

249139

JPRS-LAM-84-088

30 July 1984

Latin America Report

19980819 173

DTIC QUALITY INSPECTED 4

FBIS FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

9
113
A06

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

30 July 1984

LATIN AMERICA REPORT

CONTENTS

INTER-AMERICAN AFFAIRS

- Barbados Sees Need for New Pact With Trinidad-Tobago
(THE NATION, 13 Jun 84; TRINIDAD GUARDIAN, 14 Jun 84)..... 1

Bridgetown Report
CANA on Adams Remarks

ANTIGUA AND BARBUDA

- Tim Hector Column on Bird-Reagan 'Scheme' for Region
(OUTLET, 8 Jun 84)..... 3

- Government Road Workers Strike, Criticize Ministry
(OUTLET, 8 Jun 84)..... 7

- Briefs
Talks With Venezuela 9

BAHAMAS

- Opposition FNM Scores Government on Issue of Crime
(THE TRIBUNE, 12 Jun 84)..... 10

- Briefs
New Police Official 12
New Supreme Court Judge 12

BARBADOS

- 1985 Sugar Target Noted, Played Down by Government
(Various sources, various dates)..... 13

Issue of U.S. Quota
Industry Goal
Government Position

Liquefied Gas Plant Under Consideration by Government (Tony Best; THE NATION, 12 Jun 84).....	15
Trade Issues Continue in Spotlight; Trinidad-Tobago Hit (THE NATION, 14 Jun 84; BARBADOS ADVOCATE, 19, 20 Jun 84).....	17
Call for Import Curbs	
Drop in Exports to CARICOM	
Criticism of Trinidad Ban	
Briefs	
Concern for Venezuelan Oil	20
BRAZIL	
PNAD Survey Shows 1983 Middle Class Income Up; Comment (FOLHA DE SAO PAULO, 13, 14 Jun 84).....	21
IBGE Data	
Comment: IBGE and Income	
MME Energy Independence Plan for Next 10 Years Released (GAZETA MERCANTIL, 15 Jun 84).....	24
Poll Shows Majority Purchasing Only Necessary Items (O ESTADO DE SAO PAULO, 30 Jun 84).....	26
Aureliano Chaves Supports Opposition Candidate (JORNAL DO BRASIL, 14 Jul 84).....	28
PDS Liberal Front Reaches Agreement With PMDB (EFE, 15 Jul 84).....	29
Plans for Third Antarctic Expedition Discussed (Rosental Calmon Alves; JORNAL DO BRASIL, 24 Jun 84).....	30
Briefs	
Figueiredo Scores Olympic Boycott	33
Figueiredo Booed, Arrests	33
Tancredo, Andreazza Target of Demonstrators	33
Alcohol-Driven Cars Data	34
BRITISH VIRGIN ISLANDS	
Romney Speech Addresses Regional Issues, OECS States (THE ISLAND SUN, 9 Jun 84).....	35

Briefs	
Employment Survey	37
Recognition for Unions	37

CHILE

Report to First Chilean Communist Party Congress (Moscow in Spanish to Chile, 21 Jun 84).....	38
--	----

CUBA

Front Page Rebuttal to 'Anti-Cuba' French TV Program (GRANMA WEEKLY REVIEW, 17 Jun 84).....	42
--	----

Entertainment Available to Youth Discussed (BOHEMIA, No 19, 11 May 84, No 16, 20 Apr 84).....	45
--	----

No Discotheques in Havana, Joseito Gonzalez Interview
 New Record Stores in Provinces, by Susana Reyes
 Movie Theaters Reopening in Capital, by Enrique Valdes
 Perez

Briefs	
Modernization of Printing Facilities	51
Experimental Energy Station Opened	51
Tourism Accord With FRG	52
Textile Plant Under Construction	52

DOMINICA

Details on Economic Situation From Budget Proposal (THE NEW CHRONICLE, 22 Jun 84).....	53
---	----

DRUM in Suspension; Hamid Forming CAWNA News Agency (THE NEW CHRONICLE, 22 Jun 84).....	55
--	----

High Court OK's Retention of John's Travel Documents (THE NEW CHRONICLE, 8 Jun 84).....	56
--	----

DOMINICAN REPUBLIC

Businessmen's Group Wants IMF Negotiations Continued (Maximo Manuel Perez; LISTIN DIARIO, 6 Jun 84).....	58
---	----

State Sugar Mills Show Increased Production (LISTIN DIARIO, 13 Jun 84).....	60
--	----

State Electric Company Reports 1983 Production (LISTIN DIARIO, 22 Jun 84).....	62
---	----

EL SALVADOR

ARENA Protests Alleged Firings of ISTA Employees (LA PRENSA GRAFICA, 15 Jun 84).....	64
Government Human Rights Commission Issues 1983 Statistics (LA PRENSA GRAFICA, 16 Jun 84).....	66

GUATEMALA

Economic Report Analyzes Production of Basic Foods (DIARIO DE CENTRO AMERICA, 4 Jun 84).....	68
Interior Minister Comments on Bishops' Pastoral Letter (LA RAZON, 12 Jun 84).....	71

GUYANA

Overview of Measures Underway to Reshape Economy (Mohamed Hamuludin; BARBADOS ADVOCATE, 8 Jun 84).....	72
---	----

HAITI

Changes in Sugar Import, Export Regulations (LE PETIT SAMEDI SOIR, 23-29 Jun 84).....	76
Text of Government Communique on Political Parties (LE NOUVEAU MONDE, 9 May 84).....	78
Ex-Deputy Founds New Political Party (Alexandre Lerouge Interview; LE PETIT SAMEDI SOIR, 5-11 May 84).....	80
Democracy's Future Questioned Following Arrests (Editorial; LE PETIT SAMEDI SOIR, 23-29 Jun 84).....	82
Briefs PDCH Paper Seized	85

MEXICO

Manpower, Weapons Systems of Armed Forces Surveyed (TECNOLOGIA MILITAR, Mar-Apr 84).....	86
Apostolic Delegate Denies Clerical Ties With PAN (Carlos Velasco Molina; EXCELSIOR, 6 Jun 84).....	91
Briefs Mendez Arceo Issues Denial	93
Veracruz: Central American Immigration	93
Chiapas: CIOAC Expels Families	93
Parastate Enterprise Financial Figures	94

URUGUAY

Gallup Poll Shows Increased Skepticism Among Electorate (OPINAR, 14 Jun 84).....	95
---	----

VENEZUELA

Luis Esteban Rey Analyzes Administration's Foreign Policy (EL UNIVERSAL, 25 Jun 84).....	98
President Lusinchi Urged To Take Charge of Government (Editorial, Jorge Olavarria; RESUMEN, 1 Jul 84).....	102

BARBADOS SEES NEED FOR NEW PACT WITH TRINIDAD-TOBAGO

Bridgetown Report

Bridgetown THE NATION in English 13 Jun 84 p 1

[Text]

A GREAT deal of CARICOM's problems can be solved if another bilateral treaty such as the one worked out in 1979 can be entered into between Trinidad and Tobago and Barbados.

This is the anticipation of Barbados' Prime Minister and Minister of Finance and Planning, Mr. Tom Adams, expressed yesterday after a scheduled meeting of CARICOM ministers responsible for finance, failed to materialise at Heywoods, St. Peter.

Mr. Adams, while acknowledging that all CARICOM partners were involved, said he thought the solution to the problem would necessarily involve Barbados and Trinidad and Tobago, "since we are by an overwhelming margin the major creditors."

He stressed that no solution would be achieved "unless it is one that Barbados and Trinidad agree on."

The two countries, said the Prime Minister, had to have bilateral meetings to discuss outstanding problems and to discuss "the way forward."

The 1979 bilateral memorandum of understanding between

the two governments, he said, had done "a great deal for both countries."

In 1984, the time was ripe for other initiatives, Mr Adams stated.

He noted that outstanding questions between Barbados and Trinidad and Tobago on air services remained to be settled. He recalled that the late Prime Minister of Trinidad and Tobago, Dr. Eric Williams, in 1979, spoke a great deal about Caribbean Airways, LIAT and British West Indian Airways (BWIA).

It was decided then that the time was not right to deal with it in any depth. The question of a tour company was mooted, but no decision was taken on it. A tremendous number of initiatives could now be taken, he said, that would be of great advantage to both Barbados and Trinidad and Tobago.

Once the rancour that existed — not at the political level, but at the level of some officials — could be got out of the way, the matter of air route settlement between Caribbean Airways and British West Indian Airways, was one from which both countries "will prosper enormously," Mr. Adams stated.

Port-of-Spain TRINIDAD GUARDIAN in English 14 Jun 84 p 5

[Text]

BRIDGETOWN, Wed.,
(Cana):

BARBADOS Prime Minister Tom Adams says his country and Trinidad and Tobago hold the solution to some of the problems of the Caribbean Community and Common Market (Caricom).

Adams said yesterday that there was a number of new initiatives which the two countries could take together and build on the 1979 Memorandum of Understanding. This provides for bilateral co-operation in several areas, including cement and civil aviation.

He pointed out, for instance, that the state-owned Caribbean Airways at present carries many more passengers from London to Barbados than does the Trinidad carrier, BWIA, but it has not got an aircraft.

He said Barbados is the most important destination for travellers from Europe and Britain to the Caribbean, in its widest sense, including the Bahamas and Bermuda.

"So we have something to offer, the Trinidadians have something to offer," he said. "I think we should get together — Bar-

bados' need for a route to Europe be understood, BWIA's need for passengers to reduce their losses be understood, the desirability of a tour company which Caribbean Airways once had access to in its Laker days be understood."

The Prime Minister said that Barbados and Trinidad could reasonably demand that the seven member states of the Organisation of Eastern Caribbean States (OECS) buy their cement from the jointly-owned Arawak cement plant here, excluding cement from outside the Caribbean Community (Caricom).

RESULTS

He said that a Trinidad company is shortly to take over a major financial institution here, but he did not name either of them.

Adams said this was one of the results of the Insurance Treaty signed by the two countries in 1979.

He felt that there was a need to take that treaty even further but did not elaborate.

The Prime Minister indicated that Barbados has moved to

eliminate at least one of what he described as "a small irritant" in Barbados-Trinidad relations — what the Trinidadians see as a tax on canned drinks from their country and what Adams sees as a tax on non-disposable beverage containers.

"Legislation has been drafted and will very shortly be presented to Cabinet to equalise the treatment for soft drinks and other beverages, including beer, whether sold in disposable or non-disposable containers," he said.

Adams added: "The legislation proposes that all soft drinks and beers must be accompanied by a deposit on the bottle and that those who wholesale and retail drinks must have some responsibility for recovering the bottles so that they don't become a problem in Barbados."

He said that government has been subject to the very strongest possible representation from its sanitation authority that it could not handle the 20 to 25 million tins and bottles that could be expected from a "free-for-all" if there were no arrangements for their recovery here.

TIM HECTOR COLUMN ON BIRD-REAGAN 'SCHEME' FOR REGION

St. Johns OUTLET in English 8 Jun 84 pp 6-7

[Tim Hector column "Fan the Flame:" "Why We Must Reject the Bird-Reagan Scheme for the Region"]

[Text]

U.S. Presidential candidate Jesse Jackson speaking at the **Black Heritage Day Parade** in Newark, New Jersey, stated that United States foreign policy in Africa had placed America **"on the wrong side of history"**. Jackson continued that U.S. policies around the world had turned the - U.S., into a **"pitiful, boastful, braggart giant."** Jackson is so right!

The U.S. has helped to spread murder and mayhem not only in Southern Africa, in the Middle East through Israel's ceaseless occupation and seizure of Arab lands, but in our region of the Caribbean and Central America.

It is upon Central America that we wish to concentrate here. Because in the first place, our Prime Minister has been sounding off his mouth in a senile and assinine way about the struggles in Central America. And, secondly, because British colonialism has bred in us an indifference to the fate of our French, Dutch and Spanish speaking neighbours,

with whom our destiny is inseparably linked. It is this indifference, upon which Bird plays, and mouths his ignorance and stupidity about supporting the mining of Nicaraguan harbours. It is the interest of our people in the fate of our neighbours, which will establish new relationships and new possibilities for our people.

In Central America today, as in the Mid East, as in Southern Africa, the United States is using a surrogate, and through that agency employing military power to compel a solution in Central America. In Southern Africa the U.S. uses South Africa for this same purpose. In the Mid-East it uses Israel. In the Caribbean it employs Jamaica's Seaga and Barbados' Tom Adams, with Eugenia Charles and V.C Bird as comic relief.

U.S. Under-Secretary of Defense for Policy, Fred C. Ikle, put U.S. policy in response to a question if the U.S. was "Lebanonizing" Central America by stimulating a war throughout the region. "Let me make this

clear to you". he told a Baltimore audience "We do not seek a military stalemate. We seek victory for the forces of democracy". Strange this formulation!. "Forces of democracy" will win not by the popular will, but by the superior force of U.S. arms.

It is common knowledge that the U.S has allied itself with the most backward, the most reactionary regimes in the region. From Bird in Antigua, through to Duvalier in Haiti, down to Nicaragua's detestable family of Somozas. These are the U.S. "forces of democracy."

El Salvador provides a good, if not the best illustration. A decade ago it was one of the **richest** countries in Latin America! Its coffee crop and small industries made it the "Ruhr of Central America" that is, the industrial area of Central America. And though one of the **richest**, it was also one of the **poorest**. El Salvador's people were among the world's most **undernourished**. Its overworked soil was badly eroded, bringing entire species of animals and plants to extinction as their natural habitats vanished.

The paradox of El Salvador being at one and the same time the **richest** and the poorest is not so paradoxical after all. All the country's wealth was in the hands of the **Fourteen Families** - the oligarchs who in the nineteenth century seized the best coffee growing lands. (The Antiguan equivalent would be the Syndicate Estates which seized and held all the sugar lands and the sole sugar factory since 1904).

The peasants of El Salvador, who made up three-quarters of the population, worked for four months harvesting the coffee crop, and lived on the verge of starvation for the remainder of the year.

Prior to the 1970's the peasants stood up in open rebellion only once - in the 1932 uprising. Then, in 1932, the army, controlled by the Fourteen Families, slaughtered **30,000 Salvadoran peasants**. It was a massacre of the most barbarous proportions.

Ever since the Generals have run the government, guided, directed and commanded by the United States through its resident Ambassador.

Naturally the persistence of the economic structure which gave rise to this murderous and corrupt army rule, gave rise to the emergence of revolutionary groups representing the mass of Salvadoran sufferers, and which consolidated in the **Farabundo Marti National Liberation Front (FMLN)** which was named after one of the leaders of the 1932 uprising.

In response to this, the U.S. has pumped money and arms in El Salvador. As is to be expected, it is estimated that wealthy Salvadorans have salted away some US\$2 billion US\$5 billion taken out of the country and deposited in Miami or Zurich banks since 1979!

Meantime more than 300,000 Salvadorans have fled El Salvador for Honduras.

But before we proceed, this point. In 1960 John Kennedy launched his Alliance for Progress with some US

\$12 billion to counter the Cuban Revolution in the region. That infusion of hundreds of millions of **private** and **public** dollars raised Salvadoran annual growth rates to a huge 12%! The net result was the Fourteen Families, the oligarchs, grew richer, and the mass of poor grew poorer. Kennedy and then Johnson had to pump in military assistance to keep the discontented poor, "content" by force of arms. The revolutionary groups, in response, had to unite and organize themselves to wage the struggle against the army. The Army represented and represents, the Fourteen Families, the oligarch, the Death Squads, and of course, the U.S.

Reagan's injection of enormous amounts of U.S. dollars can only repeat those disasters, unless the US intervenes directly and militarily. And that is precisely what the US did in Nicaragua from 1912 to 1933.

In 1927 Nicaraguan and Honduran peasants who had little to gain from U.S. military occupation of their countries rallied behind **Augusto César Sandino** to drive out the Yankees. In an epic struggle, Sandino battled the mighty U.S. forces to a standstill. Although it was the era of the "big stick" diplomacy, so heroic was Sandino's struggle that Washington decided that the costs of the war were too high and withdrew.

The U.S. military before withdrawing trained Nicaragua's National Guard, made Anastasio Somoza commander and left Nicaragua at his mercy. He murdered Sandino as the great revolutionary was working out a political settlement. Somoza thereafter, grew rich and brutal.

After Somoza's assassination in 1956, his **sons** took over the country their father called "the farm", remaining staunch U.S. allies until the Sandinistas finally overthrew them in 1979.

(Note the parallel, father Somoza, succeeded by son Somoza, father Duvalier succeeded by son Duvalier, father Bird to be succeeded by sons Bird, all staunch U.S. allies, all corrupt).

Capitalism as Nicaraguans experienced it meant corruption, greed and torture under Somoza. That did not bother the U.S. Somoza was an ally! And that is all the people of Nicaragua, contemptuously termed Banana Republics were capable of in the U.S. view. They liked it so, reasoned U.S. pundits and policy-makers.

The Sandinistas proved otherwise. The Sandinistas since their triumph over Somoza in 1979 have given land to the landless peasantry and broken the stranglehold over land which the oligarchy under Somoza maintained. Since the Sandinista Revolution in Nicaragua illiteracy has dropped from 50% to less than 20 per cent. Health care has gone to regions of Nicaragua, where neither the gun-chewing, gun-toting U.S. marines nor Somoza had ever taken it. Contrary to U.S. propaganda the Sandinistas have maintained a **private sector** which accounts for more than half of the gross national product. U.S. investment in Nicaragua to this day totals nearly U.S.\$87 million.

It is this that Reagan seeks to overthrow, land to the people of Nicaragua, the abolition of illiteracy,

health care to the poorest, and the ownership of their country by their own people.

To accomplish this end, Reagan using Honduras has armed, trained and organised some 10,000 men, mainly ex-Somoza soldiers, to terrorise Nicaragua, and to halt the process of change in favour of the people. Change, that is, changing corruption into honest government, stopping the accumulation of wealth by a handful, and extending work, land, and productive possibilities to the majority is in Reagan's view "communism". The word "communism" becomes the smokescreen,

under the cover of which, the U.S. may spread murder and mayhem, keep the poor, poor, and the rich rotten and corruptly rich.

Under the banner of fighting communism, the struggle of other people in other countries, "for life, liberty and the pursuit of happiness" has to be rolled back with massive economic and military aid.

History has decreed that the forces of reaction can win a battle here and there, but they cannot win the war - the war of the poor and downtrodden of the earth, for peace, progress and development of themselves, for themselves, by themselves.

CSO: 3298/962

GOVERNMENT ROAD WORKERS STRIKE, CRITICIZE MINISTRY

St Johns OUTLET in English 8 Jun 84 p 1

[Text]

The entire road division of the PWD is on strike. The strikers approximately 200 in number include cooks, masons, 'oil men' and carpenters.

On Monday 4th June, the road workers took protest action, marching from the pre-mix plant to the PWD Headquarters and demanded to see the Permanent Secretary. The protest action arose out of an incident on Friday 1st June when Mr Mortley Matthew who is in charge of the pre-mix plant was summarily transferred to work out in the field, with effect from Monday 4th June. Arbitrary one-party State power is flexing its muscles against the workers.

The transfer of Mr Matthew, according to official sources within the PWD was due to irregular practices at the pre-mix plant. However, the workers deny this charge unanimously and say instead that it is based on personal malice held against Mr. Matthew by certain officials within the Department.

The road engineer, according to the workers, is alleged to have threatened Mr Matthew during the pre-election road boom that he would be removed from the plant after the election. Despite the many hours of over-time work and the frantic pace of work before the election, the engineer was apparently still not satisfied and felt that Mr Matthew was not "pushing the work fast enough". However, Minister of Finance, John St Luce personally congratulated Mr Matthew for his tremendous work in the pre-election period.

Dismissing the charges of "irregularity" against Mr Matthew as a red herring, the workers say that the real irregularities are taking place at the highest level within the Ministry itself.

The AT&LU, General Secretary Robin Bascus has in the meantime taken up the matter and has given his support to the workers. Mr Bascus has instructed the workers to remain on strike until they hear from him.

When the letter of transfer was delivered to Mr Matthew on Friday 1st June, the workers spontaneously and immediately went on go slow. On Monday, once again without the prompting or even the knowledge of the AT&LU, the official bargaining agent, the workers took to the streets charging that Mr Matthew was being victimised. Said one worker, "Every body down here gets along well with Mr Matthew. He is a fair - minded and considerate man and knows the work inside out. In spite why they want to move him. We will not stand for that."

Moreover, the workers refused to work under a young road supervisor who has been appointed to replace Mr Matthew, with no experience of the job and who they say is being pushed because of certain family and other connections.

CSO: 3298/962

ANTIGUA AND BARBUDA

BRIEFS

TALKS WITH VENEZUELA--Caracas, Friday (CANA-Reuter)--A delegation from the Caribbean twin-island state of Antigua and Barbuda held talks on bilateral co-operation with Venezuela's interim Foreign Minister, German Nava Carrillo, a Foreign Ministry spokesman said. Their discussions also covered Venezuela's aid to other Caribbean nations, she added. The Antigua delegation, led by the Speaker of Parliament, Bradley Carrott, has been in Caracas since the weekend for talks with government officials and parliamentary leaders. Members of the delegation described their talks with Nava Carrillo as very positive and said Venezuela had promised to increase its present level of aid to Antigua. Since Antigua and Barbuda became independent from Britain in 1981, Venezuela has supplied the islands with medical equipment and has organised training courses for skilled tradesmen. [Text] [Bridgetown BARBADOS ADVOCATE in English 16 Jun 84 p 3]

CSO: 3298/962

OPPOSITION FNM SCORES GOVERNMENT ON ISSUE OF CRIME

Nassau THE TRIBUNE in English 12 Jun 84 pp 1, 8

[Text]

THE FREE National Movement has called on Government to take immediate steps to protect the public and Police Force in the face of what looks like a "virtual war" declared by criminal elements against the whole society.

The Official Opposition, in a prepared statement today, said that in the last few weeks criminal activity has taken an even more sinister direction "with direct and incredibly bold" attacks on Bahamian law enforcement officers.

It said it shares the shock and concern which all law-abiding citizens feel at this disturbing turn of events.

"We had hoped that by now Government would have made some public statement with regard to this matter and what it intends to do about it," the FNM said.

"However, it appears that the Pindling administration is maintaining its record of late awakenings and inappropriate responses to the serious crises which now beset this nation."

The FNM said that Government's reaction to the rape crisis is a recent case in point.

Instead of heeding the widespread public call to strike fear in the hearts of potential rapists by legislating corporal punishment, they removed corporal punishment from the law altogether.

The FNM views this as a slap in the face for the terrorized female population and feels that it sent entirely the wrong signal to rapists and other criminal elements.

Furthermore, Prime Minister Sir Lynden Pindling, discussing the rape situation at a public meeting, suggested that part of the cause might be the liberation movement in which women perhaps pushed for too much too quickly.

"We can hardly think of a worse statement which could be made by the head of the Government at this time. It was ill-considered and totally insensitive to the feelings of Bahamian women and we condemn him for it," the FNM said.

"Now the country is wondering what the Government is going to say and do about the spate of attacks on Bahamian police officers. The public needs immediate, high level assurance that our hard working police will be given the tools and the conditions properly to defend themselves and carry out their duties to the public."

The FNM said that upgraded security arrangements must be made at every police station for the protection of the men and women who work in them. Those on foot patrol must also have adequate means to deal

with potential assailants, and communications facilities with which they can be in immediate touch with their respective stations.

The FNM also called on Government - as an emergency measure - to provide more patrol cars for the police.

"This must be done immediately for the protection of the public as well as the Police force in the face of what looks like a virtual war declared by criminal elements against the whole society," the FNM said.

