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JPRS-LAM-84-026

27 February 1984

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19980814 033

Latin America Report

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27 February 1984

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CHILEAN-ARGENTINE ENERGY PROJECTS--Santiago. (ANSA)--Delegates from Chile's National Coal Enterprise and Argentina's Government Coal Deposits signed a pact for joint action in the southern area of both countries. This decision was reached during a meeting held in the Chilean city of Puerto Natales. At the meeting Argentine diplomat Mario Foradori announced that the two organizations will engage in joint exploration to determine the feasibility of the Argentine group's exploitation of the Dorotea coal strata in the Chilean sector. During the meeting, also attended by business people and state officials of both countries, other possibilities for Chilean-Argentine cooperation were also analyzed; among these was the sale of Chilean gas through a gas pipeline between Puerto Natales and Rio Turbio in Argentina, the installation of an aqueduct to supply Chilean water to that trans-Andean city, the export of Argentine cattle to Chile and overland transportation facilities for the citizens of both countries. [Text] [Santiago LA NACION in Spanish 23 Jan 84 p 11] 8568

CSO: 3348/237

GRIFFITH REPORTS ON 1983 OIL OUTPUT, PROSPECTS FOR 1984

Woodbourne Production

Bridgetown SUNDAY SUN in English 1 Jan 84 p 1

[Text] THE Barbados National Oil Company (BNOC) is further pushing up local production in the new year, so as to supply half of this country's oil requirements by the end of 1984.

The Minister responsible for Energy, Senator Clyde Griffith, flaunted encouraging figures yesterday, to show that BNOC was already meeting about 40 percent of the country's oil needs, and said indications were

that the Woodbourne oil fields would be producing more than 50 percent of Barbados' requirements by the end of the year.

Eighty-seven wells at Woodbourne, produced 380 000 barrels of oil in 1983 and the last three to be put under production were doing extremely well, the minister reported.

He also attributed the success at Woodbourne, plus a drop in oil

prices for Barbados' 1983 oil import bill falling to the record low of \$56 million, the lowest since 1979 when oil imports cost this country \$62 million.

In the meantime, Barbados has been able to secure an agreement that allows the drilling rigs of Trinidad's Well Services Limited to continue operating here, under new contractors, expected from Venezuela, when the current contract expires this month.

Performance Improvements

Bridgetown SUNDAY ADVOCATE in English 1 Jan 84 p 1

[Text] BARBADOS expects it will be producing close to half of its daily petroleum demands in about four months time, Energy Minister Clyde Griffith said here.

He said "the latest report I am getting are that by April 1, we should see ourselves producing at the rate of 2 000 barrels a day," he said. "This is based on the current drilling programme."

Senator Griffith said that if the target could be reached by April, then the industry should be proud of its performance, since it would mean that Barbados could reach a production of 50 per cent of its daily domestic demand, which "is something that would have been achieved beyond our wildest dreams."

Barbados imports about a million barrels of crude annually.

Mr. Griffith pointed out that drilling was being done at the rate of one well every 10 days, which he said was a very costly undertaking "...but it means that

the island is producing at a rapid pace."

The Minister said, too, that the oil import bill has been drastically reduced.

A look at the years prior to 1982 would show that the import bill had been rising at a rapid rate to a point where it had become intolerable, reaching Bds\$92 million in 1981 (one Bds dollar — 50 cents U.S.) but had dropped this year to Bds\$56 million, he said.

Barbados' increased crude oil production resulted primarily from assistance received from Canada, through the state-run corporation, Petro-Canada International, which played a pivotal role in the development of the fledgling Barbados National Oil Company (BNOC) with the provision of manpower, technical assistance and training.

The Barbados National Oil Company operates the main oilfield in the southeastern sector of the island, and since taking over the operations from

Mobil Exploration Limited, has seen production shoot up from an average of 800 barrels a day to in excess of 1 200 barrels.

According to government projections, local crude production is expected to reach 380 000 barrels annually by yearend, the highest ever.

New Woodbourne Wells

Bridgetown THE NATION in English 9 Jan 84 p 20

[Text]

THE year 1983 has been the most productive one so far for the oil wells at Woodbourne, St. Philip, with 20 new wells being sunk to make a total of 87.

It could not be determined what quantity of oil the wells produced last year but according to general manager at the site, Mr. Mal McElroy, the year ended with a production of some 1 200 barrels a day as opposed to some 900 early in the year.

Mr. McElroy said workmen should be able to drill about two wells a month during this year, which would mean that by December an even greater number of wells a year — 24 — would be sunk.

The general manager noted that out of the 20 wells drilled only one was unproductive.

He said this meant the site had done well since "there is no way of making absolutely sure that all wells will produce oil".

The past year also saw the installation of two pieces of equipment — two tank batteries.

Mr. McElroy stated that one of these was newly installed while the other was renovated so that it could be enlarged. He also said that a similar piece of equipment would be installed this year.

He could not say how much longer the wells would remain productive, but noted that the drillings were moving westward where more oil seemed to be located.

CSO: 3298/408

DIVIDED UTILITIES COMMISSION OK'S ELECTRICITY RATE INCREASE

Report on Commission's Action

Castries THE WEEKEND VOICE in English 7 Jan 84 p 1

[Text] For the second time within a year, St. Lucians are to be called upon to pay increases in electricity rates.

The Public Utilities Commission (PUC) headed by Barrister Vernon Cooper, which heard the claim by St. Lucia Electricity Services Ltd., last November, has agreed to award the Company a 1.65 cents per unit increase effective January 1, this year.

The Company's application was for an average increase of two cents per unit in the basic rates charged to consumers.

In February last year, the Commission awarded the Company an average increase of 4.2 cents per unit as against five cents per unit which it had applied for.

In making the new award, the Commission decided to apportion the increase among the various classes of consumers. It decided that the brunt of the increase should fall on domestic consumers using up to 180 kilowatt hours of electricity per month.

According to the Commission, this category of consumer accounted for 80 percent of total domestic consumption.

But the Commission's award was not unanimous. In fact, PUC Chairman Mr. Cooper disagreed with the decision of his four other colleagues on the Commission, as to where the burden of the increase should fall.

Said Mr. Cooper: "I am of the view that the domestic consumer is already bearing a substantial portion of increase and in fact that section comprises a substantial portion of salaried earners whose incomes are limited, and in many instances cannot afford an increase in their electricity rates."

Mr. Cooper said that while he was in favour of granting the Company the requested two cents per unit increase [or an 8.5 percent increase in

basic rates], he felt that low income bracket consumers should pay half percent more, higher income consumers 1 1/2 percent more and that the rest should be apportioned among the other sectors, such as commercial and industrial concerns and street lighting.

During the hearing, according to the PUC's report, the Company reported that while the 1983 increase had helped to improve its financial viability, income generation still lagged behind expected income levels for the year.

The latest application, it said, was for a tariff increase to recover this year, revenue forgone last year, to enable the Company to activate its \$9.1 million capital expansion programme for which it is required to contribute \$1.8 million from its own resources.

The Electricity Company is seeking a US\$2.7 million loan from the Caribbean Development Bank for the purchase of a new generator. But the Commission was highly critical of the CDB's loan conditions, which it described as "harsh."

Said the report: "One would think that the CDB was established for the purpose of developing the economies of the Caribbean and would not expect to deal on rigid banking principles, and that consideration of the poverty of those islands would be taken into account, the ability to repay based on the state of the economy of the islands and the low standard of living suffered by people whose very development the bank was designed to encourage."

But this, said the Commission, did not appear to be the case.

Rationale for Approval

Castries THE WEEKEND VOICE in English 7 Jan 84 p 2

[Editorial: "No One Speaks for the Public"]

[Excerpts] The Public Utilities Commission has just issued a most interesting report on the application by St. Lucia Electricity Services Limited for increased rates, the second to be awarded the company in a year.

The PUC report is interesting for a number of reasons. One is that the Chairman of the Commission, barrister Mr. Vernon Cooper did not agree with his fellow Commissioners on the award. The Commission felt that domestic consumers should bear the brunt of the new award, while the Chairman held the view that this category of consumer was already bearing "a substantial portion" of the increases in electricity rates.

It is interesting too for the fact that the report states categorically that the new award was made because there was insufficient public objection to the Company's request.

On this latter score, the PUC appears to have taken a very strong stand. Its report laments the fact that notwithstanding the publicity given to its

impending hearing of the application; and notwithstanding its request that the public come forward to air their views on a matter which would undoubtedly affect several thousand St. Lucians, no such representation was made.

The PUC report has been most emphatic, to the point that it has singled out some of the organisations which, in its opinion, should have made representation during the hearing of the application.

As the PUC has quite rightly said, we hear a lot of talk in St. Lucia from people who claim to "be concerned about the interest of the working class," who shout about "peoples' rights," about "big business exploitation" and all that, but who run away when given the opportunity to fight for the causes they preach.

It is ironical, is it not, that in such a simple matter as dealing with the application of a utility company for an increase in its rates, there is no one speaking for the people of this country.

It is not the first time that the PUC has expressed the sentiments that it has in the Electricity Services application report. We St. Lucians should take note and never let this situation repeat itself.

CSO: 3298/423

TEXACO CURTAILS SOME ACTIVITIES, IS ASSAILED BY OWTU

Union, Company Differences

Port-of-Spain TRINIDAD GUARDIAN in English 10 Jan 84 p 7

[Text]

SAN FERNANDO:
TEXACO, the world's third largest oil company, has been accused by the Oilfields Workers' Trade Union of expanding its world-wide operations while at the same time refusing to make its Trinidad operations viable.

The charge came from OWTU's Labour Relations Officer, Mr Bennett Berkeley, who is on the union's team negotiating a revised industrial contract with Texaco Trinidad Inc. on behalf of the hourly-rated, weekly-paid workers.

Texaco has acquired Getty Oil Company. The price — US \$10 billion (TT \$24 b.).

Mr Berkely said that Texaco was expanding its operations in the United States and Europe but cared nothing about investing in its Trinidad and Tobago operations.

Instead of trying to update its refinery and boost production in Trinidad and Tobago, Texaco (Trinidad) offered to sell 75 per cent of its Pointe-a-Pierre refinery to the Government of Trinidad and Tobago.

