.

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ECONOMIC INVESTMENT PROCESS SINCE 1979 ANALYZED

Managua BARRICADA in Spanish 15 Aug 83 p 3

[Text] Our revolution faces a challenge: that of ensuring economic growth, development and the social transformation of the country in a single process.

Investments, in machinery, equipment and productive facilities, are a key element in accomplishing the economic objectives which the revolution has set. Investments acts as a driving force for sectors in which they are concentrated. We can optimistically say that while investments in Central America have declined sharply, the Nicaraguan revolution has embarked upon over 20 projects in the agricultural sector alone, totaling some \$115.7 million.

The new investment process in Nicaragua is aimed at reactivating the feeble economy inherited from Somoza's time and at getting the country back into the world market. It gives priority to agroindustrial policies based on state and cooperative sectors. The mass of financial resources required for this planned society is enormous. The situation of gaining access to the lines of credit which are indispensable to the country's development is delicate, the result of imperialism's relentless control of world credit institutions.

On the whole, the key to understanding the current investment process is the Revolutionary Government. The state sector has actually become the principal agent in the process of national accumulation. Nationalization of the banks and intervention in the productive processes confer on the state its role as a strong producer, which generates up to 40 percent of the gross national product. In the revolutionary situation the country is now going through, the "traditional" role of the investor state, found solely in infrastructure sectors for the purpose of backing private investment and making it profitable, is no longer valid. State investment must logically meet the needs of the population, whence the priority given to the whole recapitalization process and expansion of the productive sector (state and cooperative), as well as investments in economic infrastructure in terms of material production. This primacy of the state in the investment process makes it necessary to give priority to the solution of problems, such as the incompleteness of technical documentation for productive projects and great limitations in our construction capabilities and ability to carry out projects. The general problems facing the country are joined by the executive inability to make new investments in sensitive areas once it became possible to partially rebuild

the fixed capital assets (machinery, buildings) destroyed or taken out of the country during the final years of the dictatorship. Locating bottlenecks in investment activity, especially in construction, whose recovery is extremely slow, would mean the resolution of a large part of the country's rebuilding problems originating in internal difficulties.

Under conditions in which the private sector exhibits a negative tendency toward investments and using its own funds in economic activities where it is present, the investment efforts of the state, practically the only ones being made in the economic field, must eliminate factors checking the process of national construction.

Investment Process in Nicaragua

The immediate precedent of the current investment process involves the 10 years during which the exhaustion of the agroexporter capitalist model led to the putrefaction of Nicaraguan society and, as a result of this situation, a regenerating revolution that opened the way within a process of heavy capital depletion and the destruction of the country's material economic base.

The impact of the agroexporter model as an economic barrier to national development was clearly reflected in the evolution of the production of goods and services, which dropped 30 percent between 1977 and 1979 and became a negative trend for the national economy because of the structural ties with the death throes of the preceding model. It is under such circumstances that the current investment effort of the Revolutionary Government must be viewed. We can classify an initial barrier to the investment process, made up of factors associated with the structural crisis of the agroexporter model, including the following: 1) the critical nature of the international crisis, transmitted to our economy because of the terms of trade unfavorable to our export products; 2) the hardening of traditional financial sources on which we depend to a great extent and the weakness in rapidly reorienting our insertion into the international division of labor in short-range terms; 3) the growth in the short-term foreign debt due to the requirement of investments being made; and 4) the decisive tendency of the private sector in investment activities.

The other series of problems constituting the second barrier is made up of elements linked to the business capacity of the state and the planning and management of investments, such as: 1) the relative absence of an orderly plan of investment priorities; 2) weak interministerial coordination coordinating and setting up investment priorities in an optimum manner; 3) the absence of rigorous studies needed for political economy decisions, especially for the construction sector, which to date have followed no set plan; and 4) the persistence of executive failures regarding investments, which means the wasting of resources found but not taken advantage of.

In the main, the evolution of total investments after the triumph was upward during the first two years, mainly sustained by the contraction of foreign resources which made up some 71 percent of all investments. In 1981, investments represented 71 percent of the 1977 level.

The year 1982 exhibited an inflection in that growth, caused by a significant contraction of the economy as a whole, except for the agricultural sector and the activity of the government.