It said it has been preaching to Government for more than a decade as they have allowed the country's problems to get out of hand, and that Government seemed incapable of understanding the events which now threaten to degrade permanently the once peaceful and stable Bahamian society.

"We urge them now to get the best advice they can to deal with the new wave of crime, and, in the name of God and the people, try to do at least one service to the nation before they are at long last relieved of their responsibility for the governing of our country," the FNM said.

*The Torch Bearers Association, the youth arm of the FNM, also expressed shock today over the wave of violent crime.

Noting that five law enforcement officers have been shot in two weeks - one of them fatally - the Torch Bearers called for a concerted effort on the part of all citizens to help stamp out crime.

"Although the Government is ultimately responsible for the protection of citizens...we believe the recent events, particularly since September 5, have crippled and immobilized the Government..." they said.

They said it was incumbent upon every person to combine their resources to help the police in any way possible. The Torch Bearers also called upon the Church to initiate a national week of prayer.

"Our nation is much too small for the citizens to be pulling and tearing at each other. If we continue in this fashion we will destroy ourselves," it said, adding that a task force should be appointed to look into crime and its affect on society.

CSO: 3298/963

BRIEFS

NEW POLICE OFFICIAL--Erold E. Farquharson, commanding officer of the Traffic Division, was promoted to Superintendent of Police on May 18. He joined the force October 6, 1958 and served at Headquarters, Southern Division, Central Division and Traffic. Mr Farquharson became a Corporal in 1964, Sergeant in 1968, Inspector in 1970 and Asst Superintendent in 1974 and Deputy Superintendent in 1981. He was Force Paymaster for 11 years and also served as a staff officer. His overseas courses include General Police Duty at Hendon, England in 1970 and Public Administration at the International Training Institute, Sydney, Australia in 1982. Mr Farquharson was awarded the Colonial Police Medal for Meritorious Service by Queen Elizabeth II in 1970 and the Long Service Medal in 1976. [Text] [Nassau THE TRIBUNE in English 7 Jun 84 p 7]

NEW SUPREME COURT JUDGE--A new judge was appointed to the Bahamas Supreme Court recently, bringing to five the number of judges in the high court. Mr Justice Joaquin Gonzalves-Sabola of Guyana joined the Supreme Court June 12 and was sworn in as a judge of the Bahamas Thursday. He will be sitting on criminal matters in the next criminal Assizes which opens July 4 and will also be dealing with civil matters. He joins Chief Justice Telford Georges, Senior Justice Sir Denis Malone, Mr Justice Bertrand O. Adams and Acting Justice Mr George Van Sertima. The Chief Justice is expected to be away for about three weeks during July and Sir Denis is expected to go away for the month of July. [Text] [Nassau THE TRIBUNE in English 18 Jun 84 p 1]

CSO: 3298/963

1985 SUGAR TARGET NOTED, PLAYED DOWN BY GOVERNMENT

Issue of U.S. Quota

Bridgetown THE WEEKEND NATION in English 8-9 Jun 84 p 36

[Text]

BARBADIAN sugar officials do not expect to sell any sugar on the world market this year, but this will depend on whether the United States adopts a 1984-85 sugar quota similar to that of 1983-84.

According to a spokesman from Barbados Sugar Industries Limited, if Barbados has to sell any sugar on the world market it will be a serious financial blow since we get about five cents a pound, which is considerably less than on other markets.

The official told the WEEKEND NATION, yesterday, that Barbados expected to ship 56 000 tonnes of sugar to England, out of the just over 100 000 tonnes produced by this year's crop.

Under the United States 1983-84 agreement, he said, Barbados has sold just under 6 000 tonnes.

"We cannot do anything further in terms of sales to America until they declare a policy for the 1984-85 quota," he said.

The official added: "If America gives us a quota that is commensurate with their quota for 1983-84, and this is about some 18 000 tonnes, then it would mean that we do not have to go to the world market which is really a sacrifice market".

"Sugar currently being sold on that market," he said, "is sold at about five cents a pound, much less than can be obtained on other markets and the financial reward is such that you cannot even pay the cost of reaping and manufacturing."

The official added that the local market could "take care of itself" with some 11 500 tonnes set aside for this.

Industry Goal

Bridgetown BARBADOS ADVOCATE in English 12 Jun 84 p 1

[Text]

Officials in Barbados' vital sugar industry are predicting a near 50 per cent hike in sugar production next year on the modest 1984 output of just over 100,000 tonnes.

"Our target next year is 140 000 tonnes," said a spokesman for the industry, Barbados' main agricultural hard currency earner.

He warned, however, that reaching the target would depend on factors including the real value

of export prices, the weather and the extent of damage caused by unplanned cane fires.

In the 1950s and 1960s Barbados was producing upward of 200 000 tonnes of sugar yearly, but output has nosedived. Last year's production of 89 000 tonnes was the lowest since 1948.

"We are optimistic that we can get production up again," the spokesman, who preferred not to be identified, said. "But we are a

bit worried about prices."

The bulk of Barbados' sugar — about 55 000 tonnes — is shipped to the European Economic Community (EEC) under the Lome Trade and Aid Pact the Europeans have with African, Caribbean and Pacific (ACP) states.

Barbados and the other developing countries are paid in a basket of currencies (European Units of Accounts) which Agriculture Minister Johnny Cheltenham says virtually been devalued against the strengthening U.S. dollar, to which Barbados' currency was tied.

In the last three years real earnings from the community have been eroded, with the value of the ECU falling from about US\$1.41 to around 85—90 U.S. cents per unit.

Barbados' sugar cane growers say they are hoping for a

significant improvement in sugar prices to emerge from the annual EEC-ACP negotiations on the commodity. At a time when world market prices are way below sugar production costs, they are also hoping to land a lucrative export deal with the United States.

"We are looking for a quota of about 18 000 shippable tonnes to the United States for 1984-85," the spokesman said. "This is roughly what we had for 1983-84. If we can get that, it would take care of some of our problems."

The spokesman said good export prices could determine how much effort the sugar cane growers put into next year's crop.

Hopes of a bigger sugar harvest have been boosted by heavy rainfall this month. "We just hope that the rains continue," the spokesman said.

Government Position

Bridgetown THE NATION in English 14 Jun 84 p 24

[Text]

MINISTER of Agriculture, Dr. Richard Cheltenham, has dismissed as "premature" a Press report that Barbados is projecting for a 140 000-tonne sugar crop next year.

He said yesterday that unless the rains came and fell continuously between now and December such predictions would be premature.

The minister also allayed fears, among sugar farmers, who were uncertain about whether they would get further Government support in the light of their continuing difficulties.

Dr. Cheltenham said that Government would definitely be providing the sugar industry with price support for the third consecutive year.

But, he said, how big the support would be had not yet been worked out.

The scheme began in 1982 when Government put out a bond issue to make about \$20 million available as a soft loan to Barbados Sugar Industry Limited.

LIQUEFIED GAS PLANT UNDER CONSIDERATION BY GOVERNMENT

Bridgetown THE NATION in English 12 Jun 84 p 24

[Article by Tony Best]

[Text]

BARBADIANS may soon be able to buy locally produced bottled gas instead of having to rely on imported energy.

That's if the Adams Government decides to go ahead with a plan to establish a \$4 million liquefied petroleum gas plant.

According to the Minister of Energy, Senator Clyde Griffith, the Government is looking at the economic feasibility of establishing such an LPG plant now that it was known that the island's natural gas reserves could support it.

"This thing is on the drawing boards now and I dare say that within a few months or so we will know exactly where we are going," Senator Griffith said. "It is a long-standing Cabinet decision that we should have an LPG plant but, of course, it was constrained by the fact that we were not too sure of the (natural gas) reserves. But now that we know that we have the reserves to support the plant, we are moving toward the implementation of the Cabinet decision."

Actually, the decision to build such a plant was taken by the Adams Cabinet back in 1979 but, Senator Griffith explained, the Canadian government agency that was going to finance its construction was not satisfied then that the island's reserves could support the plant.

Largely as a result of the expanded drilling programme, which has resulted in an increase in the natural gas reserves, the idea "has attracted renewed interest," the minister said.

There are two major benefits that Senator Griffith outlined would be derived from its construction. First, he explained, it would reduce the country's oil import bill. Secondly, Barbadians would not only be able to purchase gas from their own country but they would be sure that they were receiving what they were paying for.

The latter remark related to complaints from consumers that cylinders of gas were not always at the correct levels.

"What we will be sure of," Senator Griffith said, "is that we would try to ensure that people are getting what they pay for. There has been a complaint in Barbados that with respect to bottled gas, people don't always get what they pay for. This will be one way of ensuring that they do."

The minister declined to speculate on the price of locally produced bottled gas but gave the assurance that "it would not be more costly than it is now."

According to information that he said he had received from experts and others interested in the project, an LPG plant could be in operation in six months after the decision was taken to go ahead with its construction.

But while the Government is looking at the question of the LPG operation, the National Petroleum Corporation is going ahead with its programme of extending its natural gas service to hundreds of additional homes in densely populated parts of the country.

Senator Griffith said the corporation's expansion plans called for service to be provided to the New Orleans community in Bridgetown and other neighbourhoods, in St. Michael, including Carrington's Village.

But in expanding the service in St. Michael, Senator Griffith acknowledged that some complaints had been heard. Specifically, people in St. Andrew had complained that although their parish was a significant producer of natural gas they were still without a supply to their homes.

And so in an attempt to satisfy the demands of residents of that rural community, Senator Griffith said he had directed the petroleum corporation to look into the matter with a view to introducing a natural gas service to Orange Hill, St. Andrew, as a first step.

CSO: 3298/964

TRADE ISSUES CONTINUE IN SPOTLIGHT; TRINIDAD-TOBAGO HIT

Call for Import Curbs

Bridgetown THE NATION in English 14 Jun 84 p 1

[Text]

THE Barbados Manufacturers' Association would welcome any move and serve on any forum that would limit importations from third countries to this region, said BMA president, Mr. Frank DaSilva, yesterday.

That process, he said, would promote the growth and development of regional manufacture and trade.

Mr. DaSilva was speaking at the opening of the BMA's third annual trade exposition — BMEX'84 at the Old Terminal Building at the Grantley Adams International Airport.

He acknowledged the announcement from last week's CARICOM Council of Ministers meeting in Antigua that early attention would be given to selective curbs on third country imports to the region.

The BMA president also noted that a more enlightening approach to the problem facing

CARICOM trade would be for the participating countries to make a commitment to deepen for each other, their national markets.

He believed that one way in which this could be done would be by the implementation of the recognition that in a number of cases selective curbs on third country imports was absolutely necessary and desirable for a length of time.

Dealing with import limitations, Mr. DaSilva said that a critical analysis of the full number of products manufactured in Barbados would fall into three categories.

He said that the first category would comprise a small range of products which, by their very nature, would need no protection at any time.

Category two comprised another range of products that would need protection all the time, and in some cases it would be desirable for such protection to be given, for example, to the Pine Hill Dairy and the Arawak Cement Plant.

The third category, Mr. DaSilva said, would comprise by far, the largest range of manufactured products including locally processed food products, apparel, engineering and hardware products, and these would need protection for a while.

The positive effects of protection, the BMA president pointed out, was clearly seen in analysing the growth of our furniture industry. It was unlikely, he said, that the quality and variety and high level of excellence of Barbadian furniture would have been achieved if the Barbados Government had not had the foresight and courage to protect the industry from imports outside the region to allow it to develop as it had.

Turning to BMEX'84, Mr. DaSilva said it was the biggest exhibition so far attempted by the BMA because a number of the association's members believed that it was during times of depression that energies had to be summoned up, and muscles had to be strained in order to withstand pressures.

It was also, he said, a manifestation of the commitment and dedication of local manufacturers, that despite the prevailing circumstances, they had not given in, but had, instead, come forward to amalgamate the varied display of that magnitude that would continue at the old terminal building until June 24.

There are 200 display booths this year as compared with 139 last year.

Drop in Exports to CARICOM

Bridgetown BARBADOS ADVOCATE in English 19 Jun 84 p 1

[Article by Irvine Reid]

[Text] Barbados has reported its first first quarter decline in exports to the Caribbean Community (CARICOM) since the regional economic grouping was set up 11 years ago.

The government's Export Promotion Corporation (EPC) said that for the first three months of 1984, exports to CARICOM were valued at \$28.4 million, a drop of \$6.3 million from last year's comparative \$34.7 million.

Officials blamed protectionist measures imposed by Trinidad and Tobago and the continuing financial difficulties of Jamaica and Guyana.

The EPC said \$21.1 million of the exports were sold to those three More Developed Countries (MDCs) with the remainder \$7.2 million going to the seven-nation Organisation of Eastern States (OECS) and Belize.

The value of imports from Caricom rose by \$5.8 million for the first quarter, reaching \$43.4 million compared with \$37.6 million last year.

The EPC said that \$40.8 million of the imports from CARICOM were with the MDCs.

Barbados' exports to Trinidad and Tobago, its main CARICOM trading partner, during the first quarter of this year declined by \$4.9 million — from last year's \$23 million to \$18.1 million.

Trinidad and Tobago, citing a growing deficit with its CARICOM partners, instituted an import licensing regime last October.

Imports by Barbados from the twin-island republic increased however, moving from \$30.2 million in 1983 to \$34.9 million for the first quarter in 1984, increase of \$4.7 million.

The EPC said Jamaica bought \$2.4 million in goods from Barbados compared with \$3 million last year, while imports from Jamaica to this country remained at \$4.6 million.

Exports to Guyana dropped from \$916 004 in 1983 to \$531 019, while imports moved from \$450 840 between January and March last year to \$1.2 million for the same period this year.

Regarding trade with the OECS countries during the first three months of this year, only Antigua and Barbuda, Grenada, St. Kitts and Nevis, St. Lucia and St. Vincent traded with Barbados to any significant degree.

Criticism of Trinidad Ban

Bridgetown BARBADOS ADVOCATE in English 20 Jun 84 p 1

[Text]

Trade Minister Bernard St. John said yesterday any Trinidad and Tobago ban on imports of items from Barbados "is unjustifiable."

Mr. St. John was commenting on a ban instituted last week by Port-of-Spain on imports of towels and shirts to protect Trinidadian manufacturers from "unfair competition."

The minister noted Trinidad's call for "equitable reciprocity" in its trading relations with other Caribbean Common Market (CARICOM) countries to turn back a deficit.

But Mr. St. John said Barbados operated a free market. "We are one of their (Trinidad's) best customers."

He said that in 1983, Barbados imported Bds \$228 million in products from Trinidad and Tobago, and exported \$158 million.

"As far as Barbados is concerned, any banning of goods is unjustifiable as we are reciprocal traders," Mr. St. John said.

In addition to oil, he added that Barbados imported from Port-of-Spain 59 items above the value of \$200 000 some as high as \$12 million. He said this showed the

variety of goods the island bought from its CARICOM partner.

Mr. St. John said that a report by the CARICOM Secretariat had shown that Barbados and the Windward and Leeward Islands had the least restrictions on trade in the Common Market.

Ministry of Trade sources said the Government here was investigating reports from manufacturers that Barbados-made sausages, frozen fish and biscuits were denied import licences by Trinidad authorities under a regime imposed last October.

The sources mentioned biscuits as a product in which Trinidad has

a trade surplus with Barbados.

"We will be investigating to see whether the trade in these products is on a reciprocal basis," the source said.

The sources also expressed surprise that the Trinidad ban on imports of towels and shirts was effected before the CARICOM report on the garment industry was ready.

That report will be discussed by the next CARICOM Council of Ministers meeting in Nassau early next month on the eve of the Heads of Government conference. (CANA)

CSO: 3298/965

BRIEFS

CONCERN FOR VENEZUELAN OIL--Bridgetown, Mon., (Cana)--Barbados Energy Minister Clyde Griffith says Venezuela is likely to either stop or reduce the volume of oil offered to Barbados and other countries under a joint Mexico-Venezuela aid scheme. Senator Griffith said in the Senate last week he had been advised of the proposed revision by Venezuela's Energy Minister, Arturo Hernandez Grisanti. Under the agreement, Barbados pays for 70 percent of its oil imports from Venezuela with the other 30 percent converted to a loan and going into a special fund, currently being used to finance oil exploration here. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 26 Jun 84 p 17]

CSO: 3298/964

PNAD SURVEY SHOWS 1983 MIDDLE CLASS INCOME UP; COMMENT

IBGE Data

Sao Paulo FOLHA DE SAO PAULO in Portuguese 13 Jun 84 p 11

[Text] Brasilia--The income distribution of the middle class--the bracket of salaried persons who earn from 5 to 10 and over 10 minimum wages--improved during the past year compared to 1982, according to the Brazilian Institute of Geography and Statistics (IBGE). "The wage law caused a flattening of the middle class which, thank God, is now disappearing," pointed out the president of the agency, Professor Jesse Montello, on revealing the first figures of the National Survey by Residential Sampling (PNAD) conducted in September and pertaining to the states of Sao Paulo and Rio de Janeiro.

According to Montello, who did not explain the methodology used to determine the variation of the PNAD, the income improvement of the middle class derives from the fact that the market is paying more than the rates stipulated by Decree-Law 2,065 and that the worker is supplementing his income with activities in the so-called invisible economy.

The president of the IBGE explained that in the state of Sao Paulo for example, 9.98 percent of its economically active population (EAP) had an income over 5 and up to 10 minimum wages in 1982; this percentage rose to 12.52 in 1983. In the bracket above 10 minimum wages, the percentage increased from 5.33 to 6.88.

The president of IBGE revealed that the informal economy is growing at a rate of 8 percent and that 15.8 percent of the economically active population work in informal activities. He explained also that the work force is growing at a rate of 3.5 percent of the EAP compared to a demographic growth of 2.48 percent.

INCOME DISTRIBUTION - SAO PAULO

<u>INCOME BRACKET</u>	<u>PNAD 1982</u>	<u>PNAD 1983</u>
Up to 1/2 minimum wage	6.11	5.05
More than 1/2 to 1 minimum wage	15.50	13.95
More than 1 to 2 minimum wages	29.18	25.53
More than 2 to 3 minimum wages	14.93	17.50
More than 3 to 5 minimum wages	14.61	14.50
More than 5 to 10 minimum wages	9.98	12.52
More than 10 minimum wages	5.33	6.88

Comment: IBGE and Income

Sao Paulo FOLHA DE SAO PAULO in Portuguese 14 Jun 84 p 2

[Text] As this newspaper reported yesterday, the IBGE released data on the income distribution of the economically active population (EAP) surveyed in 1983. In the case of the state of Sao Paulo, a table was presented showing that from 1982 to 1983 the percentage of the EAP with incomes up to two times the nominal minimum wage in effect at the time of the survey dropped, while at the same time the percentage in the brackets above that figure increased, particularly in the case of incomes between 5 and 10 minimum wages.

In revealing those figures, the president of the IBGE, Jesse Montello, interpreted them as indicative of an improvement of the real income of the middle class in 1983. Such an interpretation is in contradiction with the performance of the economy last year, when there was another drop in its real income and a tightening of the wage policy.

That contradiction disappears if the figures are given a more appropriate interpretation. In the first place, it is well to recall that the income brackets defined in units of nominal minimum wages hide the drop in the real value of that wage between 1982 and 1983 stemming from the increase of the inflation rate.

It should be remembered that inflation practically doubled in magnitude in that period, going from about 100 percent per annum in 1982 to close to 200 percent the following year. Under those conditions, even if readjusted every 6 months by the full National Consumer Price Index (INPC) the average value of the real minimum wage throughout 1983 was less than that for 1982 since it began to drop more rapidly between successive readjustments. Thus, the percentage increase of persons, let us say, in the bracket between 5 and 10 nominal minimum wages does not mean that they obtained real gains from one year and another. In our view, the advance was nominal but not real.

In the second place, it is necessary to recall that 1983 was a year of expansion of unemployment, and polls on that phenomenon show that the lowest income brackets are those most affected when that occurs. Under

those conditions, the drop of the percentages in the lowest income brackets, with the unemployed leaving the EAP in view of the bad labor market conditions.

Those questions could be clarified in advance if the IBGE were to reveal the figures also by brackets of real income, along with showing not only the percentage but the absolute number of persons in each bracket. The way they were furnished to the press, the figures do not fulfill their role of informing. Rather, they lead to confusion.

8711

CSO: 3342/128

MME ENERGY INDEPENDENCE PLAN FOR NEXT 10 YEARS RELEASED

Rio de Janeiro GAZETA MERCANTIL in Portuguese 15 Jun 84 p 13

[Text] Electricity, national oil and wood will be the three main sources of energy in the country in 1993 if the energy plan drafted by the Ministry of Mines and Energy for the next 10 years is implemented. Released yesterday, with details by the Brazilian Electric Companies Auxiliary Corporation (CAEEB), the study reveals that there is the possibility of the country producing 1 million barrels per day of national oil and the equivalent of 3.3 million barrels per day from other energy sources, thus supplying all domestic consumption. Minister Cesar Cals will officially present that study this month.

There are few differences between the energy pattern existing today and the one projected by the Ministry of Mines and Energy, although some are significant. At the present time, oil accounts for 34.3 percent of the energy consumption structure and may drop to 22.1 percent. However, electricity, which occupies second place with a figure of 32.5 percent, is in a position to increase its share to 41.3 percent, essentially with hydroelectricity. Wood, the country's third source of energy with 16.5 percent of the total, will remain in that position but with 13.7 percent.

In this scenario--put together by the Ministry of Mines and Energy and the CAEEB expert on the basis of economic studies projected by the Planning Secretariat for the country's negotiations with the World Bank--the increased production of natural gas as well as alcohol have a prominent place. For the first, the equivalent of 160,000 barrels per day may be produced compared to 23,000 today. For alcohol, the study envisages an increase equivalent to 77,000 barrels per day, to 256,000 barrels per day. With the substitution of oil by other energy sources, its principal derivatives will account for the following shares of domestic consumption: diesel oil, 8 percent; fuel oil, 3 percent; gasoline, 3.8 percent; and naphtha, 2 percent. In the present balance, those derivatives account for 11.9, 7, 5.4 and 2.9 percent, respectively.

Basic Hypothesis

The Ministry of Mines and Energy study starts from the basic premise that oil consumption can be stabilized at 1 million barrels a day. Based on the projections of the Planning Secretariat that the Gross National Product (GNP)

will grow 1.2 percent in 1985, 1.04 percent in 1986 and 1.05 percent in the following years up to 1993, it concludes that the country will have to consume the equivalent of 3.3 million barrels from alternative sources to oil. Those same estimates indicate that there will be funds available to be applied on oil production as well as on other energy sources.

That is, to implement those projects, the ministry considers that it will be necessary to invest \$115.2 billion, of which 101.6 percent [as published] would be investments in national currency. "The volume of investments required is perfectly compatible with the performance of the economy during the period," said the study, pointing out that during the next 10 years the savings of foreign currency on the importation of oil will amount to \$56.7 billion.

The exploration and production of oil alone will require \$36.6 billion to raise the current production from an average of 470,000 barrels per day to 1 million barrels per day. To reach that production, the Brazilian Petroleum Corporation (PETROBRAS) will have to discover 365 million barrels of oil per day, "an ambitious though not impossible project," according to the study. The premise for this projection is maintenance of the present level of discoveries. In 1983, oil reserves increased 380 million barrels.