Further to that, the company, according to Mr. Berkeley, submitted counter wage proposals to the union, aimed at further re-trenchment.

The union and company are expected to meet tomorrow to continue wage discussions. According to a union source, the meeting would have to be postponed because of presentation of the 1984 national Budget.

ECONOMIC FACT

Asked to comment on the union's charge concerning wage proposals, Texaco said:

"The company's counter proposals include a reduction in the large number of job classifications which have developed over the years, many of which are no longer justified by the present workload.

"It is an economic fact that in order to survive the Pointe-a-Pierre refinery must be made more competitive. No refinery anywhere in the world can afford the luxury of restrictive work practices which a proliferation of job classifications encourages."

Call for Texaco's 'Expulsion'

Port-of-Spain EXPRESS in English 13 Jan 84 p 3

[Text]

GEORGE WEEKES, president-general of the Oilfield Workers' Trade Union (OWTU) told workers in Woodford Square on Budget Day the government was "bending back" to accommodate United States multinationals

because it feared the imposition of trade barriers by that country.

Weekes was speaking about government's decision to continue negotiations with Texaco which was announced by Prime Minister and Minister of Finance

George Weekes [sic] in his budget speech.

The president-general said he walked out of Parliament on hearing that pronouncement.

He said: "Texaco has done enough to warrant its expulsion from this country".

The trade unionist said that government "feared the wrath of Yankee imperialism more than it feared the wrath of workers," and added that the government's decision showed it had no confidence in the people.

Weekes added that government had set a bad precedent by increasing taxation.

A member of the National Economic Planning Commission, he added: "Certain items

have gone up. This brings certain problems for myself not only as president-general of the OWTU, but also as a member of the NEPC".

He said the discussions were confidential, and added that his position was if there was to be restraint, it must be distributed as equally as possible.

Turning to the unification of the labour movement, he said that the Council of Progressive Trade Unions (CPTU) was prepared to meet today with the Trinidad and Tobago Labour Congress (TTLC) to discuss the issue.

"All we have to do is get a letter from the TTLC calling for talks," he said.

Uneconomical Refining

Port-of-Spain TRINIDAD GUARDIAN in English 13 Jan 84 p 1

[Text] THE OVERALL arrangement concerning the refining of crude oil from Trintoc at Texaco's Pointe-a-Pierre Refinery is not economical for Texaco (Trinidad) Limited.

Texaco made this statement in response to a question posed by the "Guardian."

The company said: "We are pleased that after some considerable time, formal negotiations will commence on our last offer to sell 75 per cent of the refinery to Government."

Prime Minister and Minister of Finance George Chambers announced in the 1984 Budget that Government is to begin formal negotiation for the purchase of Texaco.

Mr. Chambers also stated that while negotiations with Texaco proceed, it is proposed that the interim processing arrangement should continue.

Mr. George Weekes, President-General of the Oilfields Workers' Trade Union, said yesterday that Trinidad and Tobago should be given the challenge of running the Pointe-a-Pierre refinery. If Government wanted to be generous, it could offer Texaco a token amount of money for the operations.

Joint Venture

Mr. Weekes said he found it "very strange" to hear about "formal negotiations" when Government should have taken over Texaco Trinidad a long time ago.

He said if Texaco was running at a loss, as the company had been saying time and again, it should give to the people of Trinidad and Tobago the entire operations without attaching a price.

Mr. Weekes welcome the plan for Trintoc to process 20,000 barrels of Venezuelan crude oil daily.

With Venezuela being so near to Trinidad, crude should be piped into Trinidad, apart from using tankers he added.

He suggested negotiations between the Governments of Trinidad and Tobago and Venezuela to establish a pipeline on a joint venture basis, to pipe crude oil to Trinidad.

Investment Cutback

Port-of-Spain EXPRESS in English 16 Jan 84 p 1

[Text] TEXACO Trinidad Incorporated last week abruptly cancelled plans to invest about \$6 million in reactivating some 20 oil wells in its land operations which could have boosted its production capacity by 3,000 barrels per day.

A highly-placed Texaco source revealed yesterday that an investment decision had been taken prior to the budget to reactivate the wells.

The wells are scattered throughout the company's producing fields and the production department received instructions on Friday to scrap all further plans for capital investment. The Budget was delivered last Wednesday.

The high production wells were in need of mechanical works which could have spurred on production.

The company order will prevent capital investment on such reactivation plans but will allow spending on basic work-over wells. The source said that the decision to cancel the investment proposition was influenced by the budget speech since everything was in place to begin the reactivation process.

In his budget speech, Prime Minister George Chambers said, "In respect of Texaco Trinidad Inc. the main developments have been the virtual cessation by Texaco International of the use of the since the end of 1982, the falling crude production of Texaco consequent on its total curtailment of expenditure for exploration, drilling and workovers, and the offer of Textrin to sell the Pointe-a-Pierre refinery to government.

"Honourable members will also recall that the crisis situation which threatened closure of the refinery engendered in 1982 required us to devise an interim arrangement whereby refinery throughput would remain at a minimum of 65,000 barrels per day, of which Trintoc would supply 37,000 barrels and Texaco 28,000 barrels.

"Contrary to expectations, this arrangement, which was anticipated to last only until March 1983, continued to year-end and Texaco progressively reduced its crude supply to 23,000 barrels, thereby shifting an increased proportion of the financial burden to Trintoc, and by extension to the treasury."

In negotiations with the inter ministerial team last year Texaco had offered to sell 75 per cent of its operations to government and retain 25 per cent which included the producing fields and an interest in marketing. The company is currently locked in wage negotiations with the Oilfields Workers Trade Union which is representing the daily paid staff.

Already the company has suggested to the union that it cannot offer any wage increase for the first year and has asked that the contract be extended for a further year. The OWTU has rejected this proposal, but talks are still continuing.

CSO: 3298/431

CHAMBERS DISCUSSES OIL SITUATION IN BUDGET SPEECH

Port-of-Spain TRINIDAD GUARDIAN in English 12 Jan 84 p 3

[Text] TRINTOC is expected to process 20,000 barrels of Venezuelan crude daily, possibly in the near future, at its Point Fortin refinery. Prime Minister George Chambers, in presenting the 1984 Budget yesterday, briefly mentioned this significant development.

Mr. Chambers pointed out that an interim arrangement, which was supposed to end in March 1983, involved Trintoc supplying 37,000 barrels and Texaco 28,000 barrels to be processed at Texaco's Pointe-a-Pierre refinery.

But according to the Prime Minister, "Texaco progressively reduced its crude supply to 23,000 barrels thereby shifting an increased proportion of the financial burden to Trintoc and by extension to the Treasury."

Tesoro Petroleum Company's offer to sell its minority holding in Trinidad Tesoro Petroleum Company to the Government "remains an outstanding issue," he said.

Mr. Chambers said:

"Petroleum

Government recognises that for some years to come the oil industry will remain the backbone of the country's economy and because of its importance to our foreign exchange, public revenues, domestic energy security and employment must be approached with the utmost responsibility.

The offer of Tesoro Petroleum Company to sell to the Government its minority holding in Trinidad Tesoro remains an outstanding issue. The present position is that in accordance with the Heads of Agreement the determination of the price of sale has been referred to the auditors who are being assisted by financial advisors acceptable to both parties. The price so set will be binding on Tesoro but the Government will have the option of accepting or rejecting it.

In respect of Texaco Trinidad Inc. the main developments have been the virtual cessation by Texaco International of the use of the refining facilities in Trinidad since the end of 1982, the falling crude production of Texaco

consequent on its total curtailment of expenditure for exploration, drilling and work-overs, and the offer of Textrin to sell the Pointe-a-Pierre refinery to Government. Honourable members will recall that in my 1983 Budget Statement I reminded the country of the efforts of Government to secure meaningful participation in the refining operations of Textrin during the years of the oil boom. These efforts met strong negative responses.

Honourable Members will also recall that the crisis situation which the threatened closure of the refinery engendered in 1982 required us to devise an interim arrangement whereby refinery throughput would remain at a minimum of 65,000 barrels a day of which Trintoc would supply 37,000 barrels and Texaco 28,000.

Contrary to expectations, this arrangement which was anticipated to last only until March 1983, continued to year end and Texaco progressively reduced its crude supply to 23,000 barrels thereby shifting an increased proportion of the financial burden to Trintoc and by extension to the Treasury.

The entire question of the role and direction of the oil industry was discussed at the National Economic Planning Commission against the background of a report prepared by a Committee of the Commission which made far-reaching proposals. The options recommended to Cabinet by the Ministerial Committee have been further refined so that the Government is now in a position to commence formal negotiations with Texaco.

When these two questions have been resolved the way would have been cleared for making the National Petroleum Company fully operational.

While negotiations with Texaco proceed, it is proposed that the interim processing arrangement should continue, strictly on the principles announced in the 1983 Budget Speech namely:- That the cost of processing 65,000 barrels per day of local crude should be pro-rated on the original premise with not more than a 37/65 share of the monthly refining cost being met by Trintoc.

It is further proposed that

More Equitable

(i) Trintoc and Texaco should negotiate a more equitable framework for the incremental processing of additional feedstocks through secondary processing plants at Pointe-a-Pierre to ensure a more realistic fee basis; and

(ii) Any negotiations for the sharing of the cost of processing additional crudes should be on the basis of 'marginal costing' separate and distinct from the cost-sharing under the interim processing agreement now in place.

Meanwhile Government has agreed in principal for Trintoc to conclude arrangements for the processing of 20,000 barrels per day of Venezuelan crued in Trinidad.

Finally with respect to our extensive natural gas resources which have to date been used as fuel and feedstock in the energy-based industries, the recommendation of the National Economic Planning Commission has been accepted.'

GASOLINE PRICE INCREASE HURTS GAS STATION DEALERS

Port-of-Spain TRINIDAD GUARDIAN in English 13 Jan 84 p 1

[Article by Kit Roxburgh]

[Text] GAS STATION dealers are more bitter than the buying public over Wednesday's Budget which hiked the retail price of premium gasoline by 54 per cent.

The Petroleum Dealers' Association (PDA) is claiming that the State-owned National Petroleum Company (NP) breached a five-year contract minutes after Prime Minister George Chambers presented the 1984 Budget on Wednesday.