Production of goods and services dropped 1.4 percent compared with the previous year and the drastic 25.5-percent drop in imports reduced the overall supply of goods by 8.2 percent, consumption by 4.2 percent and investments by 22.9 percent. However, in these four years, investments have represented approximately 18 percent of the production of goods and services, in contrast with basic public and private consumption, which together represent 70 percent of the GNP for the same period.

From the standpoint of the social component, fixed public investments assumed great importance, making up 66 percent of all investments, with nearly double the sum of the period immediately before the victory. Fixed private investments have declined, with a substantially smaller role in the investment process.

Furthermore, figures on the capital drain reflected in the balance of payments tend to indicate that the private sector is decapitalizing instead of investing. Likewise, the long-range credit requested by the private sector from the National Financial System (SFN), presents a drop for 1982. If we add to this the fact that the private sector did not pay out foreign investment loads, with 100 percent of its economic activities financed on credits from the National Financial System, then we see a negative orientation of the private sector that shows its lack of interest in the national recovery effort. The surpluses generated by big private capital have shifted in recent years to nonproductive uses, which do not only include consumption, but also speculative capital and decapitalization going abroad.

The basic orientation of investments during the 1979-1982 period was toward the reactivation of productive sectors. That period is characterized by a search for immediate solutions to the burning problems of the economy, especially those relating to food production and social services for the population, as well as defense. The need to coordinate specific tasks such as the national recovery, agrarian reform and new agroindustrial development projects, based on their unequal effect in short-, medium- and long-range terms, caused tensions in the allocation of resources.

In practice, fixed public investments were essentially aimed at productive capability, economic infrastructure and the replacement of machinery and equipment, either because of destruction or obsolescence. Furthermore, out of the total fixed investments during those four years, 53 percent went to buy machinery and equipment. The remaining 47 percent mainly went to construction.

It is fitting to point out that at the end of 1982, the result of the economic effort of the revolution, of which investment activities are one of the main planks, was a 72-percent reactivation of the production of goods and services compared with the normal year of 1977.

1983 Investment Program

<u>Category</u>	<u>Millions of Cordobas</u>	<u>Percent</u>
Construction	1,399.2	46.9
Machinery and equipment	1,317.2	44.2
Other investment spending	265.2	8.9
Total	2,981.6	100.0

Source: Ministry of Planning

Table 2. Evolution of Investments and Consumption (compared with GNP) (in millions of 1980 cordobas)

	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
GNP	27,963	25,758	19,283	21,250.4	22,463.9	22,149.5
Total Investments	7,008	2,875	-348	3,499.7	4,967.3	3,391.0
Fixed private	3,139	1,895	726	622.2	1,093.1	796.7
Fixed public	3,047	1,541	678	2,410.0	3,380.0	2,097.0
Exchange on hand	822	-561	-1,752	467.5	494.2	487.3
Consumption	23,831	23,697	17,914	21,710.7	20,548.8	19,682.6
Public	2,576	3,147	3,464	4,106.6	4,509.7	5,354.8
Private	21,255	20,550	14,450	17,604.1	16,093.1	14,327.8
Basic	10,411	9,988	7,424	10,586.5	10,905.0	10,390.7
Non-basic	10,844	10,562	7,026	7,017.6	5,123.1	3,937.1
Investment Trend	100	41	-0.04	49.9	70.8	48.2
Consumption Trend	100	99.6	72.2	91.2	86.1	82.8
Fixed Investments as % of GNP	22.3	13.3	7.3	14.3	19.9	13.1

Source: Ministry of Planning; private investment data are estimates.

Prospects of the 1982-1987 Investment Process

An attempt is being made to draw up an investment plan for the years ahead that will be aimed at completing the recapitalization and expansion of the productive sector (both state and cooperative), as well as developing the capacity to generate electricity based on natural resources. Investments in the economic infrastructure will be made based on their exclusive relationship with production material, attempting to coordinate this objective with the geographic integration of the country and defense. Investments in social infrastructure will be based on the basic needs of the people and in dimensions compatible with the growth in material production.

In order to meet these objectives, it is indispensable to correct the outdated structures responsible for investments and to speed up the investment approval

procedure. In addition, it is necessary to have a reserve of preinvestment studies making it easier and faster to choose investment packages.

One of the prime tasks of the revolution, already underway, is to promote the industrialization of our natural resources, turning first to agroindustrialization, the unavoidable path for the rehabilitation of the different sectors of the economy and, at the same time, the substitution of imports. The program of investment projects for the next four years totals some \$3,270,900,000, 41 percent of which will be financed out of domestic resources. The agricultural sector will receive 24.6 percent, the agroindustrial sector 13 percent, forestry 3.4 percent and manufacturing, 7.6 percent of the total.