8711

CSO: 3342/130

POLL SHOWS MAJORITY PURCHASING ONLY NECESSARY ITEMS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 Jun 84 p 25

[Text] According to the Gallup Institute of Public Opinion, at the present time four out of five adults in Sao Paulo and Rio de Janeiro are planning to postpone their usual purchases. Barely 8 percent of the population of those two metropolitan areas consider the present time "a good time to buy things." That opinion is slightly more accentuated in class A in Sao Paulo (16 percent). Eighty-two percent of the 606 persons polled in Sao Paulo believe that the time is not favorable, while in Rio that percentage rises to 85 percent of the 600 persons interviewed. In Sao Paulo, 10 percent believe the time is neither good nor unfavorable; in Rio, 7 percent of the persons polled feel that way.

In class A, in Sao Paulo, 75 percent believe the time is not favorable, while in class C this percentage rises to 86 percent. In Rio de Janeiro, 86 percent of the persons in class A interviewed favor postponing purchases, a percentage identical to those in classes B and D, while in class C the level is 83 percent.

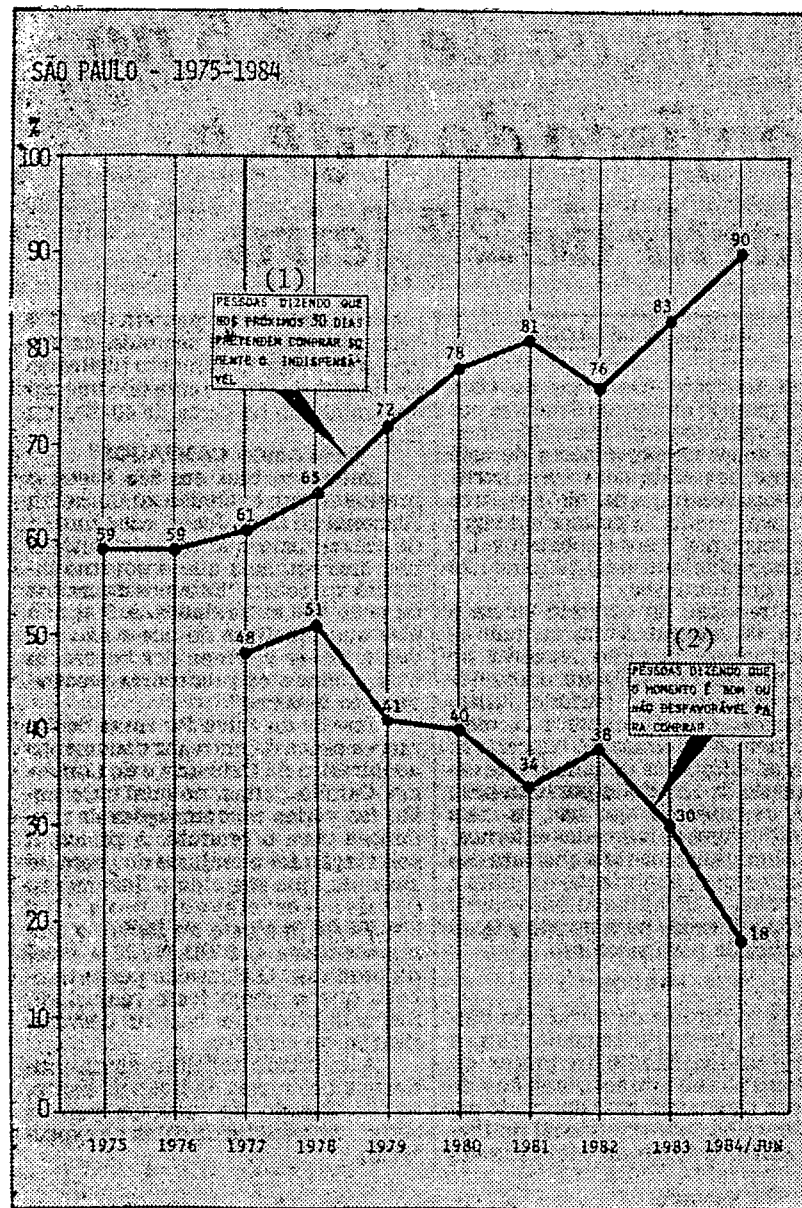
Polls conducted by the Gallup Institute during the past 8 years intended to evaluate the purchasing propensity of the population of the city of Sao Paulo show that the impression that we are living in "a good time to buy" has been declining constantly. Between 1977 and 1978, 23 percent of the population of the city of Sao Paulo believed they were living in a situation favorable for making purchases.

Only the Essential

This month, those who were of that opinion amounted to only 8 percent. At the present time, nine out of 10 residents of Rio and Sao Paulo plan to "buy only the essentials." Only 7 percent in Sao Paulo and 10 percent in Rio de Janeiro say they plan to continue making their usual purchases normally. The propensity to continue purchasing "normally" is slightly greater among the persons in class A in both Sao Paulo (17 percent) and Rio de Janeiro (13 percent).

Polls conducted by the Gallup Institute since 1975 on the purchasing propensity of the population of Sao Paulo indicate that the desire to buy has been declining from year to year. Between 1975 and 1977, about

30 percent of the population of Sao Paulo said that they planned to "buy normally" during the next 30 days. Starting in 1978, that percentage began to decline, reaching 7 percent in June of this year. In addition to that, the attitude of buying "only the essentials" is more and more prevalent.



Key:

1. Persons saying that in the next 30 days they plan to purchase only the essentials
2. Persons saying that the time is good or not unfavorable for purchases

8711

CSO: 3342/128

AURELIANO CHAVES SUPPORTS OPPOSITION CANDIDATE

PY142307 Rio de Janeiro JORNAL DO BRASIL in Portuguese 14 Jul 84 p 1

[Text] Aureliano Chaves has made a decision. At the Brazilian airport yesterday morning, Aureliano solemnly told the politicians and journalists surrounding him that "our candidate is Minas Gerais Governor Tancredo Neves, one of the most prominent public personalities." Before meeting with Tancredo, the vice president admitted that some obstacles must still be overcome regarding the alliance with the opposition, but said he did not expect any objections from the military.

During a ceremony in Mariana to mark the anniversary of Minas Gerais, Tancredo for the first time expressed his confidence in his victory in the Electoral College by stating that "my only commitment is with the platform of the sole front of democratic organizations, which will elect me." On this occasion, Tancredo received various expressions of support, including the Espirito Santo governor.

According to Senator Guilherme Palmeira from the PDS [Social Democratic Party] of Alagoas State, three basic points will be discussed during today's meeting in Brasilia between the PMDB [Brazilian Democratic Mobilization Party] National Executive Board and the PDS Liberal Front. They are: the basic national reconciliation program of the government; the date and place where Tancredo's candidacy will be officially launched; and guidelines for the election of the vice presidential candidate.

In Sao Paulo more than 400 prefects, congressmen, artists and businessmen, including Jose Mindlin and Antonio Ermirio de Moraes, have released a document in support of Tancredo Neves. Calim Eid, coordinator of Maluf's campaign has asserted that Maluf already counts upon 391 out of the 638 votes at the Electoral College, where he expects to win with the support of 60 opposition members.

CSO: 3342/137

BRAZIL

PDS LIBERAL FRONT REACHES AGREEMENT WITH PMDB

PY150307 Madrid EFE in Spanish 0201 GMT 15 Jul 84

[Text] Brasilia, 14 Jul (EFE)--The Liberal Front of the government's PDS [Social Democratic Party] and the largest opposition party, the PMDB [Brazilian Democratic Mobilization Party], reached an agreement in this city today to strengthen Tancredo Neves as the only opposition presidential candidate for the upcoming elections of the Electoral College.

During the meeting the main leaders of the PMDB and the PDS Liberal Front set the basis for an agreement to guarantee the victory of Neves' candidacy.

PDS Senator Marcos Maciel, who withdrew his candidacy from the Electoral College, said that this agreement establishes the first steps for a political understanding to lead the nation to form a government of national reconciliation.

Starting next week a mini-government program will be prepared to establish constitutional reform, to renegotiate the foreign debt, to reduce the presidential term to 4 years, and to hold direct elections in 1988.

Governor Tancredo Neves, who will have to confront Paulo Maluf, candidate of the PDS, today met with several leaders of all opposition parties. Neves expressed his conviction that he will obtain the support of the Democratic Workers Party (PDT) of Leonel Brizola.

The PMDB will be ready to officially announce Tancredo Neves' candidacy on 12 August. According to estimates, the opposition will win, with PDS front support, the Electoral College elections by a wide margin.

CSO: 3342/137

PLANS FOR THIRD ANTARCTIC EXPEDITION DISCUSSED

Rio de Janeiro JORNAL DO BRASIL in Portuguese 24 Jun 84 p 17

[Report by Rosental Calmon Alves]

[Text] The next Brazilian expedition to the Antarctic will leave Rio on 15 November and will be of much longer duration than the two previous ones. The permanent scientific base established on King George Island last summer will be doubled, preparing conditions so that Brazilian scientists can remain there also during the Antarctic winter, beginning in 1986.

The polar ship "Barao de Teffe" spent the last weeks in drydock undergoing a general checkup and minor adaptations for its long trip beginning in November. On Monday, the ship will be relaunched, initiating a period of tests and other preparations for the new expedition, Commander Paulo Cesar Adriao explained yesterday.

The First Map

The commander of the "Barao de Teffe" was at the International Photogrammetry Congress that is being held in Rio Centro. On display in the stand of the Brazilian Navy is one of the navigation charts that were made during the last Brazilian mission to the Antarctic. They will serve to draw up a detailed nautical map of Admiralty Bay on King George Island, where the Brazilian base is located.

A topographic and geodesic survey of that area was made during the last expedition by Brazilian geologists, who used sophisticated electronic equipment linked with U.S. satellites that facilitate verification of geographic coordinates. This equipment is on display at Rio Centro as part of the Photogrammetry Congress.

When the second Brazilian expedition approached the selected site, Commander Adriao used a Chilean map published in 1947 when there were no possibilities of obtaining more precise details of the region. On the next trip, the Brazilian map, which is to be published in September, will already be used, permitting an easier and safer approach.

Expansion

The first Brazilian expedition to the Antarctic (in the summer 1982-1983) was a reconnaissance trip. The second, begun on 3 January of this year, served to determine an appropriate site for the installation of a scientific base, immediately set up with Brazilian equipment.

The next trip, the start of which is scheduled for 15 November, will have almost double the duration of the previous ones and will serve to expand the present installations. The fuel reservoirs will be doubled and new modules (container type) will be added to the eight left on King George Island.

That expansion is going to improve the safety conditions of the Brazilian base, a basic step thus being taken so that the scientific mission to be sent at the end of the following year can remain in the Antarctic for the period of 1 year. Very special conditions are necessary for that because during the 6 months of the Antarctic winter whoever is in the region remains isolated, since the trips can only be made in the summer.

New Shelters

In addition to that expansion of the main base, Brazil is planning to install two small stations or shelters that can be used temporarily by teams of Brazilian scientists during the next expedition. Later, those two shelters will serve as havens for any explorer in trouble in the region.

On the last trip, a storm forced Commander Paulo Cesar Adriaio to move the ship "Barao de Teffe" away from the site where the two teams of Brazilian geologists had landed. They were able to survive only because they used a shelter of the type that Brazil is now going to install. In that case, the haven was British and had been abandoned for more than 10 years but still had sufficient water and food to save the Brazilians.

When the two teams were able to be rescued, the Brazilians replaced the food and water they used and communicated that fact to England, thus following the normal rules established for the protection of Antarctic explorers. The two shelters to be installed by Brazil next summer will also be left with equipment and provisions to aid whoever needs them.

Research

The commander of the Brazilian polar ship, Paulo Cesar Adriaio, said that the recent admission of Brazil in the Antarctic Treaty was due more to the promises the country made to conduct research in the frozen continent than to what has been done up to now, properly speaking. He explained that among the various scientific projects Brazil is carrying out in the region one of the most important is on krill.

Krill is a crustacean a little smaller than a shrimp, rich in protein, which appears in enormous schools very common in the Antarctic. Japan, the Soviet Union and Poland are already catching great quantities of krill

(the Antarctic Treaty establishes a maximum quota) but very little is still known about this species, which serves as food for whales and other sea animals.

Commander Adriaio pointed out that Japan alone catches a quantity of krill (intended for its food industry) which is greater than the entire output of Brazilian fishery. But the commander does not appear to be very concerned with the material riches that can be extracted immediately from the Antarctic: "The greatest wealth from there is peace. It is the fraternity among the people of different nationalities who are there. That atmosphere will be disturbed the day the race for the Antarctic riches begins."

8711

CSO: 3342/128

BRIEFS

FIGUEIREDO SCORES OLYMPIC BOYCOTT--Brasilia, 11 Jul (AFP)--Major Sylvio Magalhaes Padilha, the president of the Brazilian Olympic Committee (COB), today revealed in Brasilia that Brazilian President Joao Baptista Figueiredo has condemned the boycott by the Socialist countries of the Los Angeles Olympic Games, stating that sports have nothing to do with politics. During a meeting that he granted to COB leaders, Figueiredo recalled that in 1980 Brazil, despite strong pressures, did not support U.S. President Jimmy Carter when he decided to boycott the Moscow Olympic Games in reprisal for the Soviet invasion of Afghanistan. Padilha said that he delivered to the chief of state the list of the Brazilian delegation, which will include 154 athletes; 56 trainers, assistants, physicians, dentists, and officials; and 10 leaders. According to Padilha, the COB's expenses for preparing the team for the Olympic Games totaled 2 billion cruzeiros (some \$1.1 million). [Text] [PY130330 Paris AFP in Spanish 1425 GMT 12 Jul 84]

FIGUEIREDO BOOED, ARRESTS--Salvador, 13 Jul (AFP)--At least six people were arrested in Salvador tonight when police violently dispersed a group of demonstrators who booed Brazilian President General Joao Figueiredo upon his arrival at the Economic Bank offices. The rally against the Brazilian chief of state was composed of members of the opposition Workers Party (PT), the Brazilian Democratic Movement Party (PMDB), and members of the bank employees and teachers labor unions. Members of the Bahia State Militarized Police used tear gas to disperse the demonstrators who booed President Figueiredo and his entourage. On 11 July the Brazilian chief of state was booed in Brasilia by over 200 persons [words indistinct] the Brazilian news agency building. Members of the official government party, the Social Democratic Party (PDS), were booed in Brasilia on 5 July by demonstrators when they were leaving a meeting at party headquarters. According to official sources, these demonstrations against President Figueiredo and the leaders of the official government party were organized by radical sectors of the opposition parties. [Text] [PY140350 Paris AFP in Spanish 0330 GMT 14 Jul 84]

TANCREDO, ANDREAZZA TARGET OF DEMONSTRATORS--As he was leaving the Nacional Hotel in Brasilia on his way to a meeting of the Brazilian Democratic Movement Party [PMDB] National Executive Board, Minas Gerais Governor Tancredo Neves was attacked by a group of eight men who were waiting in

front of the hotel. Three of them threw eggs at him, and other five displayed banners condemning the Electoral College. In the capital of Parana State, Social Democratic Party [PDS] presidential hopeful Mario Andreazza had to leave the Guaira Theater under heavy guard. He was forced to leave his official vehicle and use another car to avoid being noticed because a group of demonstrators attempted to throw rotten eggs and oranges at him. [Excerpts] [PY170338 Porto Alegre Radio Guaiba in Portuguese 0200 GMT 17 Jul 84]

ALCOHOL-DRIVEN CARS DATA--Brazil already has more than 1.4 million alcohol-fueled vehicles (not counting the 97,281 converted) and that figure could exceed 1.7 million by the end of the year if the sales this year maintain the same level as 1983 and the share of alcohol-fueled models is maintained. However, if the number marketed by the assembly plants increased 3 percent, according to the predictions of leaders of the automobile industry, the national fleet of alcohol-fueled vehicles could reach 1.8 million units. From September of last year, when the mark of 1 million alcohol-fueled vehicles was reached, to the end of last May, the automobile industry has sold 378,195 alcohol-fueled units. Thus, it is quite likely that in July or August, the national fleet of alcohol-fueled vehicles will amount to 1.5 million units. This figure would represent a significant increase of 50 percent in only 11 months, which reinforces the predictions that next year Brazil will reach the mark of 2 million alcohol-fueled units manufactured in only 6 years. The appreciable growth of the sales of alcohol-fueled vehicles has been occurring since April 1982. From a 16.4 percent share of vehicle sales that month, alcohol-fueled models in May represented 83.7 percent of the number sold, a figure that exceeded 86 percent in the last 2 months of last year. That share is even greater when the auto sector alone is considered. Last month, alcohol-fueled cars represented 95.1 percent of all automobile sales. That means that 95 out of every 100 cars sold in May were alcohol-fueled. One of the factors that underlies the growth of the sales of alcohol-fueled vehicles is the guarantee given by the government that the price of hydrated alcohol will not exceed the limit of 59 percent of the price of a liter of gasoline. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Jun 84 p 25] 8711

CSO: 3342/130

ROMNEY SPEECH ADDRESSES REGIONAL ISSUES, OECS STATES

Road Town THE ISLAND SUN in English 9 Jun 84 pp 3, 16

[Excerpts]

It is a pleasure for me to welcome you to the British Virgin Islands on behalf of its Government and people.

On occasions such as this, it is sometimes necessary to state the obvious: Shipping cannot be considered in isolation; factors such as international economic circumstances, the individual economic and social policies of trading partners, the activities of ports and the growth trend of industries all come into play and determine the very survival of this activity. As the individual charged with responsibility for guiding the economic development of this Territory, I wish to convey my deep commitment of this vital area, not through a mere expression of policy, but by actively pursuing the provision of the amenities necessary for its sustenance and growth. In this regard I have recently requested the Caribbean Development Bank to carry out a feasibility study for the expansion of deep water port facilities both at Port Purcell and Road Town in the interest of the further develop-

ment of both cargo and cruise ship traffic.

Through forums both here in the Caribbean and in the United States, I have stated our appreciation to the Government of the United States for devising the Caribbean Basin Initiative, a unique and well-intentioned developmental trading relationship between the US and Basin countries, especially given the structure of the latter's trading patterns with metropolitan countries. To take perhaps an extreme case, that of the British Virgin Islands, our latest trade statistics show our total import bill to be of the order of \$40.5 million per annum as opposed to just over half a million in exports! Though extreme, this presents the lopsided picture that is typical of the region. We constantly discuss matters such as the development of containerised cargo services. Indeed the number of full containers to the region will continue to increase, but on the return journey from several countries, they serve as little more than ballast. Clearly

there is a need to redress this great trade imbalance and I am aware that this is one of the primary goals of the CBI, notwithstanding the initial 12-year life of the programme. The achievement of this goal, however, rests to

While there has been a general retrenchment in shipping based partly on the fact that external demand for Caribbean exports has dropped because of world-wide recession and the protectionist policies of metropolitan countries, I am as gratified as you are to note that there are indications of a growing intra-regional trade. If this does appear to be somewhat contradictory, I am sure that the explanation rests on a certain strengthening of our regional economic links. At the same time this demonstrates that, despite certain differences at the top political levels, the regional integration movement will succeed. Here in the BVI we cannot claim too big a slice of this surge, but it is appropriate, nevertheless, that I make mention of our efforts to strengthen these all important regional ties. An offer of Associate Membership has been made to us by the Organization of Eastern Caribbean States and subject to our ironing out a few minor,

but important kinks on Friday of this week in Montserrat, we should have that relationship finalized by early next month. We recently became an Associate Member

of the Economic Commission for Latin America and have been offered on application similar status in the Caribbean Development Coordinating Committee in mid-June. Ladies and gentlemen,

clearly the convening of this meeting is very timely and will certainly serve to boost our efforts to become more involved in regional matters. Next week we host the joint Boards of Directors meeting of the Caribbean Tourism Association and the Caribbean Tourism Research Centre. What is in all this for shipping? The further widening of the intra-regional market and greater co-operation in economic development. As a tangible indication, this past weekend the CARICOM ENTERPRISE was docked at Port Purcell off-loading cargo. We look forward to seeing more such ships in our harbours and I look forward to the Organization of Eastern Caribbean States or a similar organization sponsoring a study on regional shipping with a view to making recommendations for small Territories such as ours.

BRITISH VIRGIN ISLANDS

BRIEFS

EMPLOYMENT SURVEY--In order that Labour Department can assess the manpower needs of the territory and be able to provide for proper placement of those persons with the necessary skills in the job market, it is essential that adequate information should be provided, it was stated by the Labour Department. This is in keeping with government's policy to provide employment for all its citizens and to ensure proper and orderly development for the benefit of the territory's social and economic life. The co-operation of employers and employees is solicited by seeing that the necessary forms being mailed or left at your place of business are completed and returned not later than June 22nd 1984. Forms are also provided for those persons wishing to be registered for employment so that a register of all employees can be established. The assistance and co-operation of all employers, employees and job-seekers is sought in order for the Labour Department to carry on its work smoothly and efficiently. [Text] [Road Town THE ISLAND SUN in English 16 Jun 84 p 5]

RECOGNITION FOR UNIONS--Staff Associations or unions in the BVI public service have been invited to apply for recognition by Government and to name two representatives each to a Public Service Consultative Committee shortly to be set up. The main aim of the Committee will be to promote harmonious relations and efficiency within the service. Under the chairmanship of the Deputy Governor, the Committee is expected to meet at regular intervals and discuss any outstanding matters pertaining to conditions and terms of service. Membership of the Committee will include Permanent Secretaries and a representative of the Attorney General's Chambers. The BVI Teachers' Union, the Civil Service Association, the BVI Nurses Association, the Royal Virgin Islands Police Welfare Association and the Medical and Dental Association are the bodies to whom an invitation has been extended. [Text] [Road Town THE ISLAND SUN in English 16 Jun 84 p 5]

CSO: 3298/966

CHILE

REPORT TO FIRST CHILEAN COMMUNIST PARTY CONGRESS

PY290336 Moscow in Spanish to Chile 2030 GMT 21 Jun 84

["Excerpts" of report submitted to the First Chilean Communist Party Congress]

[Text] The struggle against tyranny is carried out in different ways everywhere, depending on the circumstances and the possibilities and on the capability and the will of the different social and political sectors that participate. Some use newspapers and radios within the limited area of freedom that has been won, and at the same time they take various initiatives that permit some degree of social mobilization which the authorities must tolerate. On occasions they have gone further, supporting the strikes and protests that were declared by the Copper Workers Confederation, the National Workers Command, and the Transport Confederation last June. The banging of pots and pans and the honking of automobile horns have been one of the most universal forms of struggle and those in the middle and the high-middle class who oppose the regime have preferred this form of struggle. For their part, the vast popular sectors, who live in the greatest poverty, have a more developed social consciousness, are frequently subjected to police repression, and lack the possibility to express themselves in any way other than to resort to their own will and means, have resorted to other more active forms of struggle. These people have erected barricades and have valiantly confronted the repressive forces. During last year's days of protest, the struggle reached levels of rebellion in the Santiago shanty towns where a large part of the working class lives, and it received the determined support of students and the majority of youth.

The response of the dictatorship has always been brutal, especially to the humble people who live in the shanty towns where the Carabineros special forces and the CNI [National Intelligence Center] assassins have killed people and raided homes, have invaded entire neighborhoods and have fired from tanks as well as with shotguns and automatic weapons, have thrown tear gas bombs, and have used other repressive means. Last year's balance was truly tragic: Tens killed, hundreds injured and banished, thousands detained, countless families outraged and humiliated.