The dealer, also claim that with the new prices, their hard-won and small/profit margin on gas has been reduced--in spite of assurances last year that it would be increased. And, apart from a new wage increase they will have to pay staff this year, approximately ten per cent, they would face a higher percentage of people who steal gas at stations, a practice that has become rampant since the heavy gas price increase last year.

Some 200 gas stations are affected by Government's decision to up the price of premium gasoline to \$3.86 per gallon. The Budget increased the price of premium gasoline from 55 cents to 85 cents per litre and the price of regular gasoline from 45 cents to 80 cents per litre.

And according to veteran PDA spokesman, Mr. Roderick Pillai, the exercise of changing the count through the pumps to the new rates must have been near completion within 24 hours of Mr. Chambers's announcement.

He explained that under the contract with State-owned NP, the dealers are supposed to pay two cents per gallon on premium gas, which most vehicles use.

Simply Sent Word

Dated 1980, the contract with NP should last until 1985, and only with the agreement of the dealer should any major increase be paid to the suppliers.

There was no such agreement, he said. NP simply sent word that dealers would have to pay more from Budget Day. It is now two and a quarter cents in addition to the fixed two cents. The profit margin of 12 cents per litre has been reduced to ten cents.

An immediate response by many service stations, he said, was the stopping of credit facilities to customers, since the dealers could not now be sure whether bills could be paid on time in view of the sharp rise in gas prices.

NP, in response to the charge made by dealers, yesterday sent a cryptic reply signed by its Public Relations Officer, Mr. Rodney Charles.

The release, in which the term "rent" is used to mean the charge payable to NP on an annual basis, says:

"In determining the level of increases in margins to be paid to dealers on gasoline sales, Government has made a provision of 1/2 cent per litre to cover proposals by NPMC for an increase in service station rentals to be paid by dealers. Dealers have been so advised.

"Such a provision places dealers in a more favourable financial position in that NP, under normal circumstances, can request from dealers and increase of rent to be met directly from profits earned in the business, regardless of whether or not changes are made in margins. In this case Government has catered for these increased rents to be paid by dealers."

More Stealing

Gas station dealers, in the wake of the 1983 gas hikes, which were steeper than this year's, fought for a higher profit margin because of bigger salaries set by Government and the PDA for attendants.

Bigger margins were sought to offset cost generally. Station operators were told, said Mr. Pillai, that adjustments would have been made... they never imagined that the new "adjustments" would have brought their profits downwards.

As regards pilferage of gas, it was explained that since the doubling of prices in 1983 Budget, customers who before paid exactly for what they took from the pumps, were now letting the fuel flow freely before ringing off the sales.

Gas station operators were aware of this, but because of the scarcity of staff and the wages paid on Sundays and for late hours during the week, customers, by sheer volume, were allowed to pump gas into their tanks.

With the present price, it was feared that gas stealing through customer handling would sharply increase.

CSO: 3298/430

TRINTOC REPORTS NEW 1,600-BARREL-PER-DAY WELL IN PENAL

Port-of-Spain TRINIDAD GUARDIAN in English 11 Jan 84 p 1

[Article by Kit Roxburgh]

[Text] BY AN almost uncanny coincidence, the country learned on the eve of an expected grim 1984 Budget, that a new productive oil well has been drilled.

Trinidad and Tobago Oil Company Ltd. (Trintoc) Chairman Andrew Rose announced yesterday that the well is in Penal and capable of producing 1,600 barrels of crude per day.

He told Minister of State Enterprises Ronnie Williams that well No. P-279 ST was completed on New Year's Day, and that Trintoc would also build and operate a plant for the manufacture of urea formaldehyde concentrate.

Mr Rose told the "Guardian" at a news conference that the urea plant was not definite, but would depend on a market survey. It should cost, if completed, about \$15 million when on stream in 1986.

Mr Williams, listening to the State-owned company's announcement, said it was a pity that some private entrepreneurs had not moved themselves from the gloom and doom syndrome and done like Trintoc... invest in the country.

Mr. Williams spoke of Trintoc's exploratory investments of \$17.5 million in 1982 and \$25.7m last year.

"It is a great pity that the other oil companies have not seen the wisdom of investment as Trintoc has done" said Mr Williams.

Local Financing

Mr Rose, reading out the role of Trintoc and the new Penal well to newsmen, disclosed that in 1982 Trintoc's total investment in terms of drilling and production was \$60 million and last year \$75 million.

Who would fund the proposed urea concentrate plant? Mr Rose said the financing could be local. There could be foreign technology also.

The well at Penal took five months to drill, said one of the half a dozen Trintoc Executives present, and there were indications in December of the well being successful.

The release from Trintoc, as read to Mr Williams:

Crude Oil production from a new well drilled by Trintoc in Penal has considerably improved the company's production out look.

On January 1, 1984, Well P-279 ST was completed by the Company and is now producing Crude Oil at the rate of 1,600 barrels per day. The new well which was drilled to a depth of 10,583 feet is producing from two zones in the Herrera Sands.

Since Trintoc's Crude Oil production from its land fields was in the region of 8,000 barrels per day, the contribution from this well will make a significant improvement. Expected cumulative production from the well is over one million barrels.

The new well has come as a tangible benefit of the aggressive exploration programme which the company has been pursuing over the past five years. In 1982, the company introduced a new deep drilling rig in its exploration programme contracted for drilling to depths of 13,000 feet.

Over the last two years alone, the company drilled nine exploration wells, and of the four drilled in Penal, two have been successful.

Last year an extensive review of the Ortoire acreage was undertaken and resulted in proposals for the drilling of deep exploration wells in that area with one to a depth of 18,000 feet.

Further seismic work is to be carried out in this acreage to identify other potential prospects.

The new Penal well drilled by Trintoc has provided additional data which are being incorporated in the re-evaluation of the Herrera Sands and it is expected that additional drilling prospects will be identified in Penal.

At the request of the Government of Trinidad and Tobago and the National Energy Corporation, Trintoc will construct and operate a plant to manufacture urea formaldehyde concentrate.

The plant will be based in the Point Lisas Industrial Estate and the product will be used locally as a coating in the manufacture of granular urea.

This resin coating will prolong the useful life of the urea grains.

The raw materials involved in the process are urea and formaldehyde, the latter to be produced from methanol and are thus all available locally.

The resin is also used as an adhesive in the manufacture of particle board, plywood, hardwood, furniture, etc.

ARTURO HERNANDEZ DISCUSSES NEW ADMINISTRATION'S OIL POLICIES

Caracas EL UNIVERSAL in Spanish 23 Dec 83 p 2-1

[Text] Arturo Hernandez Grisanti does not believe that Jaime Lusinchi's administration will change the guidelines of the nation's petroleum policy.

The incoming minister of energy and mines, Hernandez Grisanti, maintains that Venezuela's petroleum policy has strategic objectives which are very well fixed and very clearly defined, and as a result, there is no reason to change them.

Those objectives are: defending oil prices, extending the nationalization of the petroleum industry, strengthening OPEC, and promoting our independent technological development.

After meeting with the president-elect, Jaime Lusinchi, Hernandez Grisanti made some comments to the press, speaking on his own behalf, and not in an official capacity.

On the San Jose Agreement, signed by Mexico and Venezuela for petroleum cooperation with Central America and the Caribbean, his opinion is that it should be maintained in force.

[Question] Do you believe that in 1984 there might be substantial increases in crude prices?

[Answer] No improvement is expected in prices for the coming year. The situation of the oil market for 1984 should be very similar to the situation in 1983; there are even some symptoms that may be a cause for concern, such as prices in the spot market, which are a dollar under the official prices, and there are some consumer pressures on certain products for a larger price decline. But we have confidence and also some information from a reliable source that leads us to be optimistic on prices.

To illustrate his comments, he cited the case of an English oil company, the target of strong pressures, but which has firmly resisted these pressures.

"We can't predict that our petroleum resources will solve our problems for us. The solution must be sought by other means, which Jaime Lusinchi's administration will have to implement."

In addition, he said that the transition commission with the ministry of energy and mines is working, receiving information, and has been afforded good cooperation.

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CSO: 3348/232

MARAVEN GETS EXPLOITATION RIGHTS IN ORINOCO OIL BELT

Caracas EL NACIONAL in Spanish 14 Dec 83 p D-6

[Article by Amado Fuguet]

[Text] Yesterday the ministry of energy and mines approved the request filed by MARAVEN, a subsidiary of PETROVEN [Venezuelan Petroleum, Inc], for the rights to extract heavy crudes in the Zuata area, located in the Orinoco Oil Belt.

This information was released by the minister of energy and mines, Jose Ignacio Moreno Leon, who signed the resolution granting MARAVEN official authorization for its operations in the third unit of the Orinoco Oil Belt, extending from east to west. Zuata, a region located between the Guarico and Anzoategui states, has a surface area of 14,500 square kilometers, an area larger than Lake Maracaibo.

This authorization will enable MARAVEN to extract the heavy naphthenic crudes which are used as a base in making lubricants.

Moreno Leon said that in the Zuata Project, 100,000 barrels a day of crudes of 12 on the API [American Petroleum Index] scale will be extracted. This production volume should be attained in 1991. A gradual increment in production is expected each year after that, until the level of 200,000 barrels per day is reached in 1995. That level should be maintained until some time after the year 2000.

The minister told EL NACIONAL that until the present MARAVEN, working in the Zuata area, has drawn 3,000 kilometers of seismic lines, has drilled 161 wells, has developed 12 steam-injection wells, and has completed 1,300 kilometers of access facilities with 32 bridges and barges.

To date, the PETROVEN subsidiary has invested 900 million bolivars in the Orinoco Oil Belt; this money has been used for exploratory research.

According to Moreno Leon's statements, the basic premises of the development plan scheduled call for a program of alternate steam injection and the establishment of modular equipment, "using six modules with 49 wells to maintain a production of 100,000 barrels per day and two modules with 14 wells as an annual expansion."

The estimated investments in 1983 bolivars, based on a level of production of 200,000 barrels per day in 20 years, come to 7 billion bolivars.

Based on the explorations done until now, it has been estimated that there are 500 billion barrels of heavy crude at the site in Zuata. The total estimated amount for the entire Orinoco Belt exceeds a trillion barrels.