Energy, transportation and the economic infrastructure will receive 14, 14.4 and .2 percent of the total respectively. Some 38 percent of the total investment for the period will go to agricultural and agroindustrial projects, with most of the funds earmarked for state, state-cooperative and state-private projects.

The main problems facing such projects are: 1) the escalation of imperialist military aggression, which hinders the allocation of resources based on economic rationality and subordinates investments to considerations of a circumstantial nature; 2) the fact that funds acquired abroad are generally tied to specific projects, which makes the investment program inflexible and renders the transfer of resources from one project to another difficult, if the situation so demands; 3) the real possibility that traditional sources of foreign financing (IDB, IBRD [International Bank for Reconstruction and Development], BCIE [Central American Bank of Economic Integration]) might hinder the flow of monetary resources, given the pressures of the Reagan Administration; and 4) the absence of a coherent economic infrastructure plan, which results in limited resources for the sector and renders the material conditions of the rest of the projects vulnerable.

Investment Situation in Construction

The construction sector is highly sensitive to the country's economic conditions and is consequently one parameter making it possible to measure the accumulation of fixed capital in economic infrastructures. However, the generation of goods and services by the sector has suffered a drastic drop of 62 percent compared with 1977, which means a negative trend of 9 percent annually in its rate of growth. Investments in the sector during the 1980-1982 period were 57 percent lower than in 1977, which has had a strong effect on the recovery ability of the sector. If we add to this the fact that a large share of the investments in the 1980-1981 period were for the replacement of machinery and equipment, we see that the sector's participation in the generation of goods is minimal.

One specific problem of construction activity is that there is no concrete plan of recovery which would result in coherent development as a sector and eliminate the irrational use of productive factors.

Table 3. Evolution of Construction Indicators (in percent)

<u>Category</u>	<u>1977</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
National GNP	100	70	75	82
Construction GNP	100	33	48	32
Construction investments	100*	40	42	45
Construction jobs	100	130	87	81
Production of cement	100	178	121	79
Building materials imports	100	66	69	85

Source: Ministry of Planning and INEC [Nicaraguan Institute of Statistics and Census]

* Base year: 1976-1977

The sector therefore finds itself in a critical situation requiring emergency plans for facing problems. The drop in production and investments, joined with the absence of any planning for the sector, led to a drop in the number of workers employed in construction, who thus joined the ranks of the unemployed. This socially negative effect contradicts the immediate objectives of economic recovery.

Since this activity is directly related to the requirements of the infrastructure as formulated in other sectors, the reduction in funds available is one factor with a heavy impact, but that factor is in turn dependent upon the operative capacity of the sectors and national plans that must contemplate their respective infrastructure requirements. At the present time, as a necessary measure in making a decision on the sector and its development, the Ministry of Planning and the Ministry of Construction are working out a study of the sector.

This year, programmed public investments in the sector amount to 1,399,200,000 cordobas. The minimum criteria set by the Ministry of Planning for investments in the construction sector are as follows: 1) the construction of roads in order to be able to haul basic grain, meaning providing peasants with an infrastructure so as to strengthen the alliance with that class and consolidate the country's defense; 2) the construction of energy projects such as the Asturias Project; 3) the implementation of infrastructure projects supporting production; 4) consolidation of the existing capacity of the manufacturing industry; and 5) the conclusion of social infrastructure projects.

Some 68 percent of all programmed investments goes to 40 projects, basically for port construction, roads and highways, energy and sugar projects.

The state's participation in the activity at present is 72.7 percent, which figure should rise to 90 percent of all production in the sector during this 5-year period.

The construction sector is a delicate area since its expansion depends on big investments in situations of financial pressure from imperialism, which has recently blocked road construction loans with institutions such as the IDB.

Military aggression also affects development of the activity. Nevertheless, it is under such harsh circumstances that the state apparatus, the axis of all investment, must improve and mature in a constant struggle against its own internal barriers: bureaucracy, institutional feudalism, the lack of planning and poor operations. It must improve and strengthen its decision-making and coordination, endeavoring to make all parts operate smoothly. Knowledge of the very dimensions of the Revolutionary Government and frank discussions of its bottlenecks constitute the first step in solving problems.

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END