In this situation, the people are forced to defend themselves with anything they can lay their hands on and to establish their own defenses. Thus, in view of the facts, violence cannot be condemned, no matter where it comes from, but it should be condemned at its true origin. The people do not like violence, but when they resort to it, they are doing it in legitimate self-defense. The people want to put an end to the fascist violence that has already caused so many deaths and that is used against them every day. The people want to put an end to the terrorism built into the regime. The people reject the supposedly antiterrorist law that has no other objective but to cover up the terrorism of the state and to impose more severe penalties on those who more decidedly struggle for the cause of democracy. The people demand the dismantling of the CNI, the disbanding of the gurkhas and other armed branches of fascism, some members of which threaten the lives of opponents of all leanings and go so far as to attack churches and parishes. The people demand that the Carabineros, which until recently had acted somewhat moderately, rid itself of the brutality and inhumanity it now deploys.

The Pinochet regime is a fascist dictatorship from every perspective, and it is only legitimate that the people exercise their right to rebel because of this. The communists' policy of rebellion was not invented in meeting rooms. It is the result of a gathering of the experiences of the masses in a systematic way in order to propose new methods of struggle without discarding those which have been in use. This policy stimulates innovation and seeks renewal and, because it is so, it has opened new channels and perspectives. It takes into account the changes in the thinking of the masses, changes that came about during the fascist period. It bears in mind the old experience of our people and of all peoples, an experience that proves freedom must be won and that in the pursuit of this sacred cause, one should be willing to risk his life, if necessary. It can be predicted that the popular movement will gather momentum through a rich variety of actions, both peaceful and violent, depending on the concrete and changing situations that can dictate which form is to predominate.

Whatever the case, illusions cannot be harbored. The dictator is determined to hold onto power anyway he can. He is inclined to recognize some political parties, to call a plebiscite, to form a congress to suit his taste. He is even willing to strike against his own regime, staging a new 11 September and making his own concessions. Therefore, the people must prepare themselves for any situation, and they must be willing to engage in a hard struggle and to take new paths to attain victory. Fascism does not understand reason and, therefore, the reasons of the people must be bolstered with the force of the people, manifested in various ways on all fronts.

The idea of a nationwide stoppage of all activities is gaining more and more support among the great masses. The strike by miners, industrial and rural workers, bank employees, railroad and maritime workers, transport workers, and the collective mobilization of merchants, professionals, in a few words, of the entire country, can and should be a decisive step in

the struggle to overthrow the dictatorship. With this prospect, a great responsibility falls on the workers in general, and on the labor movement in particular.

The attention and the rallying power which the National Workers Command, for instance, now commands, not only among workers and employees, but also among the population in general, are an indisputable demonstration of the influence the proletarians exert in society, and of the role they can and must play as the main social force, a militant force capable of rallying other sectors in the struggle to end the fascist dictatorship.

For some time now, the situation has been characterized by the active presence of great contingents of workers and shantytown dwellers, by the rising rebelliousness of the youth, by the role which Chileans have assumed at the forefront, by the massive mobilization of the Mapuche people, by the revival of the peasants' demands, by the mobilization of broad sectors of the middle class, by the passing of the bourgeois opposition from a merely critical attitude to an active behavior. The situation is further characterized by the struggle against unemployment and for better salaries, for land and housing, for a moratorium in the payment of debts for electricity and water services for the most modest families, for the nondismissal of nonaffluent students from schools, for alleviating the debts and high interest rates of industrial, agricultural, commercial, and transport businessmen, for providing stimulus to creative activities of writers and artists, and for the elimination of all regulations that hinder these activities. All of these, and others, are deeply felt aspirations which are of interest for and unite the majority of Chileans.

The professionals gathered in associations have their own demands. The long-suffering and embattled dwellers of the Cardinal Silva Henríquez and the Juan Francisco Fresno neighborhoods have managed to hold on to the land they had occupied in the most important victory for homeless families under the fascist regime. The factory workers, bank employees, and large hotel employees have gone on strike; and the courageous workers in the Minimum Employment Program and the Household Head Employment Program have given an example of militancy by not giving up the struggle, despite the inhuman reprisals against them.

For the task of raising the level of the struggle against fascism and forging a movement capable of toppling it, the militancy of the workers in industries and services must be combined, breaking the restrictions of the Labor Plan. It is also necessary to merge in a single package the demands of the workers, peasants, Mapuches, including those of small and medium-size businessmen for a definite economic recovery.

The regime is aware that the Chilean people intend to replace it, and that the joint and multifaceted action of the workers is decisive to bring about that change. So it maneuvers with the intention of persuading some labor leaders to seek reconciliation or to back down in hesitation, but preferably with the intention of dividing the Copper Confederation. The dictatorship will try its best to break up the popular mobilization, to disperse the

democratic forces, to behead the labor organizations, or ultimately to resist the next offensives of the masses.

The nationwide stoppage keeps the interior minister nervous, and he is making efforts to fend it off or to limit its scope and effect. U.S. imperialism, the clans of the financial oligarchy, Pinochet and his clique will try by all means to keep the people from attaining their patriotic objective and will to that end resort to any kind of repressive action. The imprisonment of the president of the Popular Democratic Movement, Doctor Almeyda, of the national president of the oil workers, Ruiz di Giorgio, and of the president of the Magallanes Christian Democracy, Carlos (Naguile); the coarse attacks on the Church--all this demonstrates the dictatorship's determination to do anything to hold onto power. The workers' movement and all organizations must take all necessary precautions to elude persecution and attack from the repressive forces, and to continue making preparations for the national stoppage which should be discussed and approved in union assemblies, in open or clandestine meetings, depending on the circumstances.

Despite difficulties, the working class and the people can and must make way for the development and intensification of the struggle, for the demands they feel most strongly about, and for the political solution the situation demands. The workers' will, strength, fighting spirit, initiative, intelligence, and boldness are irrepressible when they are fully committed. Weaknesses are bad because they can prolong the tyranny's lifespan and delay victory. If one struggles halfheartedly instead of acting resolutely, one can only make halfway progress at best. Therefore, the people must throw themselves into the struggle with all their energy, with all the means available under the given conditions.

History shows that the masses are capable of great feats and great victories when they rise to the struggle as a single man. It also demonstrates that without struggle, even the most despicable dictatorship can stay in power. In Chile's case, the conditions of terrible poverty under which millions of citizens live are not by themselves determinant factors of change; and the 30-percent unemployment of the labor force not only favors excessive exploitation of workers, but also undermines their militancy. It is therefore necessary to develop all the capabilities and energy of the most militant sectors in order to overcome such difficulties and raise the whole country to the struggle. There is real discontent as well as strong desire for change. The key point now is to channel this into organization and struggle at higher levels than usual.

CSO: 3348/473

FRONT PAGE REBUTTAL TO 'ANTI-CUBA' FRENCH TV PROGRAM

Havana GRANMA WEEKLY REVIEW in English 17 Jun 84 pp 1, 3

[Text]

Within the framework of the campaigns against Cuba which take place in cities like New York and Paris, French television channel TF-1 broadcast a program called "Droit de réponse" (Right of Reply) on June 2. This program goes on the air every Saturday night. It is directed by journalist Michel Pollack who also serves as moderator. The hour-long program, in which several people took part, was marked by criticism and censure of Cuba. The title of the program was "Cuba yes, Cuba no," in an attempt to present an image of objectivity and professionalism to conceal a campaign based on vulgarity, lies and the ethical and intellectual poverty of its orchestrators.

Granma Weekly Review replies to the campaign, and in particular the program, with the following analysis.

AT A time when the 1st Havana Biennial is being held — an event which reflects the most varied samples of Latin American and Caribbean arts, and at which the vast majority of the talent on our continent is represented, thus turning Cuba into an important modern art center; at a time when the Cuban culture festival in Venice has just been held with great success and made a deep impression on broad sectors in Italy; when a retrospective of contemporary Cuban painting (1930-84) is on in Paris, along with a show of René Portocarrero (who a few years ago received the highest award granted by the Cuban Council of State for cultural achievement, that is, the Félix Varela Order), the small groups that control the information monopolies in France have undertaken a far-reaching slander campaign against our country. They are responsible for a scandal on a totally anti-Cuba television program and level all sorts of charges in various mass media against our culture and policy on the arts.

One of the lies now in vogue in the reactionary press is the incredible charge that the Cuban government represses homosexuals. Some of the charges cannot be answered because the lies are so grotesque that decorum prevents us from accepting that they be debated. It is a shame to see small reactionary groups at the service of the empire influencing the mass media and cultural promotion organs in this way in order to try to sway public opinion against Cuba in a democratic country like France. Suffice it to say here that we do not accept the cultural debate on this basis.

However, the anti-Cuba campaign unleashed by the monopolies in certain newspapers, on radio and television in some nations of Western Europe, including France, are already long-standing and require detailed analysis. In order to do such an analysis we must discuss U.S. monopoly penetration and domination over information and news in the United States and Western Europe. This issue has been raised repeatedly in UNESCO and has resulted in heated debate on the role of this institution in the modern world. The universal repudiation of imperialist control over the mass media as manifested in UNESCO is at the root of the U.S. decision to leave the organization.

To deal with the issue, one would have to review penetration and deformation in the mass media. This is the meaningful debate in which Cuba hopes to participate.

Regarding the debate on cultural policy in the world today, it must be undertaken not according to the rules that the monopolies try to impose on us, but by establishing our own premises. By way of introduction to the polemic, the reactionary press has made no mention of the Havana Biennial. The Cuban culture festival in Venice, that displayed a broad sampling of Cuban art to Europe, did not

get adequate coverage in that press. The appearance of the National Ballet of Cuba in Brazil, after so many years in which the cultural ties with that sister Latin American nation had weakened somewhat, went unmentioned in the reactionary press of Europe. The tremendous success of Silvio Rodríguez and Pablo Milanés of the New Song Movement, in Argentina and Ecuador was ignored by the reactionary groups that put together anti-Cuba news. Nor do they say anything about the fact that Cuba is a country with a broad cultural movement and a policy which promotes diversity of artistic and literary expression and genres, a country with a mass cultural movement which is a source of pride of the Revolution and

one of the most important cultural phenomena in Latin America and the Caribbean. Nor do they mention the fact that the great majority of the most representative and best artistic and literary talents in Our America are friends of the Cuban Revolution.

Following the program broadcast by a French TV channel, some Cuban writers were invited to take part in a televised debate, along with a group of traitors, none of whom are intellectuals although they move in the publicity superstructure of the monopolies. The Cuban intellectuals did not accept the invitation.

Their refusal should not be interpreted as our shunning debate. Quite the contrary, we are interested in this type of exchange, but the premises to discuss cultural problems and policy must be different from those prevailing in the last few years. We must first consider the rules of the debate.

First, there can be an analysis in which the best Cuban and French intellectuals participate. In other words, our intellectuals, justifiably, have no interest in debating with traitors, but they would no doubt accept to do so with prestigious French intellectuals of any political tendency.

The Cuban Revolution and the writers and artists of the country are not prepared to become ensnared in a gross controversy promoted and encouraged from the United States, nor will they agree to debate under allegedly equal conditions set up beforehand with traitors or fakers, some of whom are not really artists. They will not do this for the same reasons that the French might use to refuse to debate with those who are guilty of treason against France. This is a principle we cannot renounce and whose validity we are willing to discuss at any level and at any international event.

Furthermore, we must consider the place of the debate. We have great respect for French culture, which has had a positive influence on our country. Paris is an important center which deserves much respect, and we are sure that if the working class and socialist, democratic and popular sectors could exert greater influence on the mass media, it would help rescue the finest and most valuable elements of the democratic tradition of the French intellectual movement, while promoting closer ties with cultural movements in the nations of Asia, Africa and Latin America. But as long as these organs are strongly influenced by small reactionary groups in the monopolies, there is constant distortion of news and information, and the work of manipulating public opinion is facilitated.

With these conditions and equal rights established, when the time comes to start a detailed debate on cultural policy, we have to agree on the venue. It could be in Havana. We are willing to invite a group of prestigious French intellectuals of different tendencies to visit our country for a calm dialogue on these issues. We want a calm analysis, debate without insults based on direct knowledge of the Cuban cultural movement by the French side.

Since what is being discussed is Cuban cultural policy — that of France is not being debated, and we are very respectful of French cultural policy — any analysis should be made first where that policy is being implemented, that is, in Cuba. Then we could continue it in Paris.

An important aspect would be the principles of the debate. They must be based on cultural facts, not on lies and insult. Lies and insults are signs of cultural decadence, reflected in the big bourgeoisie whose publicity campaigns are based on scandal and slander and denote the deformation present in the artistic and cultural endeavor of the oligarchy which controls the economy and the mass media in certain Western countries.

The problems of literature and culture in general are not decided by the magnitude of the scandals or lies. They are decided by the number of books published; the number of libraries in a country; the international cultural events held there; the exhibits organized; the Houses of Culture set up; the efforts put into the fields of education, science and culture; the museums which exist; the creative initiative given to artists and writers; and their presence and the encouragement they receive in public life.

The problems of the arts are not determined by publicity scandals built around a prefabricated case, but by whether or not there is broad cultural promotion and publicity, and the multiple and varied options present in the spiritual life of a country.

In our country there is a very broad cultural movement based on mass participation and creativity, creative freedom and respect for individual talent. Over the last 25 years, the leading artists and literary figures in our country have remained loyal to the Revolution. Many are still with us, and others have died with all the honors, firmly rooted to their homeland.

Cuba must be on an equal footing and have equal access to means of expression in order to ensure our right to accuse the monopolies that have tyrannical control over publicity and cultural promotion. We accuse them of underestimating and looking down on the value of art in underdeveloped countries.

Cuba takes from the best and most progressive of the international artistic movement. However, in some capitalist countries, where in certain periods there were great movements in the arts, today they are affected by the monopolistic control of the mass media. For example, Cuba has taken up certain basic elements of the modern art movement, for which France and other European nations had an impact in Latin America, and now we are organizing an institution named after Wilfredo Lam and have just held a theoretical meeting on his painting, which covers important aspects of modern art. This event has been very significant for Cuban and Latin American plastic arts.

Extraordinary things are happening on the Latin American cultural scene: in literature, song, music, plastic arts, architecture, theater, cinema, etc. There is an effervescence of ideas and aspirations that express diversity, freedom and artistic richness. This exhilarating state does not exclude contributions from the rest of the world. It accepts them in a critical fashion while adding its own forms which are more in keeping with our aspirations for mass participation and human and social redemption.

While here, on this side of the world, Cuba strives and manages to promote this

cultural wealth in Our America, the owners of large-scale publicity reduce themselves to slander, insult and vulgarity. The art and culture of the peoples in the West were not built on vulgarity and bad taste. It was with a creative spirit open to the world and a vocation for the universal along with a spiritual wealth which, of course, are not characteristic of the groups that control information and news.

These groups tyrannize the mass media and limit the expression of art and culture. For a start, they ignore the value of the arts in underdeveloped countries. This arrogant, vulgar and ignorant tyranny does not want to recognize what is happening in Latin America and the Caribbean.

Meanwhile, we in Cuba and Latin America follow our path of freedom, of artistic and cultural diversity and of dynamic movements in literature, the plastic arts, theater, cinema, etc. — the prelude to the major social transformations in the making.

The heroic French people, with their immortal revolutionary achievements, must learn the whole truth. It was not by chance that, in his time, Karl Marx said that the greatest revolution which had taken place until then had been the French Revolution. The doors of our cultural institutions are open to France and its genuine intellectuals and artists because Cuba does not isolate itself from the world.

It must be made very clear to these reactionaries that Cuba is an heir to and follower of the intellectual and moral traditions of French socialism, classical German philosophy and British political economy, the foundations for historical and dialectical materialism, which are, in turn, the pillars of Marxism-Leninism.

We express our appreciation to the French people, because their revolutionary ideas helped open up paths of freedom, diversity, and respect for our people's cultural identity in Cuba. Honor and glory to the culture generated by the French people, working class and intellectuals, which was a critical factor in opening up the paths of communist thought!

This is our answer and these are our proposals!

ENTERTAINMENT AVAILABLE TO YOUTH DISCUSSED

No Discotheques in Havana

Havana BOHEMIA in Spanish No 19, 11 May 84 pp 22-23

[Interview with Joseito Gonzalez, director of Rumbavana, by J. A. Pola at Gonzalez' apartment; date not given]

[Text] Among the popular dance music groups, Rumbavana is the favorite of a large public which for some years has seen an unmistakable trait in this group. Joseito Gonzalez, its director, is a well-known composer and arranger. He studied with his father at a young age and developed the vocation that would make him a popular pianist and director. We talked with Joseito at home about the situation of popular dance music. It was a small modest apartment with trophies and souvenirs on the walls. The music scores on the table and the shelves revealed the personality of the man interviewed.

"We believe our groups are at a stage of complete creativity. I don't agree with those who claim there is a crisis in popular dance music. I feel there are problems in diffusion or publicity for many popular groups via radio and television. Of course, this hurts the development of popular Cuban music.

"For example, there are times when each group is in the creative process making arrangements, composing....We even make records but they are not played on the radio. Since there is no receptiveness, the composer, arranger or group does not know if it is on the right track. There is no feedback or information on what one is doing.

[Question] Do you feel that this situation is common to all the popular dance music groups?

[Answer] I am not that absolute. We cannot deny that there has been a boom in "staging" by many of our quality groups or those that have been known for some time. However, we are still limited.

[Question] Some years ago some of our youth leaned toward foreign music. Don't you think that the situation is different today and that programs like "For dancing" played a historic role in this? Does the popularity of "salsa" music have a favorable influence for us?

[Answer] I think so. When "salsa" was first mentioned, we said it was Cuban music. However, the time came when "salsa" became very popular due to massive publicity. To us it is also a hybrid since it incorporates Caribbean and Latin American rhythms. Of course, we and other groups that had less publicity did not stop playing popular Cuban music. In the years of less publicity, we could take it abroad and we made contact with groups that played "salsa." That was when we realized that we were not backward with respect to what was being done in the rest of the world. The Cuban groups did not have good publicity. Later the "salsa" itself would reveal our value.

[Question] Why do youths like "salsa" so much? What factors make it favorably received?

[Answer] First of all, its promotion. Unquestionably many of the "salsa" players have good quality but without publicity they would have been nothing. One example is Oscar de Leon who is an excellent performer but also has a great publicity scaffolding. Oscar is very good but we overcame his publicity. At the Festival de Varadero he had an opportunity that other Cuban groups do not have. This was not true in Santiago de Cuba because there--in spite of his following--other Cuban groups like La Estudiantina and other Santiago groups were "equal" to his work. It was a very intelligent way of showing how good we are.

[Question] In Havana City, the youth have few opportunities to dance to Cuban orchestras or groups--for example, at social clubs. Doesn't this contribute to the rise of "disco music"?

[Answer] The youth who today might be 30 or older danced Saturdays and Sundays to Cuban orchestras at these social clubs about 10 years ago. Then music played by professionals was stopped in those clubs. Recently, dances have been held with amateurs or records. I think there must be some thought as to what to do in the social clubs because the youth have nowhere to dance in the capital unless they go to a nightclub. However, it is the opposite in Havana Province. San Jose de las Lajas, Alquizar, Guira, Quivican, La Salud...have dance floors. In addition to the clubs that have dance floors, there are other places for the youth to enjoy Cuban music by different popular groups: San Antonio, Artemisa, Tapaste....There is none of this in Havana. It is not the same to be seen on television as to be heard "live." This is important for a musician so that he know if his work is well received, if he is on the right track.

[Question] Do you feel that the youth stay away from the social clubs also because a certain negative element might "slip in"?

[Answer] These antisocial elements are the minority; we are the majority. If someone disturbs the peace in a social club, he must be thrown out. Cuban music, much less the good youths in our country, must not be discriminated against for this reason.

[Question] I asked you about "disco music" and the social clubs. I asked if its rise is due to the fact that popular dances with known orchestras or groups are not given at the clubs.

[Answer] I think so. The youth in the capital do not have direct contact with the groups they like so they resort to "disco music" on cassettes. Occasionally the popular music they like is not available on Cuban records because the most recent and most "popular" is not recorded.

[Question] Are there problems with recording?

[Answer] There are no problems with recording but with distributing the records. We have always obtained recording facilities but then months and even years pass before those records go on sale. In 1982 this situation improved when the "Siboney" began operations in Santiago de Cuba. Now we are behind while this company requests our services. The group I direct occasionally has no time for other commitments.

[Question] What is your opinion about the vulgar texts that some groups use for popular dance music?

[Answer] I am against vulgarity in popular music. There is a dividing line between the truly popular which arises from the people and the vulgar and common. We cannot forget that we are popular music groups. We must know how to interpret how the people speak, how they express themselves. Our people are not common or vulgar. Nor can we resort to literary affectation in popular music. This is the other dangerous extreme because if we do this, the people will not understand us. I think the worst texts have been chosen sometimes to be made popular. This is a concession and lack of respect for the public.

[Question] In a recent interview with the director of Original from Manzanillo, he told us about the need for Cuban musicians to meet or create a committee to cover the common repertoire to be performed or simply to exchange experiences when some group travels abroad.

[Answer] "Pachi" is right. We have never been asked even when we leave the country or return. Therefore, this meeting he suggests would be very beneficial for all. There are experiences lost and that should not happen.

[Question] What about the promotion of popular dance music groups in provinces?

[Answer] With some exceptions, I consider it bad. What provincial groups are known throughout the country? In general, they are the same few. There are other very good ones that are almost unknown. This is also the responsibility of the provincial ministries of culture. These are satisfied because the groups offer 20 activities in the provinces but not even 4 at the national level. This would be a motive of pride for the province. Occasionally an orchestra makes personal arrangements to go to Havana but does not receive support from its municipality or its province. They stop the initiative.

[Question] Bureaucratism?

[Answer] Yes, there is a lot of bureaucratism in this. Another aspect to evaluate is that we musicians still have a lot to learn. I think we have little creative music. It is necessary to raise the level of creativity in popular

music. We must advance in this. There is a training school, the Ignacio Cervantes, but I feel it does not meet all its objectives. Outside of the technique learned there, it must teach how to insert this technique in popular music. The possible stagnation of our dance music is perhaps due to this.

New Record Stores in Provinces

Havana BOHEMIA in Spanish No 19, 11 May 84 p 24

[Article by Susana Reyes]

[Text] The phonograph record already has places exclusively for its sale because of the creation of a network of EGREM [Musical Recording and Publishing Enterprise] record stores for the purchase of this sui generis cultural product. They provide modern technical listening facilities.

This type of establishment began in the eastern provinces. They are already in Bayamo, Manzanillo, Jiguani, Banes, Santiago de Cuba, Moa, Nicaro, San German and, recently, Holguin.

These are prototypes especially adapted so that the public can select a record with maximum confidence. Each store is equipped with record players, headphones, amplification systems and air conditioning for comfort.

After a little more than a year in operation, the record stores are both a cultural and economic success. Let us analyze both aspects.

In the first place, their locations have a young population composition. Therefore, it is logical that they be the most regular visitors. Of course, they are not always going to buy but they are usually the first to hear of new records that come out and go through the shelves admiring the attractive covers of records produced by "Areito," "Siboney" and international firms. They are also the most effective publicizers that could be desired. We assume, with reason, that these daily visits to the record store in their community result in greater information on musical culture.

We personally experienced the opening of the Moa record store. There where the Cuban youth fight a primary economic battle, the store opening was a cultural event.

That success has led several officials of the Ministry of Culture and the Moa People's Government to think about the possibility of tying the record store to a plan of artistic activities to promote music and dance since both manifestations of our culture are closely related.

As to economic results, the figures are not impressive but are completely satisfactory in spite of the fact that the sales depend on or are related to the supply of record players. We know there is a shortage of these machines in our market.

At a time when there is a worldwide debate over whether the public prefers cassettes or phonograph records, it is very interesting that there are

considerable sales (despite the above) in zones where social changes and changes in the buying power are being experienced only after the revolution.

Who could imagine that the San German sugar mill collective could some day have a functioning record store?