The rate of investments will be determined by PETROVEN in coordination with MARAVEN, based on the guidelines of the policy now being defined by the ministry of energy and mines, in accordance with the petroleum industry's financial capabilities.

Moreno Leon stated that the Orinoco programs, in any case, will have to continue to evolve within the schema of research and development, designated as an official policy.

The technology to be used in Zuata is MARAVEN's own technology; this firm has been testing steam injection in the M-6 project, which has been operating in the Zulia area since the 1970s.

The only operators which until now have had permission to extract the Orinoco's heavy crudes were LAGOVEN and MENEVEN, operating in the areas of Cerro Negro and north of Hamaca, respectively.

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CSO: 3348/232

ORINOCO OIL BELT DEVELOPMENT PROJECT EXPECTED TO CONTINUE

Caracas EL UNIVERSAL in Spanish 26 Dec 83 p 2-14

[Article by C. R. Chavez]

[Text] The fundamental bases for the new government's oil programming, contained within the president-elect's general program, whose outlines were largely prepared by Dr Arturo Hernandez Grisanti, call for maintaining the programs which are now being conducted in the Orinoco Oil Belt and for continuing current projects. This is to be done in order to move toward a level of petroleum activity, specifically in the area of heavy and extraheavy crudes, with a specific weight and a truly solid importance for the total performance of Venezuela's petroleum activity.

Taking into account the revisions and modifications which have been made by the petroleum industry for budgetary reasons, the following goals are considered essential:

- a. To maintain for the long term the objective of obtaining from the belt a potential of 500,000 barrels per day by the year 2000.
- b. To generate for the 1984-1989 period a production potential of approximately 150,000 barrels per day from projects in the Orinoco.
- c. To continue evaluations of extraction and transport by means of pilot testing programs.
- d. To continue research and development programs with research on problems related to the extraction and processing of crudes. In this context, to continue work related to the government-to-government agreements already signed with other countries.

- e. To continue working with other Venezuelan government organizations on the integral socio-economic planning for the development of the Orinoco Oil Belt, in order to establish a plan for a territorial arrangement that will work.

Computers, Systems, and Telecommunications

These functions of industry should continue to develop toward the phase of maturation, progressing toward the attainment of the levels of information required for the efficient operational management of industry. As a consequence, the following objectives are quite important:

- a. To continue industrial evolution under an integral planning system with strict monitoring and followup of activities.
- b. To take into account rationalization and integration policies in order to make use of the advantages of standardization and shared technology on an industry-wide basis, so as to obtain the best service at the lowest cost.

Finances

- a. Economic evaluations of the investment programs and projects must be based on financing using industry's own resources.
- b. For investments made by the petroleum industry, the minimum rate of profit required in constant terms will be 10 percent, calculated according to the "discounted flow" method.
- c. For projects which are not profitable or which offer a relatively low return to the petroleum industry, but which are of national interest, the government will try to find formulas providing an acceptable profit return for industry.

Management Control

- a. To ascertain the level of compliance with the policies, norms, and procedures prescribed for the petroleum and petrochemical industries.

- b. To evaluate the quality of the execution of the functions assigned to the administrative and operational units of the petroleum industry.
- c. To promote uniformity of financial, administrative, and management systems, methods, and procedures.
- d. To ensure that the assets of the petroleum and petrochemical industries are monitored and safeguarded against any sort of contingencies.
- e. To ensure that an austerity policy is maintained in administrative spending.
- f. To ensure that preference is given to the acquisition of goods and services of Venezuelan origin.
- g. To ensure that appropriate corrections, recommended by the state's control organizations, are instituted.

Human Resources

Due to the postponement and cancellation of a number of industrial projects, at present there are opportunities for consolidating the systems for planning and administration of human resources, in order to improve productivity and reduce costs, to obtain the skills available in Venezuela, and to eliminate possible inefficiency--a result of rapid growth in this area. For these reasons, the following goals have been set:

- a. Special importance should be given to planning and control of management processes, hiring, training, and development of human resources. Still, these activities must be pursued without causing a deterioration in the capacity to respond to favorable changes in the international petroleum situation, and without affecting personnel motivation.
- b. To favor the use of domestic resources to fill vacant jobs, while keeping personnel with key knowhow.
- c. To exercise strict control over the growth of personnel without barring the hiring of experienced people not available within the industry itself, who may fill key positions in technical and management areas.
- d. To ensure a cordial labor climate with suitable motivation and personnel, in a context of sound and austere administration.

Urban Development

Despite the nation's economic situation, the policy of transforming oil camps into communities open to and integrated with nearby population centers must be continued, without losing sight of the fact that these plans can be executed in a feasible, real manner without any negative impact from a socio-economic point of view.

In the course of urban development projects related to the oil industry, the financial participation of both the public and private sectors will be sought.

Environmental Issues

- a. To conduct projects and programs for the protection and conservation of the ecosystems in which industry operates, based on an established order of priorities and the financial situation.
- b. To comply with all environmental norms, which will become increasingly stringent, in order to set an example for public opinion and for the rest of the industrial sector.

Technology

- a. To take the measures necessary so that there will be a true technology transfer from foreign personnel to Venezuelan personnel. To do this, concrete mechanisms must be designed to make an accelerated transfer possible, specifically in those projects that have been delayed and in which foreign personnel have taken part, either individually or through foreign consulting companies.
- b. To establish a policy of rationalization and optimization through a reduction to a minimum level of technological assistance agreements and their standard use by all operators.
- c. To maximize the use and development of the existing technology and potential available within industry's own resources. To do this, greater support and encouragement are needed for the Industrial Research Institute and for the nation's universities.

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CSO: 3348/232

CANADA OFFERS AID FOR AIRPORT SAFETY TO CARIBBEAN NATIONS

Bridgetown BARBADOS ADVOCATE in English 10 Jan 84 p 1

[Article by Jewel Brathwaite]

[Text]

Barbados is expected to share in a Can\$80 million Airport security programme which the Canadian Government has designed for 22 airports in 13 Caribbean countries.

Canada's Minister for External Relations Jean-Luc Pepin said the programme was now before the Treasury Board, and he was hoping it will be approved this week.

The Canadian Government official pointed out that based on an international study, safety equipment at airports in the region was not up to the best levels.

"So we thought that this was a job for us to do", Mr. Pepin told newsmen.

The programme will involve improvement to airport runways plus up to date fire fighting equipment. He said Barbados' share of the programme will be a "couple millions" since the airport here was better equipped than others in the region.

Mr. Pepin gave details of the programme following a near two-hour long meeting with Prime Minister Tom Adams. Earlier the Canadian Minister had initialled a Bds\$9.5 million loan agreement to push this country's energy development programme.

Mr. Pepin is on an official visit here as part of a three nation swing through the Caribbean. He has already visited St. Lucia and will be going on to Trinidad and Tobago tomorrow.

In giving more details on the programme Mr. Pepin stated that the security package was part of his country's dedication to Caribbean countries.

Following a review in 1980 of its Caribbean policy, Canada has decided to double its development aid to the region and by 1986 Canadian aid will be between \$86 million to Can\$90 million annually, he added.

CSO: 3298/409

DOMINICAN SOAP MANUFACTURERS BLAME NEIGHBORS FOR LOSSES

Bridgetown BARBADOS ADVOCATE in English 23 Dec 83 p 10

[Text] ROSEAU, Dominica, Thursday, (CANA) Dominica's lone soap manufacturers reported today a loss of over EC \$2 million for the first 10 months of 1983 in trading with Caribbean Community (CARICOM) states and appeared to blame four of them for the decline in sales.

Dominica Coconut Products (DCP) said it was concerned that Barbados and Trinidad and Tobago "continue to import extra regional soaps in breach of CARICOM Oils and Fats Agreement." It said Guyana had stopped buying soap from the island and last month's 43 per cent devaluation of the Jamaica dollar would exacerbate a drastic drop in trade with Kingston.

The company said its loss of EC \$2.4 million (1 EC dollar equals 37 cents U.S.) represented a decrease in sales of 13 per cent compared to

corresponding period in 1982.

The company recorded a total of EC \$16.7 million in soap sales to the region this year down from EC \$19.1 million for the same period last year.

In its annual magazine "nutshell" published here today the company said the decision by Guyana to stop buying soap from Dominica meant a loss of EC \$190,000 a month. "The cancellation meant that DCP had to forget about over half a million (EC) dollars in additional sales expected from Guyana before the year end."

The CARICOM Secretary-General said in Georgetown Monday that the Secretariat had responded to a request from Roseau to intervene in the trading dispute with Guyana that has also seen Guyana stop selling rice to Dominica.

The company said that the Dominica Govern-

ment was doing everything possible to implement the controls under oils and fats agreement which Barbados and Trinidad were accused of breaching.

Regarding Jamaica, the company spoke of administrative delays experienced in shipping soap to that country, including snags in the acquisition of licences.

The most discouraging development of all however surfaced in November when Jamaica announced a drastic devaluation of its dollar" said the magazine adding "this is so far the biggest blow for the competitiveness for our soaps on the Jamaican market."

The company said the drop in sales had been particularly severe in Jamaica where sales slumped by over EC \$2.7 million.

CARIBBEAN CHURCH GROUP PLANS TOUR TO DISCUSS MISUNDERSTANDINGS

Bridgetown BARBADOS ADVOCATE in English 29 Dec 83 p 1

[Article by Reudon Eversley]

[Text] The Barbados-based Caribbean Conference of Churches (CCC) is planning to send two special delegations on a regional tour early in the new year to meet church leaders and some heads of government with a view to clearing up any misunderstanding that has arisen over the October U.S.-led invasion of Grenada, a top official said yesterday.

"We are concerned about healing within the Caribbean Community," General Secretary, the Rev. Allan Kirton, told the Caribbean News Agency (CANA) in an interview.

The decision to mount the special missions was taken at a meeting here last week of the CCC's Continuation Committee, the organisation's executive body.

Kirton, a Trinidad-born Methodist minister, said an international delegation, made up of heads of churches from all over the world, would also make a tour of the region at the CCC's request to help promote this "healing" process.

The CCC, an ecumenical organisation representing 30 Christian denominations, deplored the decision of the United States, five nations of the Organisation of Eastern Caribbean States (OECS), Barbados and Jamaica to dispatch troops to Grenada following the assassination of Prime Minister Maurice Bishop in the bloody October 19 military coup.

The CCC has come under fire by some regional church and government leaders for its stand.

The intervention has also caused a rift in the 13-nation Caribbean Community (CARICOM) Trinidad and Tobago, Belize, and the Bahamas disapproved of the move, and Guyana roundly condemned it.

Some regional leaders, including Dominica's Prime Minister and OECS Chairperson, Eugenia Charles, have since called for Guyana's expulsion from the regional integration movement.

"We have a svery strong concern about the ways in which some of the rhetoric of a not too friendly nature that has been used by some of our Caribbean leaders...could affect the Caribbean integration movement," the CCC General Secretary said.

Kirton said the first delegation, comprising CCC secretariat officers and churchmen, would pay "pastoral visits" to Grenada, Barbados, St. Vincent, St. Lucia and Dominica.

All three missions, he said, would take place in the first three months of 1984.

CSO: 3298/409

REPORT SHOWS 50-PERCENT DROP IN BARBADOS-GUYANA TRADE

Bridgetown BARBADOS ADVOCATE in English 3 Jan 84 p 2

[Text]

There has been a significant drop in trade between Barbados and Guyana over the past five years, recent figures from the Government's Statistical Department have indicated.

The figures cover the years 1979-82, and the first 10 months of 1983.

They revealed that the volume of Guyanese exports to Barbados during 1983 declined by over 50 per cent when compared with the 1979 figures while the volume of Barbados' domestic exports to the Co-operative Republic also declined, but by about 40 per cent, for the same two years.

According to the statistics 1982 was a poor year for Barbados when the country exported a mere \$539 295 worth in goods to Guyana. Imports from that country also in 1982 totalled \$6 334 666.

The figures for the period under review were: Barbados imports totalled \$8 602 354 in 1979 but the island exported \$1 791 145 in goods that year; 1980 — imports from Guyana totalled \$8 859 691, exports \$1 194 018; 1981 \$10 475 936 in imports and \$1 741 182 in exports; 1982 — \$6 334 666 in imports and \$539 295 in exports and

from January to October 1983, \$4 103 770 in imports and \$1 090 314 in exports.

Rice and lumber account for the bulk of Barbados' imports from Guyana.

The fall-off in trade between the two Caribbean Community (CARICOM) states has been attributed to import restrictions imposed by the Government in Georgetown.

Since the mid-1970s Guyana in the wake of severe economic constraints had imposed the restrictions which angered other regional Caribbean trading partners with some private sector bodies calling on their home governments for reciprocal action.

An acute shortage of foreign exchange in that country necessitated the undertaking of Standby arrangement with the International Monetary Fund (IMF).

This year the Barbados Government said that failure to receive \$130 million owing to it by Guyana forced this country to seek a similar Standby arrangement package from the fund.

The outstanding debt was tied up in the now suspended Caricom Multi-lateral Clearing Facility. (CMCF).

CARIBBEAN SUGAR PRODUCERS URGE EEC NATIONS TO RAISE QUOTAS

Bridgeown BARBADOS ADVOCATE in English 4 Jan 84 p 2

[Text]

Caribbean sugar producing countries are insisting that the European Economic Community (EEC) increase the quota of 1.3 million tonnes of sugar from the African, Caribbean and Pacific (ACP) states when Portugal joins the EEC.

In addition they are demanding that economic factors be taken into consideration by the EEC when fixing a sugar price for sugar delivered from July this year, and expressed concern over delay in completing the re-examination of the Sugar Protocol.

The position of regional countries was outlined at the just concluded meeting in Jamaica of the Sugar Association of the Caribbean in which members dealt with sugar shipments to the EEC under the Lome trade and co-operation agreement.

The meeting came against the background of increasing economic difficulties being experienced in the region plus the increasing cost in the production of sugar.

The countries, Barbados, Guyana, Jamaica, St. Christopher-Nevis, and Trinidad and Tobago

form the Caribbean sugar producing bloc in the African, Caribbean and Pacific (ACP) group of companies. They also form the Sugar Association of the Caribbean.

Under the sugar protocol prices are agreed on and quotas fixed for ACP sugar exports to the EEC.

The states said that with respect to sugar prices for the delivering period July 1, 1983 to June 30, 1984, the governments of the supplying countries had decided to accept the EEC offer of four per cent increase.

They cautioned,

however, that this would not compromise their continued principled position for a jointly determined negotiated price as provided for in the protocol.

The association's members also felt this reservation of principle should be embodied without delay "because the increased price could not be received until this was done."

"Note was also taken that economic factors should in fact be considered in fixing the price for the 1984-85 delivery," they agreed.

CSO: 3298/409

PRO-CHILE PLAN PROMOTES INCREASED CHILEAN-ECUADOREAN TRADE

Santiago TERCERA DE LA HORA in Spanish 21 Jan 84 Informe Economico supplement
p 1

[Text] Quito--An annual commercial exchange of \$300 million between Chile and Ecuador is said to be possible based on partial or total trade relations; through this system it would be possible to eliminate the obstacles which last year and at the present time have been making such relations difficult, restore the free flow of goods between the two countries and even increase that flow.

It is believed that this system will make it possible to exchange about \$200 million worth of Ecuadorean oil for Chilean paper, cellulose pulp, iron, steel, copper, potassium nitrate, iodine and other Chilean industrial chemical products.

Another \$75 million could apply to the commercialization of Ecuadorean oil for the manufacture of basic products or components and unfinished pieces to be used in Ecuador (automotive industry, agricultural instruments, spare parts for mining and construction equipment, components for hydraulic pumps, livestock platform scales, manual scales, matrix material, etc--all of Chilean origin).

Another \$25 million would be involved in the exchange of Chilean fresh dried fruit, fruit pulp and preserves, lentils, chickpeas and beans for Ecuadorean bananas, mangos, pineapple, "maracuya" and other fresh or processed fruits.

The full potential of this exchange is contained in a report sent to Julio Dittborn, director of PRO-Chile, by Carlos Ballerino Balbontin, the group's representative in Guayaquil, in which a summary is made of the activity carried out last year within the framework of the restrictions Ecuador is experiencing as a result of the worldwide recession and the impact that recession is having on its economy.

The Ecuadorean crisis was worsened by the destruction of 30 percent of its banana, cacao and coffee crops, brought about by catastrophic floods (the rainfall during the year amounted to 12 meters) which, moreover, caused the destruction of extensive road-building projects.

The country's imports were severely restricted by the drastic policy adopted by the monetary authorities with daily minidevaluations and a ban on more than 500 import categories; this reduced purchases abroad by about 50 percent in 1983 (\$1 billion). Moreover, the lack of liquidity experienced by many companies, the almost total elimination of credit, a substantial decrease in the purchasing power of sugar, the drop in the price of oil and the high state deficit were all factors which worsened the overall and local economic picture in all its phases and deplorable aftermath from which the public and private sectors in Ecuador are still not recovering.

Chilean export categories which had the greatest demand in booming years, such as wine and fresh fruit, were seriously affected, and this situation was further aggravated by additional import tariffs. Sales of Chilean newsprint decreased by 30 percent compared with 1982. Spot sales of steel, iron and copper manufacture were substantial and partly compensated for the general drop in Chilean exports to that country. There was also an upward turn in the sales of cellulose pulp.

To stimulate trade between the two countries on the basis of an objective and pragmatic evaluation of the economic situation of both nations, signatories of a 10-year trade pact agreed on a form of exchange operations, total or partial, with reciprocal tariff, eliminating any additional charge which might prejudice their comparative advantages, while the price of each transaction must be based on international levels (without subsidies) with a certain flexibility which will make it possible to obtain a more favorable cost than that of similar imports from other sources. This type of exchange operations should also take into consideration the position of the trade balance between the two countries with compensatory balancing to the extent that the transactions occur between Chilean and Ecuadorean government organizations and/or private firms.

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CSO: 3348/237

BRIEFS

CARICAD REPORT--Executive Secretary of the Caribbean Centre for Development Administration (CARICAD), Mr. Selwyn Smith, has said that the task ahead will necessitate the continuing commitment and cooperation of regional governments and collaborating agencies. During 1984, he said, CARICAD would continue to place emphasis on an integrated approach to administrative improvement and institutional building. Mr. Smith added that there had been an increasing commitment from regional governments to the approach and the administrative improvement programme. Reviewing CARICAD's work for 1983, Mr. Smith noted that since the organisation began operations three years ago, its activities had placed it in a critical position with regard to a proper understanding of regional problems. [Text] [Bridgetown SUNDAY SUN in English 8 Jan 84 p 3]

CSO: 3298/409

PLM LEADER HALL DELIVERS NEW YEAR'S MESSAGE

St Johns THE STANDARD in English 7 Jan 84 pp 1, 3

[Text]

I consider it both a privilege and a duty that I as political leader of the Progressive Labour Movement (PLM) should present a New Year's Message in this our first issue of the STANDARD for 1984. Let me wish all readers of the STANDARD both at home and abroad, a bright and prosperous New Year. I hasten to include all members, supporters, and well-wishers of the PLM.

Let us together trust and pray that God in His Providence will protect us and guide us through 1984. Last year was an exceptionally dry one. Let us pray earnestly that God in His Providence will open the windows of Heaven and pour down showers in abundance upon our thirsty land. If this does not happen very soon, we shall encounter a severe crisis resulting in severe loss of life of plants, animals, and perhaps even human beings.

Last year saw anarchy, bloodshed, and fierce war right here in the Eastern Caribbean, that has remained so peaceful since the struggles for colonies among the English, French, and the Dutch of centuries ago. Our main foes used to be the elements in the form of hurricanes, earthquakes, droughts, and floods. In addition to these we now have human foes determined to superimpose their foreign ideologies and ideals upon us, by force of military might.

It is in this context that I urge all of our people not to interfere with the democratic process in our society. The consequences of such interference are usually for more extensive than people bargain for. It is like fire which is very easy to ignite or initiate, but very difficult to put out.

The PLM as a political party remains committed to true and genuine democ-

racy. Our Party will continue to pursue the path of FAIRPLAY and HONESTY, guided by POLICIES and PROGRAMMES, and not mere PERSONALITIES. Displayed boldly at the front of each issue of the STANDARD, our weekly publication, is a small sample of Programmes and Policies advocated by the P.L.M.