The people who buy records do not think about competition from cassettes. This is a discussion in which no one agrees. We think that both means of producing music have advantages and disadvantages. Unquestionably, though, when you want to make a sample of beautiful musical art last, the acetate disc preserves its historical and documentary value.

Both records and cassettes are sold at the EGREM record stores without the slightest contradiction.

There is another interesting aspect in the plans concerning these stores. That is to tie them to the music schools so that the students have a place to buy music scores, methods of learning to play different instruments. They can also organize auditions for national and foreign composers.

As can be seen, there are many possibilities for using this type of establishment as a center for cultural promotion.

We can say that the personnel who work in the stores are supervised administratively by the "Siboney" Recording Studios of Santiago de Cuba. This entity is also in charge of making the construction or adaptation of new stores viable in response to a plan to promote them throughout the country.

The girls who work in the attractive buildings were first trained in accounting and sales promotion. They do excellent work with good treatment of the public as the cornerstone.

In some places there are interesting relationships with the mass media--especially the radio stations and their record shows--and with Houses of Culture and youth organizations.

It has not been difficult for these girls to understand that each type of music has its value. Already on the sensible road to universal music appreciation, they can be effective intermediaries between the public and the records without having technical knowledge.

Movie Theaters Reopening in Capital

Havana BOHEMIA in Spanish No 16, 20 Apr 84 p 60

[Article by Enrique Valdes Perez; for article on closing of movie theaters in Havana, see JPRS LAM 84-018, 6 Feb 84, p 39]

[Text] The Maxim Theater on Bruzon almost at the corner of Ayestaran in Cerro will reopen its doors soon after being closed for 6 years for repairs.

Eduardo Molina and Jorge Pereira, assistant technical and economic directors, respectively, of the Movie Projection Enterprise, reported to "In Cuba" that the theater had to be closed in 1978 because it was in danger of collapsing.

At the beginning, it was thought that it was a minor problem but when the repair work began, they noted that the ceiling beams--which were wooden--and the walls were irreparable.

The remodeling has been complex. Because of lack of resources and plan design, it was impossible to begin repairs of this theater which was founded in 1940 for 3 years following the closing.

Then it was practically necessary to start over. In addition to the building, new sanitation facilities, projectin room, KPK-23 equipment made in the USSR, 538 upholstered seats made in the USSR and 1,418 balcony seats have been installed.

It also has a drinking fountain, a forced-air ventilation system, polished floors, aluminum and glass doors and a canopy. It has cost about 213,800 pesos.

It will open at 6 pm from Monday to Friday and at 3:30 pm on Saturdays and Sundays. This is based on studies by specialists of the enterprise showing that this is the time the public goes to the so-called neighborhood theaters. The actual repair work has taken 3 years.

Molina and Pereira used this occasion to report that the seats of the Yara Theater in Plaza de la Revolucion will be replaced mostly by very high quality Hungarian supplies. That work will be done this month without closing the theater. This will eliminate an annoying situation in such a central theater.

The theaters that are planned to be repaired beginning this year include the Luyano and San Francisco in Diez de Octubre and the Reina in Centro Habana. It is hoped by the end of the year to provide the pleasant surprise of opening the doors of the Pionero Theater with the aid of a construction brigade from the Union of Communist Youth

Another theater that will reopen soon is the Mexico Theater in Cerro. The comrades from the Movie Projection Enterprise also reported that next year the public can again enjoy the Marta Theater in Arroyo Apolo which will have special characteristics. It will be the only theater in the country where a film approved for all ages and another for those over 16 will be shown at the same time.

It will be divided into two floors and will have two screens. This is an idea of the enterprise technicians. The results will determine whether application in other theaters is recommendable.

7717
CSO: 3248/697

BRIEFS

MODERNIZATION OF PRINTING FACILITIES--A printing complex where Havana newspapers will be published is now under construction as part of a large project aimed at modernizing the printing and distribution system of Cuba's main newspapers. The work site is located in the back of Revolution Square, beside the daily Granma building. The metal structures are already in place and tens of thousands of cubic meters of concrete have been poured following the earth-moving operations and the laying of the underground piping. The project, which includes the installation of modern printing equipment and wirephoto systems, typesetting and other technical features, calls for the printing of all of Havana's daily newspapers, namely Granma, official organ of the Central Committee of the Communist Party of Cuba (the daily with the largest circulation); Juventud Rebelde, the Young Communist League paper; Trabajadores, organ of the Central Organization of Cuban Trade Unions (CTC); and Tribuna de la Habana, a provincial paper. At the same time, in Holguin, in eastern Cuba, a similar complex is being built to print the national papers, the eastern province's papers and other publications by wirephoto. At present, every province in the country and the Isle of Youth special municipality have their own newspaper, which will benefit from the new facilities being built. [Text] [Havana GRANMA WEEKLY REVIEW in English 24 Jun 84 p 4]

EXPERIMENTAL ENERGY STATION OPENED--An experimental station on the use of unconventional energy went into operation in eastern Cuba, five kilometers from the city of Santiago de Cuba. The station was officially inaugurated on the occasion of the visit of participants in the 8th meeting of the council for the development of new methods of turning solar, chemical, eolian and geothermic energy into electricity, heat and machine power. Dr Wilfredo Torres, president of the Academy of Sciences of Cuba, said that the station covers an area of 11 hectares of plateau land, where the amount of sunlight makes for excellent conditions for this kind of experimental center. The center itself is a five-story building with 20 apartments, eight of which are given over to offices and laboratories, while the remaining 12 will be lived in by research personnel. The air conditioning, electricity, and hot and cold water system are all based on solar energy. The building also has biogas installations and experiments will be carried out on the cultivation of microalgae to produce high-protein feed for a poultry farm of 2000 birds. [Text] [Havana GRANMA WEEKLY REVIEW in English 24 Jun 84 p 4]

TOURISM ACCORD WITH FRG--Bonn (PL)--The West German tourist agency operators' confidence in the success of Cuban tourism has led to the signing of several major contracts for the season beginning in October. Jorge Debassa, general director of CUBATUR, said that the West German travel agencies are unanimously satisfied with the results of the growing tourist trade with Cuba. During his one-week stay in the FRG, Debassa signed contracts with a dozen important travel operators--among them TUI, NECKERMANN and ITS--covering the period between October 1984 and October 1985. Debassa also announced that apart from the Cubana Airlines Cologne-Havana weekly charter flights, handling an average of 150 passengers each, weekly charter flights from Dusseldorf will begin in the fall. A contract was signed with the West German airline LTU for a weekly Tristar flight seating 276 passengers, to cater to the growing demand for trips to Cuba not only in Federal Germany but also in neighboring countries such as Holland. The success of the FRG tourist trade with Cuba is also seen in the ratification of contracts with TUI, the requests for more allocations for NECKERMANN and the inclusion of ITS for the coming season, not only through the customary charter flights but also through INTERFLUG, of the GDR and IBERIA, of Spain. The contracts signed recently by Debassa are similar to previous contracts, including a stay at Varadero Beach and group and individual tours of the capital and the countryside. The contracts negotiated and signed by Debassa and Marino Zamora, director of the Western European division of the Cuban Institute of Tourism, have also been with Hansa Tourist, Holland International Intratur, Istour, Caribe Tour and Nautilus, the last dealing in specialized tourism. [By Jose Dos Santos] [Excerpts] [Havana GRANMA WEEKLY REVIEW in English 17 Jun 84 p 4]

TEXTILE PLANT UNDER CONSTRUCTION--A warp-knit fabrics plant under construction in East Havana will go into operation in December. By 1989 this light industry plant will be working at full capacity with a yearly output of 47 million square meters of fabric representing a production of between 75 and 80 million garments, mainly underwear for men and women, polo shirts and sweaters. The plant will cover an area of 57 000 square meters (around 19 000 indoors) and its cost is estimated at 27 million pesos. Engineer Miriam Torres, a specialist in warp-knit textiles and technical chief of the project, said the plant will produce two types of fabrics: circular and rectilinear, in cotton and synthetic materials. Regarding raw materials, she said that the cotton thread will be produced in Cuba, while the synthetic thread will come mainly from the socialist area. The Celia Sanchez Manduley textile plant in Santiago de Cuba will supply the new plant with viscose polyester. Working at full production in three work shifts, the plant will have a staff of 800, of whom over 50 percent will be women. [Text] [Havana GRANMA WEEKLY REVIEW in English 24 Jun 84 p 4]

CSO: 3200/43

DETAILS ON ECONOMIC SITUATION FROM BUDGET PROPOSAL

Roseau THE NEW CHRONICLE in English 22 Jun 84 p 5

[Text]

"...the result of all sacrifices we have had to make."

Dominica's economy performed moderately well during the last fiscal year and is now poised for accelerated growth Finance Minister Eugenia Charles said Monday.

Addressing the Dominica Parliament on a 125 million EC Dollar Budget for the fiscal year 1984 - 85 Miss Charles said that the gross domestic product expanded by four percent in 1983 as compared with 3.3 percent in 1982.

The rate of increase in the consumer price index fell from 4.4 percent in 1982 to 4.1 percent last year and Miss Charles said "this performance was very encouraging after the supreme sacrifices made by workers and their unions in keeping the wage index below 10 percent increase during the year."

"This improvement was mainly due to increases in export commodities ... and could have been much enhanced if the slippages in CARICOM Trade could have been arrested much earlier" Miss Charles said.

The trade balance for instance fell from a deficit of 23 million dollars in 1982 to 19.6 million in 1983 despite a considerable decrease in soap exports of 2.5 million dollars Miss Charles said.

She revealed that Central Government performance during the fiscal year continued to show improvements, but indicated that salaries and wages continued to take a large slice - 58 percent - of the recurrent budget.

"When it is considered that the deficit in 1979 / 80 was 24.7 million dollars ... it has by any standards been a remarkable achievement to keep the deficit down this year to

800,000 EC dollars" she told Parliament.

"It is quite evident that the economy is now poised for accelerated growth all the sacrifices we have had to make have brought us to the point where with sufficient financial and human resources we will be able to expand the economy and achieve a reasonable level of sustained growth".

"Our aim is to accelerate economic growth and reduce the balance of payments current accounts deficit and achieve full employment in the shortest possible time" she said.

Miss Charles added that the world economic situation had taken its toll on the island, saying that "high interest rates in the United States, and the

consequential movement of investments in dollars, brought about a disturbing appreciation of the U.S. dollar, and an appreciation of the EC dollar against the currencies of the main commodity traders particularly the United Kingdom."

While banana exports rose from 24,534 tons in 1982 to 26,165 last year export revenue rose marginally because of the low rate of sterling against the U.S. dollar.

Total banana exports was given by Miss Charles as 30.3 million dollar last year as compared with 29.3 million dollars in 1982.

Citrus and soap production though increases were recorded

also showed revenue losses because of the fall in sterling.

Miss Charles said that for the fiscal year 1984 - 85 real gross domestic product will increase to 4.7 percent as compared with to 4.4 percent last year. -

The current account deficit of the balance of payments is expected to increase to 37.3 million dollars and 44.6 million dollars in 1984 - and 1985 respectively as compared to 20.5 million dollars in 1983.

But she told Parliament, "this unfavourable trend can be reversed if the problems affecting regional trade and payments can be quickly resolved"

DRUM IN SUSPENSION; HAMID FORMING CAWNA NEWS AGENCY

Roseau THE NEW CHRONICLE in English 22 Jun 84 p 2

[Text] It has been confirmed here that the Drum newspaper is now in a state of indefinite suspension.

In making the announcement earlier this week the Drum's publisher, Atlanta-born Y.M. Hamid told reporters that publication of the 16 page fortnightly tabloid "has been suspended indefinitely for two reasons."

First, he cited unsuccessful attempts at securing the services of a managing editor to replace the incumbent A. Ken Scoon who Mr Hamid says is to begin law school in September.

Added to that Mr Hamid disclosed that he will have no time for the Drum as he is now involved in the establishment of the Caribbean World News Agency (CAWNA). According to him, CAWNA will "increase the flow of information from Caribbean Governments, opposition parties and other non-governmental sources into North American media."

CAWNA, Mr Hamid says "is in the process of appointing news representatives throughout the Caribbean who will file frequent reports to its regional office in Port-of-Spain, Trinidad and its headquarters in Washington DC."

Sources of funding for the proposed News Agency were not disclosed but it was intimated that it should go into operation this summer. Mr Hamid said the idea emerged from a meeting convened by himself in Washington DC between "various media representatives and experts on international affairs," in order to promote "further Caribbean-North American friendship."

The Drum's publisher brushed aside allegations that his newspaper, absent from the scene since the issue of March 16th had gone under as a result of financial difficulty.

Asked to comment on what one reporter described as "the irony of leaving the nation without its "heartbeat" and "tempo" in favour of other responsibilities, Hamid replied that his service to the state has not yet ended, though he will be spending less time here.

CSO: 3298/967

HIGH COURT OK'S RETENTION OF JOHN'S TRAVEL DOCUMENTS

Roseau THE NEW CHRONICLE in English 8 Jun 84 p 3

[Text]

Roseau Dominica: A High Court Judge here, last week ruled that the travel documents of former Prime Minister Patrick John and Salesman Julian David will remain in the custody of the court.

On Wednesday last week, Guyanese born Judge Satrohan Singh heard the cases of both men whose passports had been tendered by the defense as evidence in a May 1982 hearing in which the state charged that John, David and others had plotted to overthrow the Charles Government by force of arms in 1981.

The alledged conspirators, (four in number) were acquitted, but the Charles Government successfully appealed against the decision. In September 1982 the West Indies Associated States Court of Appeal ruled that three of the four - John, David and former Defence Force Officer, Malcolm Reid be re-arrested. Bail was admitted in the sum of DLRS 10,000 EC each and the men took the case to the Privy Council in London.

Counsel for the two men Lawyer Dr. Randolph Williams argued that they should not be deprived of liberty of movement in and out of the state since "no court has made an order requiring the applicants to be restricted in that regard." He said "the men have to travel" to arrange their privy council case.

Attorney General David representing the state explained that the West Indies Associated States Court of Appeal 1982 ruling had placed the men under the jurisdiction of the court pending the trial. He said there was no question of possibly contravening "the rights of the applicants to leave Dominica and return" adding "should the applicants leave.... there is no guarantee that they will return."

On the question of the necessity to travel to make preparation for the appeal in London the Attorney General submitted that this was unnecessary since the men could work through local

lawyers acting on behalf of agents in London. Further he said, the application now before the courts should be made in its criminal jurisdiction. "The motion should therefore be dismissed" he concluded.

In handing down his ruling on Friday last Judge Singh upheld part the submission of Attorney General Ronan David the State's Counsel.

He agreed that the situation as it stood, where the travel documents of the two men were being held as "part of the official records of the court in the custody of the chief justice, in lieu of a case pending before the supreme court", did not

represent a contravention of the plaintiffs constitutional rights.

Singh said "I can find no evidence satisfactory enough to satisfy me that there is likely to be any contravention of the plaintiffs rights (to freedom of movement) under the constitution" as was suggested by their Counsel Dr. Randolph Williams.

The judge therefore dismissed (with costs) the application through which Patrick John and Julian David, citing overseas business responsibilities and the need to go abroad to prepare for their Privy Council case, were seeking the return of their passports and the right to travel freely in and out of the country.

CSO: 3298/967

DOMINICAN REPUBLIC

BUSINESSMEN'S GROUP WANTS IMF NEGOTIATIONS CONTINUED

Santo Domingo LISTIN DIARIO in Spanish 6 Jun 84 pp 1, 9

[Article by Maximo Manuel Perez]

[Text] The CNHE [National Council of Businessmen] yesterday told President Salvador Jorge Blanco of the pressing need for the government to resume and carry to a successful conclusion the negotiations with the International Monetary Fund which were suspended at the end of last month.

During a lengthy meeting which the chief executive held with leaders and members of the CNHE in its offices in Santo Domingo, other aspects of the nation's economic situation were also examined.

During the meeting, the government delegation which went to Washington after the suspension of negotiations with the IMF gave some details on the results of that trip.

The CNHE told the chief of state of its firm conviction that "at the present time there is no other more viable option that could be any more satisfactory."

At the end of their meeting with Jorge Blanco, the businessmen issued a written statement in which they pointed out that the nation's progress and economic recovery "can not be sustained unless our exports receive sufficient exchange incentives, particularly sugar and coffee, cacao, and tobacco. These products have traditionally formed the mainstay of our national economy."

"Nonetheless," they added, "the public and private sectors agree that granting these exchange incentives is closely linked to pegging petroleum costs to a preferential or intermediate exchange rate, one which will hurt the transport sector and the

users of this vital service as little as possible. For this reason, we believe that compensatory measures should be adopted."

The CNHE statement added that the businessmen "agreed that a measure of this nature will help farmers, who for decades have watched the results of their labors go to benefit the residents of our urban areas."

As for the problem of medicines, now in the free foreign currency market, the businessmen told the president that "this has been one of the most painful jolts the people, especially the poor, have received."

They reported that "great receptivity and concern" were shown by the chief executive and by the officials accompanying him, "who indicated that a viable solution for this problem is being sought."

During the meeting the officials told the businessmen that they will study the possibility of offering preferential treatment in the application of the "ad valorem" tax for machinery and agricultural and industrial equipment, which are essential for the modernization and advancement of agro-industry.

The CNHE pointed out that in yesterday's meeting with Jorge Blanco, "a frank and open discussion was held between the presidents of associations affiliated with the CNHE, and the top leaders of our nation. They had an opportunity to explain the problems that are troubling their respective members."

They said that yesterday's session "was one of the most productive meetings held in recent years between our nation's private business sector and our top government officials."

Jorge Blanco was accompanied by his wife, Asela Mera de Jorge; the secretary of state of the presidency, Hatuey Decamps; the secretary of state of finance, Dr Hugo Guillani Cury; the governor of the Central Bank, Jose Santos Taveras; the comptroller general of the republic, Bienvenido Brito; and the president's economic adviser, Milton Messina.

The CNHE delegation was headed by its president, Hugh Brache, an engineer, who gave the official welcoming speech to the chief executive.

7679
CSO: 3248/701

DOMINICAN REPUBLIC

STATE SUGAR MILLS SHOW INCREASED PRODUCTION

Santo Domingo LISTIN DIARIO in Spanish 13 Jun 84 p 1-C

[Text] The Consuelo sugar mill has completed its production for the 1983-84 harvest, the largest in the past 5 years. In 202 days it produced 104,428 tons of unprocessed sugar, from a milling of 889,022 tons of cane cut.

According to a report released by the CEA [State Sugar Council] prepared by Ricardo Hernandez, this topped the previous harvest when the mill produced 100,700 tons of unrefined sugar, and milled 849,682 tons of cane.

In addition, Consuelo's production during this period exceeded 17 of the past 20 harvest seasons. It also produced 4,935,501 gallons of molasses.

Consuelo is the fifth CEA mill to complete its production for this season. The other four mills are: Esperanza, Catarey, Santa Fe, and Barahona.

The Esperanza and Catarey mills together processed 451,313 tons of cane, about 28,054 tons more than in the last harvest, when together they produced 43,179 tons of unrefined sugar. Santa Fe milled 450,849.65 tons of cane, to produce 48,656.66 tons of commercial-quality sugar, and Barahona milled 802,172 tons of cane, producing 78,874 tons of raw sugar.

The executive director, Eulogio Santaella, said that production was quite substantial. He indicated that at the end of the year cash bonuses will be distributed in recognition of the efficiency and dedication of the workers at this mill.

He reported that these achievements will help to offset the lag in milling and production at the Rio Haina mill. This plant, the largest of those owned by the state sugar consortium, began milling approximately a month behind schedule after a work

stoppage and an atmosphere of unrest caused by groups outside the mill. To date it has milled 72,390.9 tons of cane less than at this time in its prior harvest.

He added that in all the mills in which social peace and labor harmony prevail, the harvest has been successful, and it should continue to be successful in the mills still processing the harvest.

The five CEA mills that have already completed their work for the 1983-84 harvest have milled more cane than in the previous year, and this increase is also seen in the other four mills that are still working, which began in the first growing season. Only Rio Haina has a smaller production this year.

Using last Monday as a base for a comparison of milling and production, at this time 262,165 more tons of cane had been milled than at this point of last year.

The five mills that have completed their work had the following production levels: Esperanza milled 14,006 tons of cane more than in the preceding harvest; Catarey, 14,048 tons more; Santa Fe, 42,706 tons more; Barahona, 100,073 tons more; and Consuelo, 39,340 tons more.

7679

CSO: 3248/701

DOMINICAN REPUBLIC

STATE ELECTRIC COMPANY REPORTS 1983 PRODUCTION

Santo Domingo LISTIN DIARIO in Spanish 22 Jun 84 p 1-C

[Text] The CDE [Dominican Electricity Company] last year continued to rely on imported fuel to generate more than 60 percent of its electricity. However, production from other less expensive and local sources, such as hydraulic power, did rise in terms of percentages.

According to data in a report released by the Technical Department of the Office of the President in its latest newsletter, from 1982 to 1983 the energy generated by the state increased by 14 percent, up from 2.4 to 2.8 million kilowatts.

Of this total, thermal energy accounted for 1.8 million kilowatts in 1982 and 2.2 million in 1983, a 17 percent increase in the second year.

The use of gas in turbines declined, however, providing some significant savings for the CDE because of the high cost of this fuel.

Another item showing a strong increase was diesel fuel, up from 6,379 kilowatts to 10,826 kilowatts, an increase of nearly 70 percent.

The production of hydraulic power, which is extremely cheap in comparison with other energy sources, increased by 11 percent from one year to the next, rising from 319,462 kilowatts in 1982 to 354,635 kilowatts in 1983.

The comments made by the Technical Department of the Office of the President on the electricity sector are as follows:

The electricity generated by the CDE has shown a sizeable upturn, with an increment of about 14 percent in relation to 1982 production. In general, all energy sources showed an

increase, with the exception of gas, whose production declined by about 2 percent during 1983. The most significant upturn occurred in diesel and thermal generation, which rose by 69.7 and 17 percent, respectively.

Electricity Production by Sources: January-December 1982-1983

(in thousands of kilowatts)

	1982	1983	Variation in %
Total production	2,964,135	3,281,505	10.7
Energy produced by	2,498,284	2,853,505	14.2
CDE			
Thermal	1,888,370	2,208,488	17.0
Gas	284,073	279,196	- 1.7
Diesel	6,379	10,826	69.7
Hydraulic	319,462	354,635	11.0
Purchases	465,851	428,000	- 8.1
Internal consumption in the plant	115,080	146,147	27.0
Available energy	2,849,055	3,135,358	10.0

It is important to point out the dynamism shown in the production of hydraulic energy, because of the low generating cost of each kW/h based on an optimum use of our water resources.

The need to develop new, unconventional alternative energy sources and to boost the development of hydroelectric projects provide the substantive bases of this sector's investment policy. Consequently, studies of various projects have moved ahead, including Alto Yaque Bao, Alto Yaque Sur, and some small hydroelectric projects.

The strong growth of electricity production sources made it possible for the CDE to cut its purchases of electricity from other institutions. Purchases by the CDE from Falconbridge and from the CEA [State Sugar Council?] declined by 8.1 percent during 1983, dropping from 465,900 kw in 1982 to about 428,000 kw in 1983. This reduction could have been even larger if there had not been several failures in generating plants causing a series of blackouts in the last 9 months of the year. The CDE was unable to handle these blackouts by means of its own generating capacity, given its limited reserves to meet such contingencies.