This year 1984 will be one of great importance and significance for Antigua and Barbuda. It is widely believed that a General Election will be called by the ALP regime this year. We of the PLM have the right policies and programmes and personnel that this country needs to cope with these challenging times.

Our roads are in chaos. Our economy is in shambles. Our health system has collapsed. Agriculture is in ruins. Retrenchments and unemployment are at record heights. Our education system lacks purpose and direction. Taxation is SKY HIGH while service is DIRT LOW.

Antigua and Barbuda needs the PLM especially at this crisis time. We offer sober and serious government and not mere promises of hotels, factories, and projects in galore like the famous Brazilian Project at Deep Bay, remaining at a standstill for almost one full year.

Many false, foolish, and irresponsible allegations continue to be made against the PLM by all kinds of people, some of whom, until quite recently professed to be champions of the PLM. Some claim that we are ANTIWORKER and ANTI TRADE UNION. The allegation is also made that we are essentially a MIDDLE CLASS Party.

We strongly refute these allegations and declare that we are neither ANTI WORKER nor ANTI TRADE UNION. In

fact we encourage all of our members and supporters to be UNIONIZED. Most of the employers see the need for forming among themselves groupings like the Employers' Federation, and workers would be rather foolish not to appreciate the importance of their being members of the Trade Union of their choice.

The PLM is a party for all classes whether they be upper, middle, lower, or of no classification whatever. Commitment and dedication to the

philosophy, policies and programmes of the Party are all that the Party requires of a member or supporter. These transcend by far barriers of personalities and sentiments.

The PLM's task for 1984 is a great one. This will call for a greater degree of commitment and sacrifice. While I re-state my wish for a bright, happy and prosperous 1984, I couple it with my personal appeal for greater dedication and commitment to the cause of the PLM. Thank you.

CSO: 3298/410

BIRD CLASHES WITH CHURCHES; POLITICAL RIFT SEEN

St Johns OUTLET in English 13 Jan 84 pp 1, 2

[Text] In a specially convened meeting between the Antigua Christian Council and Prime Minister Bird, along with Minister without Portfolio, Hugh Marshall and Commissioner of Police, Wright George, PM Bird and Marshall tore into Church leaders subjecting the Church leaders to a severe tongue-lashing. Commissioner of Police Wright George did not join in the attacks on the Christian Council.

The Church leaders from the Christian Council had gone by appointment to see P.M. Bird as a follow-up to the Christian Council's call for a Commission of Inquiry into official corruption. Even the government-controlled newspaper had acknowledged that "there was widespread corruption" in Antigua. The Government controlled newspaper, the WORKERS VOICE, had also conceded that "no amount of Cabinet re-shuffles" could seriously affect the problem of corruption and mismanagement of the economy.

The Christian Council in the wake of this "widespread corruption", regularly revealed in the pages of OUTLET, had gone to see PM Bird on Wednesday January 3, 1984 to press for the proposed Commission of Inquiry into official corruption.

Peculiarly, PM Bird used the meeting with Church leaders to launch an attack on his own son and Deputy Prime Minister Lester Bird. P.M. Bird told the Church leaders of the Christian Council that he had been away for sometime and this meeting with the Christian Council should have taken place before, and that the Deputy Prime Minister Lester Bird, was surely out of order not to have met with the Christian Council in his absence. Prime Minister Bird, definitely implied that Deputy Prime Minister Lester Bird was dodging his responsibilities and hiding behind various tissue paper screens so as not to face hard and difficult issues.

Prime Minister Bird said all this in the presence of Lester Bird's chief political side-kick, Hugh Marshall, whom Bird hoped would take back his words to the Deputy. The fat is in the fire.

The open attack on Lester Bird by PM Bird is the surest and clearest indication of a political rift at the very top of the ruling party and government,

involving both father and son. Lester Bird, however, is expected to lap his tail and conform to his father's dictates totally.

Relations between PM V. C. Bird and Deputy Prime Minister L. B. Bird have grown more strained in recent times. When at the OECS meeting in Barbados on Saturday October 22, 1983 (called to give official OECS sanction to the U.S. invasion of Grenada) the specially invited guest at the OECS meeting Jamaica's PM Edward Seaga, told Lester Bird to shut up, Seaga assured Lester Bird that he had V. C. Bird's approval to speak to him thus. Lester Bird was mortified. He remained silent for the duration of the meeting seething inwardly against both Seaga and "Papa" Bird.

PM V. C. Bird, after the Christian Council's first meeting with him in early 1983, had announced the formation of a committee to investigate those making the allegations of corruption, instead of the corruption itself. This strange Committee, with its twisted purpose, was headed by former Attorney General, Cosmos Phillips, who resigned from the Bird government in the wake of the sending of sophisticated arms to racist South Africa. Following the establishing of the 'corruption' Committee a spate of charges were brought against OUTLET's formidable Editor, Tim Hector.

PM Bird shocked the Christian Council delegation by informing them that Cosmos Phillips had formally resigned from the Committee. PM Bird said that Cosmos was "peeved" because Sir Lionel Luckhoo Q.C. of Guyana had been appointed to the topsy-turvy corruption Committee and Cosmos could not stand a greater than himself around him on the same committee. However, PM Bird said he had not accepted Cosmos Phillips' resignation, and as such, Cosmos Phillips was still the Chairman whether he liked it or not. In other words, the Committee was defunct. And the Christian Council had better not come back to him until the defunct Committee had something to report. Bird's low cunning has no limits.

PM Bird then lashed out at the Christian Council taking as his cue, (though he did not say so openly) a sermon preached by the Chairman of the Methodist Conference at the Independence Day Service 1983 in which he called for "repentance". PM Bird mistook the sermon as aimed at his government and a call for the Bird regime to repent for its evil and corrupt ways.

Several times in the meeting he told the Church leaders "to go and tell your friends", meaning ACLM, this, that and the other. Marshall joined him in these attacks. One of the key propaganda moves of the Bird regime is to characterise the Caribbean Conference of Churches as "communist" and in order to stem the tide of the regime's open and flagrant corruption, Bird now wishes to characterise the Antigua Christian Council as "communist" or acting on behalf of the what he has labelled "Communist ACLM".

Church leaders at the meeting reminded PM Bird that its interest in corruption and its opposition to it was a legitimate Christian concern, and that if Christians were not concerned with the question of corruption in society, they could make no claim to be truly Christian. Bird has a specific war with the Church, and continually dismissed their talk about "repentance"

saying that he had nothing to repent for. Recently he told the nation that the sending of arms to South Africa from Antigua was not a mistake and that "we would do it again". The 'unrepentant' Bird continued his angry attacks on the Christian Council. He obviously wanted the Church leaders to cease coming to him on the question of corruption. Oddly enough, Antigua is the only country in the world whose Constitution specifically forbids a minister of religion from participating in electoral politics. The Reverend Jesse Jackson of the United States could not participate in an election in Antigua as he is now doing in the U.S.

Even more peculiarly V. C. Bird himself was a Minister of Religion having been trained and ordained a Salvation Army Captain in the late 1930's. He broke with the Church and has never explained the break.

With his government deeply mired in corruption he is even more irked by the Church, who are insisting on a Commission of inquiry into what his very own newspaper called "widespread corruption".

Church leaders who attended the meeting were appalled by Bird's conduct, and some wondered about his mental state and his attacks against Lester Bird as well as Cosmos Phillips.

The unending bout of corruption and mismanagement of the economy by the Bird government has left the economy of the island nation hanging dangerously on an economic precipice, and V. C. Bird himself seems set on only one course, more corruption and all power to foreign controllers of the Antiguan economy. Recently the Church, the Trade Unions, the Medical Association, his own Deputy and ACLM in particular have come under V. C. Bird's senile heel, while the treasury has been ceaselessly raided for undisclosed travel purposes and for huge loans without parliamentary approval. The Bird regime continues. Unlimited corruption continues.

CSO: 3298/410

HECTOR ATTACKS U.S. POLICIES, KISSINGER COMMISSION REPORT

St Johns OUTLET in English 13 Jan 84 pp 6-7

[Article by Tim Hector]

[Text] Kissinger, the mad bomber of Vietnam and Cambodia, has returned again. This time turning his attention to Central America, and by extension, to the Caribbean. The Kissinger Commission Report was handed in to President Reagan on Wednesday January 11, 1984. And OUTLET saw a few chapters of that Report already. In matters national or international OUTLET stays ahead.

Remember it is out of this Report, this Kissinger madness, these egomaniac prescriptions, that U.S. policy in the Caribbean will be based for sure. Therefore we have to take note, and serious note.

Kissinger writes in the Report, and it is vintage Kissinger idiocy, that American power "to influence events worldwide" would erode considerably if there was "the perception that we (the US) were unable even to influence events close at home, when we ourselves had a vital interest in those events".

This seemingly harmless statement is full of harm. American power says the Kissinger report depends upon America's ability to direct and influence events not only "close at home" but "worldwide". Now, whenever, people accuse the U.S. of imperialism it seeks, vehemently, to deny such a role. Yet here in Kissinger's very own words U.S. imperial objectives and methods are clearly stated. The U.S., says the Kissinger Report, must seek to direct and influence events worldwide and particularly close at home. Those who resist U.S. direction and influence over their affairs are enemies. Therefore, dictator Somoza who butchered some 50,000 of his own Nicaraguans was a U.S. friend, and the Sandinista Revolution which triumphed over such butchery and repression is a U.S. enemy. This is U.S. imperialism or, as Kissinger terms it, "U.S. power" in theory, and practice.

What "vital interest" should the United States have in the affairs of other people? None. Why should the U.S. intervene either politically or militarily in other people's affairs to protect their so-called interests. Our affairs and our interests are our affairs and our own interests, and just as we cannot interfere in U.S. affairs, it follows with the force of elementary logic that the U.S. should have and can have no "vital

interests" in our affairs. Far less, should we in the Caribbean and Central America be asked to subordinate our vital interests in our independence, economic and political independence, to America's vital interests. Yet this is what the United States is demanding, and not just demanding, but insisting on enforcing in the entire region. The interests of American capital, its trans-national companies are its vital interests, and our state and local labour must be subordinated to "these vital interests of American power". It is Kissinger who stated it thus. No one can refute that. But no thinking, self-respecting Caribbean or Central American can accept that. No way.

Kissinger is not a crook. He is crooked because American policy and the needs of U.S. capital, to which he is totally subservient, are crooked.

For instance, Kissinger, the sometime historian, concedes in the Kissinger Report on Central America that the revolutions and pressures for change in the Caribbean and Central America are "indigenous in nature". That is, they are not provoked, directed or managed by the Soviet Union and Cuba, as Reagan, and the Birds, CIA's try to make out, in complete and brazen violation of history. To hold that the Soviet Union and Cuba are fomenting or directing revolutions in the area, is as absurd as holding that the American Revolution was fomented and directed by France, and that because Lafayette, the Frenchman, fought in the American Revolution using French arms and providing such arms to George Washington with whom he was very close, Washington was the catspaw of France. Kissinger, as an historian, would now allow posterity to see him holding and expressing so dim-witted a view. So the Kissinger Report expressly concedes that the causes of revolution and the pressure for change in the Caribbean "are indigenous". That is, it is oppression at home in Antigua or El Salvador which breeds revolution and pressure for change.

But then U.S. vital interests, its monopoly capital and trans-national companies, require that things remain as they are in Central America and the Caribbean. Things must remain unchanged and unchanging, so that U.S. capital can exploit job hunger in the Caribbean and Central America. Besides, the lack of capital in this region must present U.S. capital with an opportunity to exploit cheap labour in the region. And since all economists agree that high unemployment makes cheap labour, cheaper, then "American power", its "vital interests", have to be determined to keep unemployment high in the Caribbean and central America, to ensure higher profits from cheap Caribbean and Central American labour for US capital. That is the "vital U.S. interests in the entire region. And by the same logic to control trade, in the region to the advantage of U.S. exports and to the detriment of our own productive capacity. That too cannot be refuted is "a most vital U.S. interest."

So Kissinger, after conceding that the causes of revolution and the pressure for change are directly related to local oppression, corruption and repression, and not communism via the Soviet Union and Cuba, must make out a case for the U.S. to stop both Revolution and the pressure for social change in the region.

How does this mendacious, German-born servant of U.S. capital achieve this end? Naturally by a complete distortions of facts, history, reality and truth. He turns all of these upside-down.

The Kissinger report argues in typical Orwellian "newspeak", of which Kissinger is the grand-master, that "a critical factor in the ability of the United States to sustain a tolerable balance of power on the Global scene at manageable cost has been the inherent security of its land borders, which have not required frontier defenses" Whew! What a long, twisting, virtually unpunctuated sentence!

What the dickens does that mean? Kissinger deliberately uses Orwellian "newspeak" so that the dangerous is concealed under a mass of incomprehensibles. What in fact he is saying though, is if there is social change in Antigua, Jamaica, Nicaragua, El Salvador, Panama, Mexico etc., such social change, to the advantage of the poor and downtrodden, will automatically endanger the land borders of the United States? What a peace of madness! Kissinger's particular mad contribution to history is that he can link anything to anything just to make out a defence for the dominance of U.S. capital over other people, in any region of the world. He calls this crass ignorance "linkage" and thus elevates nonsense into theory!

What Kissinger is in fact saying that social change in the Caribbean and Central America will cause these countries to want to send troops--through Mexico perhaps--to invade the land borders of the U.S. and take over the nuclear power, the United States of America! That argument is palpably idiotic. But only this blatant idiocy provides the fig-leaf of propaganda for the U.S. keeping assorted butchers, dictators, corrupters, birds, CIAga's in power in the service of "U.S. vital interests". The U.S. is in a really bad way to need such a shameful argument to defend its imperial "interests".

You see, this nonsense will be used to persuade the American people that Antigua, Grenada, Jamaica, Nicaragua, El Salvador, Costa Rica, Panama, if they change into genuine, independent nation-states, or if there is a Caribbean Nation and a Central American nation--economically and politically independent nations or Federations, on American borders pose a security threat "to the land borders" of the United States! Because, presumably, the Soviet Union and Cuba will equip these nations to invade the U.S. by land. Kissinger has to insist by land, because we have, and can have, no substantial air force to match the U.S. So Kissinger says that we, as genuinely independent nations, would invade the U.S. by land.

Naturally he provides not the slightest iota of evidence for this absurd postulate. But he is working on the fears of the American people, that for the first time in American history they face the (wholly imagined) threat of invasion from these tiny countries! If Kissinger weren't serious this would be the biggest comedy of all times.

Therefore, and however, the U.S. has to prevent both revolution and change in the Caribbean and Central America in order to protect its land borders.

This is the most specious argument yet made by the U.S. to maintain and extend its dominance over this region, and by Kissinger's logic, to maintain, sustain, and retain its increasing dominance over the globe.

How does Kissinger and his colleagues intend to sell this nonsense to the U.S. Congress, the U.S. people, and to their butchers, dictators and lick-spittle surrogates in the region? As always, they will dangle some dollars before the insatiable appetite of these corrupt rulers in the region. Therefore, says Kissinger "as much as U.S.\$12 billion would have to be supplied by the U.S., either through bilateral or multilateral programs. At an annual rate this would represent more than a doubling of the current levels of economic assistance; this means that over the next five years that region would require some \$8 billion in U.S. assistance in various forms." Those last words "in various forms" are loaded! What they really mean is that the bulk of this \$8 billion will be for military aid, to militarise these societies as the only sure and certain bulwark against social change. And this militarisation, of course, will provide an outlet for further increased defense spending in the U.S. itself. America's world is to be transformed into a military camp, ruled by civilian or military bosses, at home and abroad, in the pursuit of U.S. vital interests, to be sure.

And if you think that Kissinger is not fully aware that dictatorship abroad to maintain the vital interests of the U.S. empire, does not require dictatorship in the U.S. itself, you are mistaken. Kissinger openly and almost explicitly--(providing for his newspeak) advocates dictatorship in the United States itself as the only way for the U.S. empire to survive. Surprised? Doubtful? Here is the proof in the words of the Kissinger report itself.

What is required of the U.S., says the Kissinger Report itself, "is not so much the ability of the United States to provide large resources but rather the realism of our political attitudes, the harmony of Congressional and Administration priorities, and the adaptability of the military and civil departments of the executive".

This is classic Orwellian, 1984 Newspeak, in Kissinger style! But the meaning can be made clear: The U.S. Congress must not oppose the dictates or "priorities" of the President. It must conform and become a 'harmonious' rubber stamp like the parliament of Bird's Antigua or Daubisson's El Salvador. Along with that, the civil and military departments of the U.S. must also harmonise themselves with and to the "priorities" and "dictates" of the Executive President, and the real executive the trans-national banks and companies which dominate the region, the world and world finance. Finally, the people of the U.S. must develop the "political attitudes" to accept this dictatorship if they are 'realistic' about the fact that this is the real cost of their high standard of living. It is Kissinger's own words, in the bi-partisan Kissinger report, which will become the policy of Republicans and Democrats alike. It is a scenario more frightening than that imagined by Orwell in his realistic novel 1984.

Here in Antigua the pre-conditions for Kissinger's Report and U.S. policy have already been established with the wholesale subordination of Antiguan

labour to U.S. capital, as the crushing of the Hotel Workers strike at year's end shows that without a doubt. Either Antigua, the rest of the Caribbean and the Region, accept the crushing and massacre of labour in the "vital interests of U.S. capital" or we seek genuine independence--political and economic--in a new Regional order, and indeed, in a new international economic order in the vital interest of the working people of the world.

CSO: 3298/410

ACLM ORGAN HITS FIRINGS, THREATENS 'MARCH' FOR JUSTICE

St Johns OUTLET in English 13 Jan 84 p 8

[Editorial]

[Excerpts] The massive firing of local workers, at five hotels, by the foreign hoteliers, over Christmas, was not just shocking, it was savage.

Not even in plantation days when Moody Stuart was Lord of all he surveyed has anything comparable happened in this country. Never, ever.

Remember in the old plantation days when Bird, yes V. C. Bird, believe it or not, fought the foreign owners, there would be cane fires maybe even physical attacks on those breaking a strike.

Never in the history of those struggles and Bird's subsequent conquest of power were anything like 50 workers fired all at once.

What is even more alarming is how totally Bird and his administration has sold out to the foreign Hoteliers. These foreign hoteliers can do anything. Brian Gonsalves, Chairman of the Hotel Association is really the Czar of Tourism, and he rules with an iron fist.

Now, the foreign Hoteliers have decided that with this do-nothing, pliant, lick-spittle Bird regime, they can go further, not only will they short-change Antigua, they will establish total dominance over local labour. Hence the massive firings at Christmas of all times!

The purpose of this wholesale dismissal in the hotels, is that since this year marks the 150th Anniversary from slavery, the foreign hoteliers are out to prove that it was chattel slavery which was abolished in 1834 not wage slavery.

This is something up with which we cannot put! [as published] Not in 1984! This is not a matter for the Industrial Court or any other Court. This is a matter which we, the people, will have to decide. We will not accept the dismissal of 150 workers just so. We will not accept their loss of their years of service. We will not accept foreign hoteliers dictating to government, workers and the people of Antigua as a whole. That is totally unacceptable.

We, the people will move against injustice. We will march. We shall replace injustice with justice. We shall show them that they and their foreign capital are here, but that we, the people, are the only masters in our own house.

The hotel workers, every single one of them, must be reinstated. And now!

After all, the executioners in Grenada did not seek to make walking dead of 150 workers all at once. The foreign hoteliers crime in Antigua can be viewed no less seriously. [as published] Indeed in the historical context of 1984, it is far more deadly.

We will march till justice for the hotel workers is not only done, but is seen to be done. And soon.

CSO: 3298/410

IMF LOAN WEIGHED; COULD BRING TAX HIKE, SPENDING CUTS

Bridgetown BARBADOS ADVOCATE in English 3 Jan 84 p 8

[Article by Louis Daniel]

[Text] ST. JOHNS, Antigua, Monday (CANA) — The Government, worried about growing budgetary deficits, could well be signing a loan agreement with the International Monetary Fund (IMF) that will mean higher taxes and a cut in state spending in 1984.