7679

CSO: 3248/701

ARENA PROTESTS ALLEGED FIRINGS OF ISTA EMPLOYEES

San Salvador LA PRENSA GRAFICA in Spanish 15 Jun 84 pp 2, 31

[Text] The full Legislative Assembly agreed yesterday to recommend to the government of President Jose Napoleon Duarte to confirm the jobs of all public employees protected under the Civil Service Law. This will prevent the massive dismissals already begun in central and decentralized institutions, according to legislative sources.

The motion was presented during the plenary session yesterday by the deputies of ARENA [Nationalist Republican Alliance] because of the massive dismissals at the Salvadoran Tourism Institute, ISTA [Salvadoran Institute of Agrarian Transformation] and the Ministry of Public Works.

Part of the brief presented by ARENA alluded to Article No. 218 of the Constitution. It establishes: "Public officials and employees are at the service of the state and not a certain political faction. They cannot use their jobs for partisan politics. Anyone who does will be sanctioned by the law."

ARENA deputy Francisco Merino alluded to the massive dismissals from ISTA. He said the employees were removed from that institution. He stated that they were being denied a source of employment. He repeated that if, as the Christian Democrats say, "we are beginning to live a new democracy, they must abandon those revanchist actions of the past and respect the rights of the workers. Otherwise, they are putting in doubt the words of engineer Duarte when he took office as president a few days ago. He said that he will govern with the Constitution in his hand. Those massive dismissals say the opposite."

Guevara Lacayo Speaks

At this request by deputy Merino, DC [Christian Democracy] representative Dr Guillermo Antonio Guevara Lacayo said: "When we made the same accusations because of dismissals by ARENA at the same ISTA, they were not heeded. Now they come to defend these. If we are going to discuss this, we must recall a saying: 'You will be measured even more strictly with the yardstick you use to measure others.'" The deputies and public present were surprised by that statement but the deputy continued: "However, we (the DC) do not use that principle because we defend what is Christian. We would agree with the first part of the motion by the ARENA deputy. However, we would add that other laws

like the Penal Code must also be applied in those cases when state resources have been poorly used," he indicated.

PCN Gives Opinion

Deputy Dr Rafael Moran Castaneda of the PCN [National Conciliation Party] said: When one acts honestly, one should not fear any investigating committee. Therefore, I don't see the reason deputy Guevara Lacayo is opposed. We observe similar motions by the PDC [Christian Democratic Party]. It is necessary to continue doing the same if events are similar because that is what we must do as representatives of the people. In other words, he emphasized, we must respond to popular demands about actions that cause social destabilization.

PAISA Defends Employees

"Even when Dr Guevara Lacayo is sarcastic, seething and harsh in his statements, he has been equable. However, he lost the equanimity now in his statements alluding to that unpleasant popular saying: 'You will be measured even more strictly with the yardstick you use to measure others,'" according to the deputy from PAISA [expansion unknown], Carmen Canas de Lazo. She also said: I don't want to think this is the philosophy of deputy Guevara Lacayo's party. It makes me sad to hear a man who should defend human rights reveal what he feels like this.

She ended: When engineer Duarte took office, he used words to encourage and calm the people. When he received the Constitution with which he said he would govern, he kissed our flag. Those are gestures that made the citizenry calmer. Therefore, I feel that the revanchist attitude must be changed. It only generates a greater crisis than the existing one.

7717

CSO: 3248/699

GOVERNMENT HUMAN RIGHTS COMMISSION ISSUES 1983 STATISTICS

San Salvador LA PRENSA GRAFICA in Spanish 16 Jun 84 p 52

[Text] A total of 4,244 violations of human rights and personal guarantees were recorded in 1983, according to the Work Record of the CDH [Human Rights Commission] in El Salvador.

The statistics are based on publications in the most important newspapers of the country, reports by municipal mayors, justices of the peace, the Archbishop's Office of Legal Protection, the General Staff of the Armed Forces and accusations received at the CDH offices. In 1983, 806 cases of acts of injuries and aggression were reported, 77 cases of coercion, threats and extortion, 1,144 of theft and robbery, 110 of violation of residence or job, 419 kidnappings and 1,688 murders. The majority of the most frequent and most serious human rights violations occurred in the departments harassed by the guerrillas --that is, Morazan, La Union, San Miguel, Usulután, San Vicente, Cabanas and Cuscatlan.

The number of deaths cited above were not combat deaths. The number of soldiers killed was 1,447 from the Armed Forces and 3,952 from the FMLN [Faro-bundo Marti National Liberation Front]-FDR [Revolutionary Democratic Front]. Deaths of civilians and off-duty soldiers as a result of terrorist acts totaled 302. There were 66 civilian deaths as a result of confrontations between the Armed Forces and the FMLN-FDR.

Damages

The CDH Work Report also contains statistics on the damages caused by the already identified underground organizations this same year. They destroyed 31 plants of the CEL [Lempa River Hydroelectric Executive Commission], 281 posts, 72 towers, 10 line segments, 55 electric transformers, 1 energy collector, 2 zone markers, various supports and insulators, a storeroom, distribution equipment and 2 substations.

They destroyed 9 ANTEL [National Administration for Telecommunications] buildings with all their furnishings, 6 offices, several kilometers of telephone lines, 54 posts, 68 telephone switchboards, several segments of telephone line, 17 buildings including furnishings and equipment, 2 telephone plants, 1 parabolic antenna, 1 bank of batteries, 1 electrical installation, 1 emergency

plant, 116 public telephones, 2 educational television relay stations, 3 relay stations, 1 piece of transmission equipment, 4 pieces of transportation equipment and 3 microwaves. They cut two ANDA [National Administration of Waterworks and Sewers] pipes and destroyed two water pumps. They also destroyed 17 fields and ranches including the Homberger and El Sitio fields, the Montegrande and Hato Nuevo ranches and the La Gemela farm.

Commercial establishments damaged included nine gas stations, one DIDEA [expansion unknown] storeroom, five canteens, one printing press and seven businesses. They destroyed 5 FENADESAL [expansion unknown] locomotives, 37 railway cars, 2 motorized track cars, 1 railway station, 2 tank cars, 2 platforms and 2 bridges. About 31 towns were harassed and 5 banks attacked.

The attacks on government institutions included the El Poy Customs, the General Directorate of Statistics and Census, 20 city halls, 12 local commands, 3 justices of the peace and local courts, 5 rural schools, 1 National Guard post, 1 treasury police barracks, 4 DUA [expansion unknown] nurseries and 2 DUA warehouses. They destroyed two small irrigation planes, one civilian helicopter and one private plane as well as the Negro, Plateado, Urbina and Vado Marin bridges and 19 roads.

Some mass media were also victims of attacks such as Radio Station YSKT, Radio 1080 of San Salvador and Station H of Santa Ana. Radio Moderna in Santa Ana was taken.

Robberies

The theft of cattle and other animals and products included: 246 head of cattle, a truck loaded with powdered milk, a calf, 8 burros, 43,000 hens and 12,000 boxes of eggs.

They took over 130 towns and robbed 8 city halls, 36 private homes, 6 sugar mills and 2 factories. They damaged 77 private vehicles, 6 national ones, 13 commercial vehicles, 2 rental ones, 1 motorcycle, several pieces of work equipment, 8 buses, 8 freight trucks and 1 vehicle of the International Mission. In addition, 88 passenger vehicles and 71 other vehicles were completely destroyed.

Vehicle theft included 547 unidentified vehicles, 12 commercial ones, 1,164 private vehicles, 18 motorcycles, 47 rental, 1 truck, 6 bicycles, 3 buses, 2 minibuses, 1 jeep, 1 trailer, 3 national vehicles and 4 agricultural vehicles.

This Work Report is the first official report of the CDH. It is pleased to receive comments from so many Salvadorans. The defense and promotion of human rights cannot be the exclusive work of a group or commission. It must be the work of an entire population that closes ranks against injustice and evil. The evil of a few who have devoted themselves to cause harm would not be possible without the complicity of the many who remain indifferent, according to the CDH report.

7717

CSO: 3248/699

ECONOMIC REPORT ANALYZES PRODUCTION OF BASIC FOODS

Guatemala City DIARIO DE CENTRO AMERICA in Spanish 4 Jun 84 p 3

[Text] The economic report of the Bank of Guatemala contains an interesting study on "Some Tendencies in the Production of Basic Foods in Guatemala."

The purpose of this report is to offer general indicators regarding the production of essential foods and some prospects for future years.

Guatemala is a country in which agricultural activities predominate and which produces a countless variety of foods of animal and vegetable origin.

Nonetheless, the style of historical development has determined that the basic foods of the majority of the population be restricted to a few products, among the most outstanding of which are cereals--corn, rice and wheat--as well as beans, among the legumes. The importance of these foods is obvious, since in 1981-1982 they contributed an average daily intake of 1,297.89 calories per person, the equivalent of 57.6 percent of the per capital caloric intake, estimated as needed for the 2,250 unit average.

The production of cereals most important for human consumption in Guatemala--corn, rice and wheat--has an erratic behavior. The production of corn increased from 573,600 metric tons to 713,500 for an implicit rate of 2.4 percent annually, lower than demographic growth. This pattern of increased harvests has allowed the country a basic average self-sufficiency of 95.3 percent annually in the apparent level of consumption determined by the style and level of development, and furthermore, contributed nearly 45 percent of required per capita calorie intake.

The pattern for rice production is similar, the amount produced having gone from 14,900 metric tons to 16,600 metric tons, for an annual growth rate of 1.1 percent.

Wheat production, however, has been fairly unstable, but long-term production trends show two factors of a socioeconomic nature affecting the production of foods of daily consumption.

The deficit in production has been covered by imports, which is not justified in the case of corn and rice. In general terms, there are extensive possibilities for increasing corn production; this grain is not planted throughout

the whole of the national territory and the Institute of Science and Technology (ICTA) has devised technology to raise yields substantially. Nevertheless, a proportion which exceeds half the national production is in the hands of an extensive peasant sector, which lacks access to basic complementary means for production.

The case of rice is different, the cultivation of which has an eminently commercial nature and therefore more open to technological innovations. As for wheat, its cultivation is restricted to a region of the country having the appropriate climatic and ecological conditions, but in which peasant agriculture predominates; otherwise, it has not been possible to adapt varieties of "hard wheats" so that Guatemala will always basically depend on imported wheat, whatever success it may have in improving productivity.

It should be noted that most of the corn and beans production is carried out by peasants and small farmers, who have landholdings of under 3.5 hectares. Accordingly, any improvement the country may make in production would require a large-scale effort at upgrading cultivation technology because of problems of access that characterize the growers.

Another basic food in the family food basket is beans, which are the most important source of protein for low income groups. The production of this staple has been erratic both in overall terms as well as per capita, despite which the country produces almost enough for its needs. Though beans have been imported every year, the amount imported has not been large. Like corn and wheat, bean growing is largely in the hands of peasants and small farmers.

Furthermore, over half the harvest are obtained by means of the associated crop system, with corn in this case. These characteristics explain from an overall point of view the impediments in stamping a special dynamics on productivity, which is clearly low.

Guatemala, with a total area of 10,888,900 hectares, is a country whose economy is based largely on agriculture, since 57.2 percent of the economically active population engages in this activity. Moreover, this sector contributes approximately 25 percent to the gross national product.

Our country has enough natural resources to support a more active process of cereal and bean production; likewise, there are basic technological options for increasing productivity and, except for wheat, whose presently known technology limits cultivation to certain agronomic conditions, the country could easily become a net cereal exporter. Nonetheless, it should be acknowledged that a significant amount of production is in the hands of peasants and small producers, who have a limited access to the means for production and to the elements of available technology. This means that the instruments of conventional-style economic policy are probably not

the instruments of conventional-style economic policy are probably not enough to insure a satisfactory increase in cereal production among these groups of producers.

Regarding corn production, for instance, 76 percent of productive units are located in the peasant sector and produce 40 percent of the national total.

12448

CSO: 3248/700

GUATEMALA

INTERIOR MINISTER COMMENTS ON BISHOPS' PASTORAL LETTER

Guatemala City LA RAZON in Spanish 12 Jun 84 p 1

[Text] Interior Minister Reveals Security Forces Have Exceeded Their Authority

Interior Minister Gustavo Adolfo Lopez Sandoval admitted today that the security forces have exceeded their authority and indicated as proof that several members have been discharged and others consigned to the courts, among the purges being carried out in the ranks of the police force.

The preceding statement was formulated by the public official regarding one of the propositions formulated by the bishops in their pastoral letter "To Achieve Peace," concerning violence and in which elements of the security forces are accused of engaging in illegal acts.

"It is certain that many have broken the law but they have been subjected to punishment; some have been discharged, and others, depending on their infractions, have been consigned to the courts," the public official said.

On the bishops' statement on the theology of "national security" as a glorification of the nation and encouraging "totalitarian regimes" involving security forces in deeds infringing on human rights, which has brought about the creation of an atmosphere of terror and violence, the minister answered that a critical opinion cannot be rendered at a moment's notice and at a press conference.

The statement would have to be analyzed in detail, but in order to do that, one would need the same amount of time the bishops used to formulate their pastoral letter, said Mr Lopez Sandoval, who pointed out that in general terms he was very favorably impressed by the document issued by the Guatemalan Bishops' Conference.

12448

CSO: 3248/700

OVERVIEW OF MEASURES UNDERWAY TO RESHAPE ECONOMY

Bridgetown BARBADOS ADVOCATE in English 8 Jun 84 p 4

[GEMINI NEWS SERVICE report by Mohamed Hamaludin]

[Text] [BARBADOS ADVOCATE introduction:]

Major surgery is to be attempted in the economy of Guyana in a bid to pull the country out of years of decline. Reports commissioned from American companies and the Commonwealth's technical aid fund are expected to produce a series of radical decisions in Georgetown. Regrouping of ministries and utilities, a new currency arrangement, and privatisation of some companies are some of the changes on the way, reports Gemini News Service.

Guyana is laying the foundation for major structural changes in key sectors of the country's economy in yet another bid to stem the steadily worsening situation of the English-speaking South American republic.

Reports by foreign experts have been considered and changes are about to be announced. They will affect several ministries, the troubled public sector industries grouped under the Guyana State Corporation (GUYSTAC) and the bauxite and sugar industries.

Incentives are being enhanced to encourage production, particularly for import-substitution and export, and the Guyana dollar is being brought into a more realistic relationship with hard currencies, notably the US dollar.

All of this comes in the wake of another gloomy report on the economy in the 1984 budget address presented by new Finance Minister Carl Greenidge last January.

The report showed a 10.6 percent fall in the Gross Domestic Product, an 18.5 percent shortfall in export earnings from the bauxite, sugar and rice industries, a spectacular public sector deficit, and a debt burden of over US \$700 million.

This is compounded by the presence of a thriving black market in hard currency, mainly US dollars. The American currency is used to import goods clandestinely for sale at exorbitant profits.

The basic problem is a persistent shortage of hard currency, caused largely by declining export earnings and the agonising debt burden.

The problem dates back to the mid-Seventies when high sugar prices and a near monopoly of calcined bauxite production gave way to plunging sugar earnings and a gradual reduction in bauxite production.

By the end of the decade the government had received balance of payments support, including loans from the International Monetary Fund (IMF), but this made little impact.

The balance of payments problem became chronic and international financial institutions began to demand structural change. Most of their demands were rejected on the grounds that they were intended to force the government to move from its socialist policies.

Opponents of the government said the resistance was because the ruling People's National Congress (PNC) was determined to keep its grip on the country through state control of an estimated 70 percent of the economy--bauxite, sugar, some areas of commerce and industry, and the swollen public sector.

The government's answer was to appeal for greater levels of production. It was a chicken-and-egg situation. Shortage of hard currency prevented efforts to produce more since raw materials and spares could not be bought. Absence of greater production meant export earnings could not be increased.

Some of these problems are addressed in the 1984 budget. The public sector was studied by the investment banking houses of Kuhn Loeb Lehman Bros., Lazard Freres and S.G. Warburg, along with a small, high-powered government team. The aim: to "prepare a blueprint of a new structure of the public enterprise sector."

The main emphasis, according to Greenidge, has been to formulate ways the sector can be made more efficient through better management, one way being to give managers more autonomy.

The government is expected to decide to put utilities and commercial companies into separate groups, each with a "supervisory Council." There may be privatisation of "non-strategic" companies or joint ventures with the private sector. And "performance contracts" may be designed for the companies along the lines of a prototype worked out for the telecommunications corporation.

Two American companies, Kaiser Technical Service International and US Engineering Consultants have studied the troubled bauxite industry. Suggestions include strengthening the day-to-day operation of the industry, devising a new marketing strategy and raising money for capital works. There are also to be modifications to the sugar and rice industries.

Ministries have been restructured and are being put in "clusters"--a "production cluster," a "social service cluster" and so on.

Three new schemes to allow for tax-free savings for deferred income, housing and retirement have been introduced. Controls are being taken off farm produce to allow for free market play to determine prices and a better deal has been worked out for gold miners to encourage them to sell to the State.

Two experiments have been set up in foreign exchange. One established foreign accounts for 10 private and public sector companies in a system in which an agreed percentage of their hard currency earnings is automatically set aside for them to buy vital spares and raw materials.

The other involves the parity of the Guyana dollar. The government copies a formula devised years ago for payment for bauxite exports. Under it payment was made by buyers in a basket of hard currencies. The intention is to buffer the industry's hard currency earnings against rate fluctuations.

In the case of the Guyana dollar, the basket consists of the Pound Sterling, the Deutsche Mark, the French Franc, the Dutch Guilder and the Japanese Yen. The Guyana dollar is pegged at G\$15 to the basket.

The Commonwealth Fund for Technical Cooperation (CFTC) has made a study as to the "correct" level for the Guyana dollar in relation to the basket. Greenidge says that after the report is made "we will be able to give further consideration to the role of the exchange rate in the total package of policy measures needed in the whole economy."

Just how effective these steps will be in reversing the slide of the economy remains to be seen. In any case, the government has taken a realistic view of what will happen this year. The prognosis is not bright.

Last year capital inflows "hardly materialised": an expected agreement with the IMF did not come about, nor did a loan from the World Bank. A similar pattern was seen in 1982.

The public corporations are expected to contribute nothing in profits this year. The sugar industry is projected to lose US\$37.6 million and the bauxite industry US\$127 million.

Such performances have been playing havoc with the debt burden. US\$700 million was owed at the end of last September. Greenidge estimates servicing the debt this year will need US\$120 million--a staggering 42 percent of the anticipated earnings from exports. In his first Budget address Greenidge labelled it all "very daunting" adding: "I can offer no comforting solution which will allow us to survive and prosper."

The year 1984 has been dubbed the "Year of Resourcefulness." A lot of resourcefulness will be needed. The glimmer of hope is that the IMF and other lending agencies may have a change of heart after the restructuring and so set the stage for the climb back up.

The unknown quantity remains the political impasse between the ruling PNC and its chief rival for power, Cheddi Jagan's Marxist People's Progressive Party (PPP), which insists that a "political solution" and not "economic patchwork" is needed for recovery.

The PPP's 20-year-old call for "scientific socialism" does not hold that much attraction after the debacle of nearby Grenada under the Marxist New Jewel Movement (NJM).

If nothing else, PNC leader President Forbes Burnham, who has been head of government since 1964, has maintained stability and peace throughout the mounting economic crisis. That could be a key factor as the course for recovery is charted.

CSO: 3298/968

CHANGES IN SUGAR IMPORT, EXPORT REGULATIONS

Port-au-Prince LE PETIT SAMEDI SOIR in French 23-29 Jun 84 p 10

[Communique from Ministry for the Economy, Finance and Industry: "Elimination of the Sugar Importing and Exporting Monopoly of the State-Controlled Tobacco and Match Industry and Reorganization of Sugar Marketing Procedures"]

[Text] The Ministry of the Economy, Finance and Industry informs the public in general and sugar manufacturers and wholesalers in particular that in order to end the frequent irregularities observed in the domestic sugar market and the illegal speculation to which they give rise, to protect the consumer by assuring the market's continuous supply and the control of domestic prices of this staple commodity, it has decided to immediately adopt the following measures, which will become effective upon publication of the present communique.

- 1) Import operations intended exclusively to stabilize the market by making up for the possible shortage of domestic production needed to satisfy domestic consumption and export operations carried out under preferential terms for the United States will henceforth be implemented under the strict jurisdiction of the Board of Directors of the Bank of the Republic of Haiti (BRH).
- 2) Imported sugar will be sold freely on the domestic market through government stores.
- 3) Wholesaler rationing according to quota allocations is abolished. Any licensed wholesaler possessing a professional identification card will be authorized to purchase, freely and without quotas of any kind, the quantities of sugar that he will need from both the state-controlled tobacco and match industry and from government stores.
- 4) The Board of Directors of the BRH, at the time that each import operation is approved by the government, shall select a supplier following an international bidding process whose terms of reference will be published in a minimum of two (2) major Haitian daily newspapers and of which all embassies and consulates of sugar-producing countries accredited in Haiti shall be advised.

The choice of supplier will be made without any intermediary of any kind, based on the most economical bid and in consideration of the price and financial terms in available foreign exchange, and in observance of the terms of reference specified in the notification of bids.

5) In order to rationalize domestic distribution in relation to domestic sugar production, a committee will be established within the BRH, on which representatives of the various sugar mills, the state-controlled tobacco and match industry, government stores, the respective ministries involved, and representatives of the private sector appointed by the Haitian Chamber of Commerce and Association of Industry will be invited to participate. This committee shall be responsible for planning the production and distribution of sugar and for administering a permanent guaranteed supply of sugar to avert any shortage of this commodity.

6) The net profits of import and export operations, as established in those operations' profit and loss statements submitted to the BRH, will be deposited to appropriate accounts in the Public Treasury. The price of sugar and the respective tax shall remain unchanged.

7) Temporary Provision: In order to restore the stability of the domestic sugar market and to prevent any illegal speculation, the government has required the Haitian American Sugar Company (HASCO) to sell directly, starting 18 June, to the respective wholesalers a supply of 142,858 100-pound sacks of common sugar at the price of 160.00 gourdes per sack and whose respective excise taxes have been fully paid in advance by check no. 18210 dated 15 June 1984, deposited to the account of the Public Treasury.

The Ministry of the Economy, Finance and Industry is certain that it can rely on the cooperation of all parties involved for the harmonious application and full success of these measures in the interest of national sugar consumers and producers.

Frantz Merceron, engineer and minister of state

11915

CSO: 3219/31

HAITI

TEXT OF GOVERNMENT COMMUNIQUE ON POLITICAL PARTIES

Port-au-Prince LE NOUVEAU MONDE in French 9 May 84 ppl, 4

[Text] The government of the republic, in order to respond to the intent of the Constitution and insure that the laws are strictly respected so that civil rights may flourish, announces that a legislative bill regulating the functioning of political parties will be submitted, at an opportune time, for the legislature's consideration.

Pending that legislation, groups without legal status calling themselves "political parties" are not authorized to function in the country.

Port-au-Prince, 8 May 1984

Jean Marie Chanoine
State Minister for the Presidency,
Information and Public Relations

Dr Roger Lafontant
State Minister for the Interior and National Defense

Jean Vandal
Minister of Justice

XXX

The Department of the Interior and National Defense, believing it opportune to do so, reminds all citizens of the provisions of the Decree of 31 March 1980 regarding the press:

"Article 8. Any person who wishes to establish a daily or periodical publication, must request and obtain, via registered letter with return receipt:

--in Port-au-Prince, the authorization of the Department of Interior and National Defense;

--in the provinces, the authorization of the prefecture, or in absence of such, the communal commission which will forward the letter to the prefect.

No bond or other tax is imposed for the procedure."

"Article 29. Failure to comply with the procedures described in Articles 4,5,8,9,12 and 13 of the present Decree will entail suspension, by the Department of Interior and National Defense, of the press organ in question or the illicit activity."

Port-au-Prince, 7 May 1984

Dr Roger Lafontant
State Minister

9516
CSO: 3219/28

EX-DEPUTY FOUNDS NEW POLITICAL PARTY

Port-au-Prince LE PETIT SAMEDI SOIR in French 5-11 May 84 p 12

[Interview with ex-deputy Alexandre Lerouge; 3 May, Port-au-Prince]

[Text] On Thursday 3 May at 1345 hours, ex-deputy Alexandre Lerouge dashed into the editorial offices of the PSS [PETIT SAMEDI SOIR] and announced, after leaving two letters with us:

"I am founding a political party, the ADHA...Haitian Democratic Action."

The ex-deputy, who was supported wholeheartedly and against all opposition by the entire traditional north in 1979, is in good form. At age 68, the old bulldozer declares: "I am as strong as a Turk and as hard as a nail." He also still has the panache of a veteran politician.

[Question] Mr Deputy, why a political party?

[Answer] The people cannot stand it anymore. They are suffering as they have never suffered in their entire history. I have said this so many times! So it is up to the well-born and the well-bred to break their silence and make the rulers of the day understand that the country belongs to all Haitians and that the time has come for the oppressed to claim what is rightfully theirs.

The ex-deputy, who arrived from Cap Haitien 4 days ago, told us the idea of founding a political party was born out of his disillusionment with the 42nd legislature. His opinion of the most recent legislature is categorical: "it was a farce; the cards were poorly shuffled, they need to be reshuffled."

[Question] And what is your opinion, Mr Lerouge, of the current chamber?

[Answer] A chamber where all the political parties are not represented is a chamber of deaf-mutes.

[Question] And how will you finance your party, Mr Deputy?

[Answer] The party will survive.

The ex-deputy believes that all the other political parties have a part to play, and he wishes to see full and complete democracy in the country.

[Question] Mr Lerouge, what do you think about the five letters of the president?

[Answer] It is too early to tell.

[Question] Finally, how do you view the events in Santo Domingo?

[Answer] In Santo Domingo, there are men.

9516
CSO:3219/28

DEMOCRACY'S FUTURE QUESTIONED FOLLOWING ARRESTS

Port-au-Prince LE PETIT SAMEDI SOIR in French 23-29 Jun 84 pp 3, 7

[Editorial: "D. Fardin, G. Eugene, P. R. Auguste, Three Shapers of Public Opinion, Interrogated at Dessalines Barracks. Is This the End of the Brief Romance...? After the Letters of 1 March 1984"]

[Text] For whom does the bell toll? The Haitian summer has not yet told us, but we have just learned that in the country of unfulfilled dreams, no one should trust anyone.

On Monday, 18 June, at 2 pm, a captain in civilian clothes arrived at the offices of LE PETIT SAMEDI SOIR. He approached our editor, Mr Fardin, and politely asked him to accompany him to Dessalines Barracks, where he was summoned by the chief of police and political security, Col Albert Pierre. Our editor wanted an explanation. "Oh, it's nothing major," the captain replied. Mr Fardin insisted on changing and wanted to go up to the second floor, but the captain objected. Our editor telephoned his wife on the second floor and his clothes were sent down. He dressed in the waiting room while being watched by the officer, who was now accompanied by three other armed men. The editor of LE PETIT SAMEDI SOIR got into his car with two men from the SD [expansion unknown] and drove off between two other vehicles filled with "pale faces." Destination: Dessalines Barracks.

Fardin was there for his 14th round of interrogation, and perhaps more. He was led into a room where he waited alone for a solid 150 minutes until a noise jolted him from his thoughts. The door opened: Gregoire Eugene, chairman of the PSCH, came in with his hands manacled behind his back and being shoved by a soldier who, seeing our editor, turned around and walked out with his prisoner.

The leader of the political party had published, on Thursday morning, 14 June, the second edition of FRATERNITE, considered a veritable accusation by the Port-au-Prince government.

The rather delayed reaction of the secret police definitely shows that the government had not digested the accusations of the professor, who had been warned by a NOUVEAU MONDE editorial on that same Monday: "Be Careful, Mr Professor."

On the evening of the same day, 18 June, Mr Pierre Robert Auguste, the editor of L'INFORMATION, a weekly newspaper published rather irregularly, was also placed under arrest and forced to accompany several individuals to Dessalines Barracks. The newspaper's offices in Rue des Casernes was ransacked and a typesetter and documents were confiscated. L'INFORMATION, the latest addition to the Haitian press, did not beat around the bush expressing its views to the Port-au-Prince government.

At this point, LE PETIT SAMEDI SOIR's editor was appearing before the upper echelons of the government police. He was told by Minister of State Roger Lafontant, in the manner of a warning, that it would be in LE PETIT SAMEDI SOIR's interest to tone down its editorials, which had been taking on a flatly rebellious tone for some time. He was also reproached for praying for a U.S. invasion, as a result of having stated in one of his recent editions that the country was in the process of becoming a new "Grenada" if things didn't change. LE PETIT SAMEDI SOIR's nationalist position should have spared him such an insult. The fight which we have constantly waged at every difficult crossroads of national life on behalf of respect for the integrity of our common heritage has backhandedly received its just reward in this instance. Our critics are to be congratulated. But in spite of everything, we will continue to fight for the honor and survival of Haitians.

This new gagging of the press comes only a few days after the hunger riots in the Nord and Artibonite departments and when Deputy R. Guerre is attacking the corruption that is so widespread in government circles. Baraderes Deputy R. Guerre, who has plenty of nerve, seems to be thumbing his nose at the government's intimidations and at the actions of some of his peers to isolate him from the rest of his colleagues.

A helicopter, it has been reported in well-informed southern circles, set down somewhere in the area of Nippes in the latter part of last week. According to the same sources, the residents of Azile and Nippes had been satisfied with their deputy's speech against the squandering of government funds and against corruption. It was against this background that the final blow was dealt to the printed press of the domestic opposition and the independent press.

Perplexed observers are wondering about the future of democracy in Haiti. The enfant terrible of Haitian journalism, Aubelin Jolicoeur, cannot get over it. The AFP [FRENCH PRESS AGENCY] has reported the new restrictions on this difficult freedom of the press in Haiti, while the most far-fetched rumors are already circulating in foreign circles. What will be the fate of the new victims of this new version of 28 November?

We will wait and see.

We have just learned that Prof Gregoire Eugene, chairman of the PSCH, was released on Tuesday afternoon, 19 June, around 6:30 pm. The offset press, as well as the Daihatsu Charmant automobile, remained in the possession of the police, leaving the professor with both arms cut off, as they say.

And this is perhaps less the personal tragedy of President J. C. Duvalier than that of the government. Two months and 18 days after the historic letters of

1 March, people are wondering about their value after learning that all those who recently appeared before the political police of the Port-au-Prince government, including a court of appeals judge who has since retired, a deputy of the people and three shapers of public opinion, were forced to do so according to the most traditional methods of the government, which employed no summons or subpoenas, but rather men who were ready to use force at the slightest provocation. Is this the end of the brief romance between the government, the independent press and the opposition...? Is this the death knell that consigns to oblivion those letters about which so many good things were said?

We have no reassuring news about our colleague, Pierre Robert Auguste, the editor of L'INFORMATION. He has already been in custody for 48 hours. Will he be released or will he be turned over to his proper judges? In the name of professional solidarity, LE PETIT SAMEDI SOIR calls on the government to follow up his arrest in proper legal order.

11915

CSO: 3219/31

HAITI

BRIEFS

PDCH PAPER SEIZED--The Christian Democratic Party of Haiti [PDCH] informs national and world opinion that the issues of the bi-monthly LA CONVICTION appearing on 9 May were the object of brutal and arbitrary seizure in the streets of the capital by agents acting on behalf of the police. At a time when the government has just reaffirmed, in letters, its commitment to the practice of democracy and just renewed its support to the free exercise of the journalistic profession, the PDCH expresses its astonishment in the face of anachronistic measures. The party believes that the communique renewing the provisions of the press law concerning the establishment of a newspaper is not applicable to its organ, which is in its fourth year, its publication having been authorized in September 1980 by Dr Frantz Medard, State Secretary for the Interior and National Defense; its publication was not discontinued. This has been established, and no one can prove the contrary. That is why the PDCH on this occasion raises its voice in most legitimate protest and asks the appropriate authorities to assure it, in accordance with the intent of the law, that the periodical LA CONVICTION may freely circulate throughout the country. [Signed] Mr J.B. Clairvaut, Acting Manager. [Text] [Port-au-Prince LE PETIT SAMEDI SOIR in French 19-25 May 84 p 9] 9515

9516

CSO: 3219/28

MANPOWER, WEAPONS SYSTEMS OF ARMED FORCES SURVEYED

Bonn TECNOLOGIA MILITAR in Spanish Mar-Apr 84 pp 52-53, 55-56, 59-60

[Excerpts] The increase in insurrectionist activities in Central America has imposed on Mexico the need to augment the capability of its forces to fight against guerrillas. Along these lines they have begun to adapt their programs of training and operations and form a rapid-deployment strike force to defend the rich oil regions in the south. This force, consisting strengthwise of approximately 4,000 men, carefully selected, is being readied to carry out operations in the jungle and maintain a special capability for airborne operations. They are scattered throughout different garrisons on the national territory but are ready to assemble quickly if the requirements of an alert situation demand it.

The president of the republic is the supreme commander of the Mexican Armed Forces. There are two military commands at national level within the cabinet: the secretary of national defense and the secretary of the navy, posts filled through presidential appointment. They are held by a general and an admiral, respectively, and each is assisted by an undersecretary.

Each secretary has an operations and support staff, in the first case National Defense Headquarters (joining agency) and in the other Naval Headquarters.

Army

It is structured based on 35 territorial jurisdiction area commands. Within them there are military facilities and armed units.

Operationally, the force has 75 infantry battalions, 5 of which were recently formed, 23 motorized cavalry regiments with light all-terrain vehicles, 5 artillery regiments, 1 armored regiment (40 Panhard LYNX armored cars equipped with 90-mm cannon and 20 MAC-1 armored vehicles), plus combat support units (combat engineer and construction battalions, communications battalions) and logistical support units (combat equipment, quartermaster, transport, etc., battalions). In general, the program for utilization of the force embraces an organization of army corps but implemented by brigades. There are 3 infantry brigades, 1 military police brigade and the mechanized brigade (presidential escort).

The airborne light brigade belongs to the air force.

The acquisition of 2,989 vehicles of different types, production of light weapons for the infantry and availability of new helicopters for airborne operations have been under consideration in the current process of army modernization. For example, a few facts are worth mentioning: the formation of the motorcycle reconnaissance squadron under the Mechanized Brigade, new armored infantry battalions and replacement of equipment belonging to the 1st Armored Reconnaissance Regiment, manufacture of vehicles: DN-3 wheeled combat tank (similar to the V200, equipped with 20-mm cannon) and the SEDENA 1000 plus construction of 2-, 3-, 4- and 6-inch missile launch ramps on U.S.-built light trucks.

Equipment currently in use is as follows: OBREGON and COLT 11.25-caliber pistols; Fal 7.62, FNB and G-3 Heckler & Koch 7.62 x 51 rifles; M1 caliber-30 carbines; Browning 1918 A2 caliber-30 automatic rifles; Heckler & Koch (locally assembled), RM2 caliber-30 Mendoza and F1 caliber-7.62 French machine-guns; Heckler & Koch 53- and 9-mm, MP-K and L, Beretta M125 and UZI submachine-guns; recoilless and antitank cannon; and Swiss AKAN MKV-46 20-mm semiautomatic cannon (mounted on M8 armored reconnaissance vehicles).

As standard equipment the artillery has the M2A1 105-mm howitzer and the M3 on M3, M3A1 and M3A2 self-propelled carriages. Armored equipment includes M-4 Sherman (20), Stuart and M8 (approximately 45) tanks, Humber MK IV (15) and HWK-11 (40) personnel carriers. As wheeled equipment it has MOWAG ROLAND (30), Panhard LYNX (41) and MAC-1 (15). In addition, U.S. halftracks are kept in service.

The highly significant role played by the General Directorate of Military Training and the Mexican Army and Air Force University, the leading institution for the training and instruction of army and air force personnel, must be emphasized. It also exercises control and direction over instruction at both middle and upper educational levels. For the first it has the following military schools: "General Mariano Matamorro" Weapons Courses (which train future infantry, artillery and sapper NCOs); courses in communications and combat equipment; courses in administration and quartermaster; courses in sanitation and health, air force special troops and military transport. At the higher level there are the Heroes' Military Academy at Tlalpan (20 km south of Mexico City) which trains future officers in the infantry, cavalry, artillery, sapper, administration and quartermaster branches; the Air University consisting of the Aviation Military School, plus the Air Force Specialists School, and the Air Force Maintenance and Supply School. Rounding out the system are the following military schools attended by officers for brushing up on communications, combat equipment, hospital training (women's auxiliary service); health, physical education and sports, horsemanship, use of cavalry, infantry, artillery, sappers and operations. Special courses at higher educational level include the Advanced War College, the Engineering Military Academy, the Academy for Health and Sanitation graduates and the National Defense College. The Military University is the complex at which various officers graduating from military training schools are assembled to acquire the military mystique.

The Department of Military Industry is the best way for military engineers to display their creative gifts and manufacturing activities. Weapons, missiles, gunpowder, tools and explosives are some of its products. It embraces a test center, a training center and several manufacturing plants. The General Directorate of Education and Military University maintains close ties with the development of up to date production materials in the industrial area.

Air Force

The status of this branch of service is similar to that of the others. In general, its stock of flight equipment is somewhat out of date but with a comparable process of gradual modernization it will incorporate more up to date aircraft. The recent acquisition of the first 5 F5's already allows them to hope for an improvement in the situation, both in terms of military pilot training and improving their combat operational capability. The same thing happened with the acquisition of the Pilatus PC-7 Turbo Trainers as replacements for the T-28's. This step is significant because it represents the acquisition of the first new combat aircraft in the last 20 years. The table of organization has available 7 counterinsurgency and training squadrons (numbered 201 to 207) equipped with the new Northrop F5E Tiger (in its single-seat combat versions) and F5F (training two-seater) and Pilatus PC-7's. Gradually the Lockheed AF-33's and North American T-28D Trojans will be taken out of service and transferred temporarily to the reserve. One support squadron (No 209) has available altogether 36 helicopters and coordinates their operational use in carrying out joint operations with the army. Two transport groups (heavy and light) with four squadrons are made up of Douglas aircraft (C-54, DC-7 and C-47 (12)), the 10 IAI ARAVA 201, 20 Aero-Commander 500, 2 DHC-5 BUFFALO, 4 Boeing 727's and other smaller planes.

The Airborne Light Brigade, subordinate to the air force, consists of a headquarters, one commando company and 3 combat battalions. Their training enables them to carry out all kinds of airborne operations (jump, airborne landing and commando).

The 7 major military airbases are located at Acapulco, Ciudad Ixtepec, Cozumel, Ensenada, Merida, Santa Lucia (Mexico City) and Zapopan.

The helicopters available to the air force are 9 SA 3168 Alouette III, 4 SA 330 Puma, 1 Agusta A.109, 6 Bell 47G, 10 Bell 206B Jet Ranger II and 1 Bell 212. The private aeronautical industry consists of 2 small companies involved in the manufacture of aircraft for farming use (Aeronautica Agrícola Mexicana and Analmac).

Navy

Since the time of the Spanish conquest and colonization the Mexican people have looked toward the sea and most of their activities have developed under the influence of the sea. At present, the oil boom is expanding in large measure into the vast arc formed by the Gulf of Mexico. The existence of drilling platforms, the everpresent fishing fleet and merchant marine vessels plus numerous significant ports have ensured the presence of a naval force capable of defending sovereign interests.

The major vessels in the navy were built during the Second World War and their size is not very large. In general they are assigned to protect the seacoast not only on the Gulf but also in Pacific waters.

The Mexican Navy consists of three components: the fleet, naval air force and marine corps.

The fleet has the following ships: 2 destroyers "Cuiclahuac" and "Cuauhtemoc," 5 frigates "Coahuila," "Tehuantepec," "Usumacinta," "Chihuahua" and "Comodoro Azueta," 39 corvettes (of U.S. origin), 6 corvettes ordered from Spain (type B-119), 32 modern patrol craft and 17 smaller auxiliary vessels of other types (riverboats, landing craft, cargo, oilers and tugs). Clearly the Mexican Navy lacks large-size warships, and that is attributable to the specific mission it carries out, that of defending its coasts and protecting fishing activities. Now, with the onset of the National Industrial Development Plan as an outgrowth of the oil boom, activities at local shipyards will make it possible to have a larger type of ship and with modern technology. The United Shipyards in Veracruz [Astilleros Unidos de Veracruz] in the near future will be capable of building tankers of up to 80,000 tons. Within the programming for the current year it is planned that work will start on five 43,700-ton tankers. The nation's prosperity is leading to sketching out significant plans so as to have available warships built at Mexican shipyards while getting rid of foreign dependence.

The naval air force is based on a land and air infrastructure, from naval bases on the coasts for flying maritime surveillance, search, rescue, and naval liaison missions. Equipment in service consists of the following aircraft: 13 Grumman HU-16 Albatross, 3 Cessna 150 trainers, 1 Gates Learjet 24D, 2 Beechcraft Bonanza, 2 DHC-5D Buffalo, 1 Fairchild-Hiller FH-227, 2 Fokker F-27 and a dozen other older models. The helicopter squadron has 4 Alouette III and 5 Bell 47G. Recently 7 other helicopters were withdrawn from service while waiting to be replaced by 10 new SA 315 Lamas.

The marine corps consists of 3 battalions and several detachments on duty at the main naval bases, grouped within the 2 major area commands: the Gulf and the Pacific. The area commands are subdivided into 6 naval zones (even numbers) on the Pacific.

The main naval bases are located in Veracruz, Tampico, Chutumal, Ciudad del Carmen and Yukapeten under the command of the Gulf of Mexico Naval District commander. The bases at Acapulco, Ensenada, La Paz, Puerto Cortes, Guaymas, Mazatlan, Manzanillo, Salina Cruz, Puerto Madero and Lazaro Cardenas are under the Pacific Naval District command.

The 21 patrol craft ordered from Great Britain, belonging to the Azteca class, were delivered between 1975 and 1976. Then at the Veracruz and Salina Cruz shipyards local construction was begun on 11 more patrol craft of the same 150-ton class. All these ships which will perform a broad range of coastal service constitute the core of the navy's modernization.

Strength for Defense

The Mexican Armed Forces have a strength of approximately 371,000 men placed as follows: the army has 95,000 men including officer ranks (from second lieutenant to major general), noncommissioned officers, cadets, officer candidates and volunteer soldiers. There are 250,000 conscripts (19 years of age). The air force has 6,000 men made up of high-ranking personnel (with ranks similar to those of the army), noncommissioned officers, cadets, officer candidates and field personnel. The navy has approximately 20,000 men in rank categories equivalent to the army's (from midshipman to admiral), including about 4,000 men in the Marine Corps.

These figures represent personnel with military status, now on active duty.

9436

CSO: 3248/688

APOSTOLIC DELEGATE DENIES CLERICAL TIES WITH PAN

Mexico City EXCELSIOR in Spanish 6 Jun 84 pp 5-A, 32-A

[Article by Carlos Velasco Molina]

[Text] Apostolic Delegate Monseigneur Girolamo Prigione said yesterday that the church has not chosen, and never has leaned toward, any political party because to do so would set all the others against it. He denied any clerical ties with the National Action Party [PAN]. And, in reference to the problem in El Salvador, he commented that in that country war has destroyed and divided the people.

During the celebration of the 18th Day of Social Communications held at Apostolic Delegation headquarters, Monseigneur Prigione said that "some countries continue to suppress religious freedoms despite official statements to the contrary."

Later he stated more specifically that "man is no longer really man if reduced to the image of 'homo oeconomicus'; man, a machine; man a consumer; man controlled by mindlessness."

"This maimed man," Monseigneur Prigione pointed out, "becomes his own victim, he loses his dignity, his respect for the sacred value of human life and his moral freedom. A spiritual bad habit has formed in our society because God, the basis of man's dignity and brotherhood, is often ignored."

Likewise, he stated that "there is a risk of putting an end to culture when one gives in passively to ideologies that conceptualize man as a simple producer, as a being manipulated by the average masses, as a puppet of his unconscious instincts, as the product of historic determinisms."

In his speech, "Social Communications for the Meeting of Faith and Culture," Monseigneur Prigione explained that not everything in human life can be reduced purely into political categories. Man's basic dimension is his morality; and he added that the entire structure of society is built on basic moral imperatives.

He stated that in trying to avoid all moral taboos--accused of steering culture toward religion--other taboos, detrimental to the dignity and freedom of mankind, become preeminent.

Monseigneur Prigione also said that ideas cannot be silenced with bullets. The latter, he added, are fought with better ideas. "Murder is deplorable. Violence is not the solution, submachine guns do not solve anything," he affirmed.

In referring to the country's crisis, he commented that the church encourages the people not to lose hope and calls upon those responsible for the country's future to solve the problems with work and honesty.

"The crisis," he explained, "is too complex because its roots are international. Those responsible should try to avoid violence." He reiterated that right now it is essential, of fundamental importance, to strengthen human values.

There Is Freedom of Expression

After reading his speech Monseigneur Prigione was interviewed and he said that there is freedom of expression in Mexico. The ideal is to have pluralism. Communicators should not mutilate the truth. They should defend truth and freedom and not scoff at religion.

12610

CSO: 3248/685

BRIEFS

MENDEZ ARCEO ISSUES DENIAL--Cuernavaca, Morelos, 3 Jun--Bishop Sergio Mendez Arceo said that he "will never lead priests' participation in politics," and he added that he has withdrawn from the diocese but not from the people. He stated that he has established residence in the town of Ocotepec and he gives mass where the parish priests of the area invite him to. Interviewed during Governor Lauro Ortega's second Report, which he attended as a special guest, Mendez Arceo said that he has asked that announcement not be made as to where he is going to give mass so that it is not taken as a political act. In reference to the differences between this city's current bishop, Juan Jesus Posadas, and some progressive priests, he stated that it shows that there is freedom in the diocese that was his. He reiterated that Mexican priests are prohibited from participating in politics and he will not contribute to changing that situation. [By Rafael Gimenez] [Text] [Mexico City EXCELSIOR in Spanish 4 Jun 84 p 5-A] 12610

VERACRUZ: CENTRAL AMERICAN IMMIGRATION--Coatzacoalcos, Veracruz, 29 May--Migration representative Leonardo Gonzalez Trevino affirmed that illegal Central American migration to this area has fallen 80 percent with the interruption of construction projects and the reduction of industrial potential. After indicating that policies are being instituted which tend to keep companies in the area from employing illegal Central Americans, the official indicated that Mexican workers have been able to reoccupy 1,000 jobs on supply ships and tugboats in the Campeche area where foreigners used to work. Likewise, the official indicated that there are no plans for resettling Central American refugees in the area who are currently in Chiapas; he said that there is not a plot in the area where they could find temporary accommodation. [By Roberto Sosa G.] [Text] [Mexico City EXCELSIOR in Spanish 30 May 84 p 7-D] 12610

CHIAPAS: CIOAC EXPELS FAMILIES--Teopisca, Chiapas--Forty-six rural families were expelled from their homes by field workers directed by leaders of the Independent Bureau of Laborers and Field Workers (CIOAC). The action was reported by the people affected who explained that they built their homes and formed the town of El Corralito on a 31-hectare piece of land given to them by rancher Abraham Hernandez Lopez but commune dwellers, led by Luis Lopez Ramirez, Luis Lopez Vasquez, and Manuel Gutierrez, members of CIOAC, forced them out by threatening them with high-caliber weapons. This information was provided by attorney Belisario Castellanos Paz, legal counsel

to the expelled parties, who said that it is an unspeakable injustice for the commune dwellers to have acted this way, and so violently, against the humble rural families. He added that the Agrarian Reform authorities are already aware of the case but they have no jurisdiction over the problem. That is why, he said, we are going to ask the state governor to intervene. He explained that the gutting and robbery of the rural families' possessions was reported to legal authorities in Teopisca and, later, in San Cristobal Las Casas.
[Text] [Tuxtla Gutierrez LA VOZ DEL SURESTE in Spanish 2 May 84 p 3] 12610

PARASTATE ENTERPRISE FINANCIAL FIGURES--Mexico City, 5 Jul (NOTIMEX)--The Mexican Secretariat of Energy, Mines, and Parastate Industry has said that this year parastate enterprises paid nearly 2 trillion pesos (\$10.572 billion) in taxes to the federal government. This secretariat, which is in charge of keeping track of the income and expenses of parastatal enterprises, said that only 526 billion pesos (about \$3 billion) in federal financial resources was required as capital investment or subsidies. From this example it can be deduced that parastate enterprises pay back to the federal government four times the funds invested, this same source stated. In a study, the Secretariat of Energy highlighted the fact that the 1984 income and expense budget [as received] for these enterprises is 6 trillion pesos (about \$32 billion). The secretariat also said that, judging from the financial activity of the official parastate enterprises, they will generate resources worth 4.865 billion pesos (\$26 million) and receive credits amounting to 609 billion pesos (\$3 billion). The federal government will transfer to them 218 billion pesos (more than \$1 billion) in capital investments and 307 billion pesos (\$1.6 billion) in subsidies. In these public enterprises, credits represent only 10 percent of total budgeted expenses, which have decreased considerably in recent months. The foreign debt of these enterprises has decreased because an attempt is being made to make more use of national credit resources.
[Text] [FL052334 Mexico City NOTIMEX in Spanish 2130 GMT 5 Jul 84]

CSO: 3248/707

GALLUP POLL SHOWS INCREASED SKEPTICISM AMONG ELECTORATE

Montevideo OPINAR in Spanish 14 Jun 84 p 10

[Text] The Sanguinetti-Tarigo presidential ticket would have won the national election if the citizens had voted on 31 May 1984.

The latest Gallup Uruguay survey, the results of which are being processed by Gallup Uruguay's computers, indicates the truth of that statement.

Looking in another direction, the results show that, if the Frente Amplio had qualified, the Colorado Party would have gotten 7 percent more votes than the National Party and 18 percent more than the coalition of the Left.

Using the list of candidates supplied to those who were interviewed, on which Wilson Ferreira Aldunate and Liber Seregni did not appear because they could not be listed on the ballots, Julio Maris Sanguinetti came out ahead, being preferred by 24 percent of the respondents.

He was followed by Carlos Julio Pereyra with 12 percent of the respondents.

These figures reflect the opinions of the inhabitants of "Greater Montevideo," Montevideo, Las Piedras, Colon, Sayago, Lezica and Barra de Santa Lucia.

The region covered included urban, suburban and semirural areas, and the poll took in people to whom parcels of land have been allotted, people living in groups of town houses with a common entrance and small farmers.

A total of 800 people were included in the sample, and they were interviewed in their homes, using a questionnaire on which more than 15 questions appeared.

In spite of the fact that they were surrounded on all sides by activities connected with the electoral campaign, approximately a third of the population of Montevideo is not interested in political developments.

One surprising thing that was learned from the poll is the fact that at the present time young people, and especially students in secondary schools and universities, are more interested in politics than adults.

In the meantime, however, there is unanimous agreement that the current situation is chaotic, or at least confused.

On the one hand, confidence that an election would be held declined between 1 March and 31 May 1984.

The graph resulting from the poll shows that, while 86 percent of the population believed that an election would be held in March, that figure fell to 82 percent in April and to 75 percent in May 1984.

Furthermore, the number of people who thought there would not be an election increased, for it moved from 10 percent in April to 18 percent in May.

This survey, which OPINAR is in a position to discuss publicly, indicates that the majority of those consulted think that it is not right to fail to get a dialogue with the armed forces started for the purpose of getting the institutions of a democratic society functioning again in this country. From one month to the next, there was an increase of 1 percent (57 percent to 58 percent) in the number of people who felt that way, but the number of those who felt the opposite way also increased, for it moved from 23 percent to 30 percent, while the number of those who expressed no opinion dropped from 20 percent to 12 percent.

One of the subjects that have been discussed the most during the last few weeks is the question as to whether to participate in an election involving exiles.

The poll shows that the population's desire to participate in some way in the 25 November 1984 election has increased.

Some 63 percent of those consulted said that one must go to the polls--an increase of 8 percent over the percentage in April 1984.

Those who thought one should not vote amounted to 28 percent of the total, as compared with 31 percent of the total 30 days earlier.

Previously, 14 percent of those interviewed had not expressed an opinion, while there were only 9 percent of the respondents this time who fell into the "no opinion" category.

It is interesting to observe the desires of the electorate as reflected in its attitude toward the question of whether the Frente Amplio should be allowed to participate in the national election.

Assuming that the coalition does not participate, the National Party would obtain 34 percent of the votes, the Partido Colorado would obtain 33 percent and the Civic Union 4 percent. Approximately 3 percent say that they would turn in blank ballots, those who would not do so amounted to 16 percent and 10 percent of those interviewed still did not know what they were going to do.

But assuming that the Frente Amplio does participate, the poll indicates that a large percentage of those who would have voted for the National Party would change their minds. The Colorado Party's supporters in an election would increase to 34 percent of the total, the National Party's share would be 27 percent and the Frente Amplio would get 16 percent of the votes. According to the survey, the Civic Union would obtain 3 percent of the votes and 2 percent of the voters would turn in blank ballots.

Those who said they would not vote amounted to 8 percent of the total and 10 percent of the respondents continue to say that they do not know what they will do.

Where election to the office of president of the republic is concerned, the majority ticket headed by Dr Julio Maria Sanguinetti and Dr Enrique Tarigo is in the lead with about 24 percent of the total where the preferences of those expressing an opinion are concerned, and they are followed, in order, by Carlos Julio Pereyra with about 12 percent, by Dr Jorge Batlle and Dr Jose Pedro Cardoso with about 5 percent and Pivel Devoto y Galtinal with about 4 percent.

It has been stated positively that the names of Wilson Ferreira Aldunate and Liber Seregni will not appear on the ballots because of the decrees in force at present.

Anyhow, 3 percent of the respondents maintained that under no circumstances would they vote for Seregni and 4 percent of them said the same with respect to Ferreira.

9258

CSO: 3348/469

LUIS ESTEBAN REY ANALYZES ADMINISTRATION'S FOREIGN POLICY

Caracas EL UNIVERSAL in Spanish 25 Jun 84 p 1-16

[Text] We have recently heard some opinions regarding Venezuela's foreign policy reiterating a lack of dynamism and the absence of initiatives, in contrast to the foreign policy under the Carlos Andres Perez government. Insofar as we are concerned, we do not think that Venezuela has become dissociated from the fundamental goals of a diplomacy that it has been pursuing since CAP's time and earlier. What may perhaps be noted is a lesser ostentatiousness and a less personal activity on the part of the head of state in that area, but never the abandonment of policy lines that had been devised years before.

Moreover, one must consider a particularly significant factor, namely, the world situation and especially that of Latin America, in order to be able to correctly assess the progress of the foreign policy. It is by now common to claim that international policy is conceived as part of the national historical scenario and is based on a group of realities linked with the geography, economy and internal situations, which determine the existence of goals that are regarded as permanent. But, as we noted previously, in addition to circumstances at home that could have an effect on the pursuit of these goals, international circumstances play a major role.

The Prevailing Circumstances

What were those circumstances when Carlos Angres Perez assumed power? In the first place, it must be stressed that during 1973-1978, Venezuelan foreign policy was typified by the personal, direct action of President Perez. But, at the same time, events began happening on the international scene on which CAP's policy would be contingent. For different reasons, OPEC started moving its prices upward, and acquired power that it had lacked before. At the same time, there was a relaxation in international relations because of the "easing of tensions" between the nuclear superpowers. The voice of the Third World acquired greater repercussions and the contacts between it and the great industrial powers became more frequent; although, in the long run, it would be found that they were of little use. Another element favoring Venezuela's foreign policy was Carter's presence in the White House, and his effort to defend human rights, something that has always been one of the goals of our country's foreign policy. CAP managed to make use of this position of Carter's skillfully and

intelligently, devising with the president of the U.S. relations which even influenced the solution (albeit limited) of the discussions between the U.S. and Panama, which culminated in the Canal Treaty signed by both states.

In short, during those years the world situation and the influences that determined it contributed to the attainment of a more active, more creative, Venezuelan foreign policy, whereby Carlos Andres Perez attempted to lay the groundwork for a collective Latin American leadership. But one of its most notable shortcomings was that it was a policy carried out personally and almost exclusively by the head of state.

Foreign Policy and Structural Weaknesses

A discerning analyst from AP made a comment on that policy (EL NACIONAL, 25-6-77), observing that Venezuela had "emerged so impetuously in the international area that many observers fear possible internal inconsistency that could affect President Perez' daring diplomacy."

He added: "President Perez, who ends his term next year, has his main adversary in the internal structural weaknesses of his country."

And he gave a reminder that Venezuela was a depopulated nation, lacking in labor and incapable of producing the food that its population consumes. In "Commentary" of 4-7-77, we said that this reasoning was quite correct, because it was based upon reality. We cited the need for institutionalizing our foreign policy so as to lend permanent effectiveness to President Perez' "daring diplomacy," and we underscored the urgent need for creating "a genuine Foreign Ministry, a centralizing Foreign Ministry wherein all the threads which in any way form the fabric of our foreign policy would come together, and be controlled from there." We added that the Yellow House had also suffered the dispersion and lack of organization of our public administration, flaws that have become more obvious as the president of the republic has tried to carry out a more dynamic and bolder policy.

The situation has not changed and, in all the governments, many individuals, many parachutists and many extemporizers have seen in "diplomacy" a means of going abroad for recreation, without a knowledge or any experience in the field; while career employees, who took their international studies at the university and took examinations to enter the foreign service as third secretaries are virtually unprovided for.

The New Times

But let us now proceed to the criticism that has been made of our foreign policy for an alleged "loss of dynamism," for its "lack of initiatives," etc. It should be noted, in the first place, that the international circumstances have changed essentially. Not only are we experiencing a new episode of the cold war, but our economies have also suffered seriously from the effects of the world recession and, in particular, those of erroneous domestic policies that have worsened our situation. OPEC no longer has the power that it had before.

Its production has declined considerably, and the countries which do not belong to it are now producing larger amounts of oil. Add to this the fact that the leading states of our America have been stifled by their foreign debts and, at the present time, are striving to procure fair, favorable terms for renegotiating them. Only an emergency situation has made possible the Cartagena summit, an effort for unified policy which Carlos Andres Perez stressed so much, with meager results, and for which President Herrera also strove, with the same results, attempting to foster a "global Latin American strategy," which is all the more necessary since the White House is occupied by an individual who wants to revive old imperialist ambitions and to whom human rights mean very little, except when they are violated by some Communist country. To all these adverse conditions we must add the loss of ground in the Third World, trapped by its internal struggles and its economic problems, which have been exacerbated by the protectionism of the industrial countries, beginning with the U.S., which falsely preaches free trade. Furthermore, the lack of real leadership has weakened the Third World on the world scene.

Venezuela and Contadora

All the aforementioned factors must necessarily influence our countries' foreign policies. Their position is inevitably weakening, but, in the particular case of Venezuela, this does not mean that it has lost sight of its goals.

For the present, our country and those of the Caribbean area find themselves seriously hurt by the Central American tragedy that is threatening the security of all of us. But, despite the aforementioned unfavorable circumstances, Venezuela, Colombia, Mexico and Panama, gathered in the Contadora Group, have been acting patiently and seriously in search of a peaceful solution to the conflicts. The Contadora countries, politically affected by the phenomena that we have stressed, have only their moral force which, unfortunately, is not very significant in today's world. In the Contadora negotiations, since the last government Venezuela has remained in solidarity on the side of the other members of the group, and we think that its contribution has been valuable and effective.

What we have attempted to stress in this column is that the foreign policy of a country inevitably depends on many factors which at times are beyond its control, but which it cannot ignore. What some describe as a lack of dynamism, or "low profile," is nothing but a confrontation with unavoidable realities. Even the great powers have limitations on their foreign policies. We small countries have them with more reason, and much more in times of serious crisis. Today more than ever, Venezuela is suffering from the "structural weaknesses" cited by the AP analyst in commenting on the policy of Carlos Andres Perez. There are times when the world circumstances allow for the development of a more active, more aggressive diplomacy, if you will, but on other occasions, especially if the actors are small countries which also suffer from those structural shortcomings, they must control themselves, without meaning that they must yield in the defense of essential interests.

Noise and Results

Despite the long-standing flaws of our Foreign Ministry, the foreign policy under the direction of Dr Isidro Morales Paul, heeding, of course, the superior instructions from the head of state, has been progressing quietly without disregarding those interests. In foreign policy, as in many other areas, the important thing is not the noise that one makes, but rather the results that one accrues, and an intelligent adjustment to the realities surrounding us. In addition, we must make a policy that does not depend solely on the daring of one man, but rather on team work. The daring of one man can have validity if there is not, behind his policy, a certain vacuum reflecting the meagerness of potential and resources.

2909

CSO: 3348/479

PRESIDENT LUSINCHI URGED TO TAKE CHARGE OF GOVERNMENT

Caracas RESUMEN in Spanish 1 Jul 84 pp 2-3

[Editorial by Jorge Olavarria]

[Text] The Time Has Come for the Government to Govern

This week will be critical for observing whether (in fact) the government team that Jaime Lusinchi selected to "put the country in progress" is up to the formidable challenge posed for its talent, imagination and professional ability by the problems of a country which is economically stagnated, socially confused and politically waiting for something to come and extricate us from this inactivity.

The "Qualifying" Law grants the president a power as great as the responsibility for its wise exercise. This week, we shall have to note whether, in fact, that formidable instrument is going to be used for cosmetic tasks or whether it will actually be used with the surgical radicalism that the circumstances require.

There are signs of the one and the other. The decision to close CORPOMERCADEO [Marketing Corporation] would be praiseworthy if the consensus that has been created regarding its elimination were not universal. Other entities which are as much in need of such decisions, or even more so, as in the case of CVF [Venezuelan Corporation for Development], have been caught in muffled episodes of myopia, which could be demonstrating a dangerous weakness in the government for making decisions that hurt specific interests.

The example of VIASA [Venezuelan International Aviation] should serve as a standard. A serious, consistent, hard-working, transparently honest, young man is working the miracle of putting a scandalously sick company on a sound footing. Apparently something similar is happening to CANTV [National Telephone Company of Venezuela], although the dimensions of that chaos threaten to drown it.

Unfortunately, the instances do not seem to be common. Other entities, in the hands of different individuals, do not appear to be emerging from the morass in which they are submerged, and their helmsmen are splashing about pitifully

in it, if they are not incurring the same evils and mistakes that their predecessors committed.

The months that have elapsed, and the passage of the Qualifying Law, would appear to indicate that the time has come for Lusinchi to show whether he actually has the capacity for putting the country in progress or not. By now, the indulgence automatically blaming his predecessor for everything that is bad is becoming exhausted, or is already exhausted. By now, the enthusiasm for everything new has vanished. By now, the happiness over the well delivered speeches and well intentioned remarks has been exchanged for impatience for seeing them transformed into reality. By now, the government has started its inevitable path toward erosion, and needs to restore itself with deeds, and with measurable, tangible realities. By now, the time has come for Jaime Lusinchi to govern; and for the government to govern.

The Embarrassment of the Spurious Councils

The country's protest over the fraudulent depiction of the Municipal Councils is still alive and vibrant. The civic slap in the face given by the country to this corrupt and inept municipal system is still latent. The message of repudiation for the council members' lack of authentic representative status is still alive.

But this does not matter at all to that little group of profiteers and cheats who have fallen upon the country's municipalities with the avidity of one who suspects that this may be his last chance to become wealthy from the same source from which so many have become wealthy with as much shamelessness as impunity.

The spectacle shown by the "people's council members" is worthy of the picaresque production in which they are actors. The rogues' scramble to hold positions of authority exceeded the "party discipline" which, everywhere, on all levels and in all locations, offered spectacles worthy of the illegitimacy with which they have reached the governments of our cities.

From the Municipal Council of Caracas, in which the "Pepsi-pressure" from an organization as sinister as it is powerful exceeded the merit of one that had been set up as a standard of deception, to an Apure Council and another in Guayana, also including that of Maracaibo, in which the desire for "distribution" caused it to lose even a sense of public shame, the establishment of the councils "elected" by votes that did not allow elections has been another demonstration of the degree of shameless putrefaction in a system rejected by a popular plebiscite, with unquestionable eloquence.

These councils, which are not municipalities, will continue to plunder our cities and scourge our communities with their corruption and vices, until the time comes when the mere abstention from lending oneself to their farce is insufficient, and it becomes necessary to force respect for the Constitution, which has not only been ignored, but has been hurt by this spuriousness.

Rise and Fall of Lusinchism

No one can say how it began. But the actual fact is that, in mid-1977, something was created in Democratic Action that might be called "Lusinchism." A result of internal strife and occasional accommodations, slowly, imperceptibly, but surely, the movement that converged in the candidate opposing Luis Pinerua acquired features and a personality of its own.

Launched forth for the sacrifice against the "correct" one, the sacrifice victim (with a skill that no one denies him now) managed to agglutinate around him loyalty, commitment and consistency that led him to receive the presidential nomination of his party in a second, decisive effort.

First his understanding with the trade union sector, then Betancourt's blessing, later his nomination and finally his victory contributed to setting up "Lusinchism" as the most formidable internal movement in the history of his party, one numerically far more powerful and vast than what Betancourt himself had in his time.

This recollection is pertinent for reflecting on a phenomenon which, just because it is odd, will not fail to have deep repercussions in the months and years lying ahead for Jaime Lusinchi's presidential term. That phenomenon is the dissolution of "Lusinchism" when it most appeared to have the greatest power.

This certainly does not mean that the government will have confrontations such as those which Betancourt had in his time with the two groups that later split. No, that is not what it means. It means something more subtle, but nonetheless real. It means a phenomenon involving readjustment of positions, with a view toward the 1988 elections, which at this early time is already reducing the government's force, imagination, cooperation and solidarity and, on the contrary, lending it inconsistency, distraction and dispersion.

And, in particular, it means the most dangerous and detrimental factor for upheaval with which President Lusinchi will have to contend: C.A. Perez' ambition for reelection.

The Upheaval Factor

His strategy is obvious: Perez will not repeat Caldera's mistake. If the government is doing badly, Perez will not blame it. Perez will let it be known. Perez will say it on every occasion offered him. To Perez, the international policy area is a free runway and a fruitful arena. The turbulent Central American scene in particular lends him opportunities for playing successfully the most contradictory of games. And in so doing, Perez will not lose a chance to differentiate himself, and if necessary even dissociate himself from the Lusinchi government.

From a desperate situation to the brink of suicide, Perez has become a power factor as real as it is growing. Far from having united the Lusinchí movement against him, he has divided, penetrated, weakened and confused it to such an extent that, at present, Pinerua backs him out of fear of Morales Bello, and the latter does not oppose him because he knows that if he obtains his support he has hope of becoming nominated.

No one in Democratic Action has the street following that Perez has, no one. He knows it; the others know it; the government knows it. And this knowledge has been critical for breaking up the Lusinchí movement, just as an iceberg is broken up by the sun.

Few in Democratic Action realize that this "street following" will be unable to do anything if the Lusinchí government fails; and its chances of failing are great. To all the adverse factors of a very difficult economic situation we must add a no less difficult political situation. It is not a traditional scenario. There are no (nor will there be any) confrontations, either ideological or of any other kind, like those that had to be confronted by Betancourt. There will be (and there is) something worse.

The party, which should be devoting all its efforts to an attempt to help the government extricate the country from the stagnation in which it is suffering, is involved and distracted by the internal conflicts that the upsetting factor of reelectionism have brought.

The matter has a solution: resolving the issue of the candidacy immediately, through the election of a secretary general who will obviously be the candidate in 1988. This is Perez' proposition. This is what Perez is trying to have someone propose. This is what Perez wants.

And this would mean the end of "Lusinchism," and perhaps the end of the Lusinchí government. This would mean either a virtual joint government or such a dangerous confrontation that no one would dare think of its consequences; although everyone may recall what happened with the confrontation between Lopez Contreras and Medina.

Pepsi-Democracy

Those who are raving about Perez' "street following" do not realize that this is a circus phenomenon, lacking content and message. It is noisy and appealing, like a siren or a rocket; and it is as fleeting and fizzy as they are. Perez cannot talk about the past, and hence he can offer nothing for the future. He will go down in history as the squanderer of the most extraordinary material opportunity that the country has ever had. He will go down in history as a corrupt person, and as a corrupting person. His enormous vacuousness is matched only by his brazenness: the empty brazenness of the charlatan, who talks about everything because he cannot say anything.

The situation has a clearcut parallel with the Prio Socarras phenomenon in Cuba, and it has it in more than one sense. The history of the Cubanization

of Venezuelan politics should not be told only in the episode involving the influence wielded by Fidel Castro. It should also be told from the standpoint of the enormous influence that the pre-Castro mentality has had and still has on Venezuela : the mentality of the Cuba of Grau and Prio.

And nothing or no one embodies that mentality more and better than the so-called "Cisneros Organization." Its greed makes it friendly and smooth-talking with those who want to conquer. There is no minister of interior who has resisted "Gustavito's" charm. Few have refused an invitation to "La Romana," the Dominican property to which they bring friends "to rest." They have in their service featherworkers and clowns, sages and fools, who advise them on how to find the weak spot in the one that they want to penetrate and put on their side. They have published a book for Rafael Caldera. They have leased a house in La Lagunita for Perez. The permit for a television channel has been used as a very powerful weapon for intimidation, blackmail and conquest.

They have conquered everything. There is no entity, corporation or ministry in which the "organization" has not penetrated. The Municipal Council of Caracas has just been conquered by them in the person of one of its most conspicuous and equally obsequious "executives." But their most prized conquest, their most powerful tool and their strongest card for total domination is Perez.

They have to pay a high price and they must run enormous risks. Perez has the organization's fleet of aircraft at his complete disposal, not only for his personal use, but also for that of the individuals whom he indicates, including "Commander Zero." Perez does not need money from the "organization." But it serves him as a comfortable excuse, when some naive person wonders where Perez gets the money to do everything that he does.

But more than that, far more than that, there is between Perez and the organization a perfect symbiosis of objective, method and mentality. They do not need to agree in order to be in agreement. They response to the same ethical springs, to an identical, cynical way of viewing politics, people and the game for power. They are occasionally "anticommunists." They clothe their lack of message and essence in a sterile, hypocritical "anti."

Now, in mid-1984, with the Lusinchi government prematurely aged and dangerously debilitated by the upheaval that has taken place in its own party, the Pepsi-democracy aspires to set itself up as an alternative in power.

As in the happy days of Prio, no one believes that this will end. Everyone swears that its power is solid, permanent, stable, enduring, and projected securely into the future. They believe that Venezuela is heading toward Pepsi-democracy. I don't; I neither believe it nor want it.

2909

CSO: 3348/479

END