That's one of the official projections coming out of 1983 as a government cash flow problem persisted.

Minister of Economic Development, Lester Bird, last August said an IMF aid package was inevitable because Antigua and Barbuda could no longer sustain growing fiscal deficits dating back to 1971.

The state of the economy and the need for foreign aid inflows to strengthen it were among the major concerns for 1983, the territory's second full year of independence from Britain.

In 1982, the IMF had recommended the Government reduce its fleet of vehicles, cut the work week for public departments from six to three days, stop increments to civil servants, trim the number of non-established workers

and scrap a crash employment programme for youths.

The Government said this year it had not actually asked the fund then for a loan, but that the lending institution had volunteered the recommendations after a study of the twin-island state's ailing economy.

Government officials said the Labour Party regime of Prime Minister Vere Bird would not implement the recommendations because they were too draconian.

Bird said the Government would make a formal application to the Washington-based financial institution for a budgetary assistance package. Officials said the Government would request a small loan because conditions attached to a bigger loan would be tough.

Finance Minister John St. Luce said he did not expect any initial agreement with the IMF to cover more than EC\$3 million.

He said the fund had proposed certain tax and cost-cutting measures as a pre-condition before the two sides had started formal talks.

"The Minister of Finance and the

Government recognise that we have to seek to strengthen our fiscal situation and meet certain criteria that are required by the IMF, because we have had budgetary deficit financing since 1971... and the cumulative impact, I think, is beginning to be felt," Bird remarked.

Antigua and Barbuda recorded a \$24 million current account deficit in 1983, and put in place a \$265.1 million budget for the 1983-84 financial year which anticipates a total deficit of \$163.1 million.

St. Luce told the House of Representatives last March the Budget contained austerity measures and Government would be tightening its belt.

The manufacturing sector, one of the pillars of the economy, had setbacks in 1983. It was hard-hit by a lingering trade impasse in the Caribbean Community (CARICOM) which developed after Jamaica announced a new rate of exchange of 1.70 Jamaican dollars for a U.S. dollar for special imports and a much higher rate, set by the commercial banks, for others, including several

from its regional trading partners.

The new exchange rates made Antigua's goods more expensive in Jamaica. The Antigua situation worsened after Trinidad and Tobago failed to issue licences for some local manufacturers to send items such as hoistery, refrigerators and garments to Port-of-Spain.

Manufacturers in Trinidad and Tobago had accused their counterparts here of sending North American made goods to the oil-rich state with "made in Antigua" tags. Goods made in the region have duty-free access to CARICOM markets.

Invitations by Lester Bird, to the Trinidad and Tobago Government to investigate the correct application of the 30 per cent value added criteria stipulated by the CARICOM Rules of Origin, to these products, were rejected, but a team of regional experts that came here to probe the claims cleared Antigua and Barbuda.

A retrenchment plan by the West Indies Company (WIOC) also contributed to the economic problems. WIOC's former managing

director, William Vickerie, said refinery was sustaining an average monthly loss of over \$2 million, and had no choice but to lay off over 150 workers.

Antigua's vital tourist industry had a mixed year. Statistics released by the Department of Tourism showed that between January 1 and December 10, 93,096 visitors came here by air — a 16 per cent rise over the 1982 total of 80,495.

But the department said fewer holiday-

makers came by cruise liners — 46,328 against 60,068 for 1982. President of the Hotels Association, Brian Gonsalves, blamed the drop on poor marketing strategies and competition from international tourist destinations.

Gonsalves said most hotels in the region were underselling themselves and therefore developing a situation whereby they could lose their markets to Europe and Africa.

Hopes for an improvement in the unemployment situation in particular and the economy in general are being pinned partly on President Reagan's Caribbean Basin Initiative (CBI), a multi-million dollar trade, aid and investment package for Central American states.

Recognising the slow growth of the country's economy, Prime Minister Vere Bird led an eight-member team to the Far East in June, hoping to attract investors.

CSO: 3298/411

BRIEFS

OPPOSITION TO BUSINESS TAX--People all over Antigua and Barbuda are crying out loud under the weight and pressure of the Business Tax Act enacted by the A.L.P. regime, and now being rigidly enforced in an effort to fleece people and pump money into Government Treasury. The people of Antigua and Barbuda are fully aware that taxes must be paid, but are not prepared to continue going along rather sheepishly with inequitable and grossly unfair tax measures introduced by a regime that has made itself so famous for Squandermania of public funds, and for failing to provide the very services for which the people of our country are so heavily taxed. The PLM Opposition opposed the measure since it was deemed a means by which too many small business people having no permanent employment, and some even dismissed by the ALP regime from their jobs, and who were forced into eking out a mere existence by running a small shop, running a taxi or truck, or by buying and selling articles of food, clothing, and other necessities, would be forced out of a living. The ALP response was that such would never happen since the 25 per cent tax would only be on profits, after all operating expenses had been covered. These claims of the ALP regime have proved to be only grains of sugar-coating for a huge bitter pill. All the ALP wanted was to have the bill passed. Now that they are putting the law into effect, all the grand claims and promises that all operating expenses would be covered before the 25 per cent tax would be paid, have been shamefully abandoned. [Excerpts] [St Johns THE STANDARD in English 7 Jan 84 pp 1, 3]

WATER CRISIS--The water shortage situation in Antigua is facing a distinct crisis and if heavy rains do not fall before this month of January 1984 ends, there will be no water available to keep the pipes flowing, in the hotels, the hospital, the schools, peoples' homes, and elsewhere. We are at the brink of a terrible disaster in our water situation. Antigua is the country where the headquarters for the Pan Caribbean Disaster Preparedness and Prevention Project (PCDPPP) are located. It is from right here in Antigua that the disaster preparedness plans, programmes, and strategies are initiated and co-ordinated for the entire Pan Caribbean Region. Health Minister Christopher O'Mard only a few months ago made a major speech during which he lauded the virtues of disaster preparedness. He heads a local committee charged with monitoring and co-ordinating schemes in disaster preparedness for Antigua and Barbuda. In the light of all this the Government of Antigua cannot claim to be innocent or to be in any way excusable in terms of preparedness for the disaster which the nation now faces in its

water situation. A country being totally out of water is just as much a victim of disaster as if it had been the victim of earthquake, hurricane, flood, or military invasion. [Editorial] [Text] [St Johns THE STANDARD in English 14 Jan 84 p 2]

CSO: 3298/411

WORKERS PARTY CHIEF SCORES RELEASE OF PINDLING'S SON

Charges of Favoritism

Nassau THE TRIBUNE in English 7 Jan 84 p 1

[Text] WORKERS Party Chairman Rodney Moncur last night criticized the "absolute discharge" given 22-year-old Leslie Pindling, younger son of the Prime Minister, by a Magistrate Monday afternoon after he had pleaded guilty to possession of 15 grams of marijuana.

At a rally called to burn effigies in Black Village, Mr Moncur called on other young people, convicted of similar offences, to demand that their police records be made clean because the main criteria for a job is a clean police record.

"Society shows us that Pindling's son is better than you," Mr Moncur told a sparse gathering standing around in chilly temperatures last night.

The crowd did not burn effigies as it was announced they would and although a fire was lit, it was used only to heat up goat-skin drums to provide a little junkanoo music in between speakers. The rally ended after several speakers had made addresses.

The Prime Minister's son was arrested by police last weekend and charged before Magistrate Sylvia Bonaby Monday.

He pleaded guilty to marijuana possession. After a plea in mitigation by lawyer Thomas Evans, young Pindling was given an absolute discharge so as not to spoil his educational opportunities overseas.

Declaring his contempt for the courts of the country, Mr Moncur claimed the Pindling case had caused people to lose respect for the law.

He also denied allegations that some time ago he was involved in a scheme with Life Curtis and others to "rip off" a Cable Beach hotel.

He said that the Prime Minister had mentioned his name in connection with the incident in his testimony before the Commission of Inquiry.

He felt that police officers, who claimed money was found on Norman's Cay during a 1979 raid but never turned up in police records, will be victimized until they are no longer on the force.

Street Protests

Nassau THE TRIBUNE in English 9 Jan 84 p 4

[Photo captions; photos not reproduced]

[Text] FIVE DEMONSTRATORS are shown on Bay Street Wednesday afternoon wearing placards that condemn what they called "LOP-sided justice." The placards were torn from their hands by police officers standing guard. The demonstrators took to the streets after the absolute discharge in the Magistrate's Court Tuesday of Prime Minister Pindling's younger son, Leslie, who pleaded guilty to possession of marijuana. (Photo: Charles Davis).

LONE DEMONSTRATOR Rodney Moncur shown walking in the middle of Bay Street traffic Wednesday afternoon wearing a placard condemning the "LOP-sided dope justice." Mr Moncur this morning delivered a letter to Chief Justice Telford Georges protesting the decision of Magistrate Sylvia Bonaby to give an absolute discharge to Prime Minister Pindling's younger son after he pleaded guilty on January 3 to a drug charge. Mr Moncur asked for leave to appear before the Supreme Court to present arguments as to why the magistrate's decision should be over ruled. The letter was signed by Mr Moncur, Messrs Philip Miller, Patrick Evans and Nicole Jacques. (Photo: Charles Davis).

Arrest of Moncur

Nassau THE TRIBUNE in English 11 Jan 84 p 1

[Text] WORKERS Party leader Rodney Moncur, his two small children, Rodney, 4, and Ronald, 3, and three of party members were arrested shortly after 5 pm today as they demonstrated on Bay Street. At press time Mr Moncur, the two children, Haldane Chase, Philip Miller, and Van Deveaux were being held at Central Police station.

CSO: 3298/425

BRIEFS

TOURISM RECORD--IN ITS first-ever year to record more than 2,000,000 visitors. The Bahamas achieved a goal which had been predicted since last winter by Ministry of Tourism officials. An official count gave the 1983 total as 2,224,090 visitors, up 14.2 per cent over 1982's 1,947,740 arrivals. New Providence recorded 1,284,060 arrivals in 1983, up 30.6 per cent over 1982's 983,320. Grand Bahama registered a decline of 0.5 per cent in 1983, with the Family Islands down 7.1 per cent. Sea arrivals of 1,003,620 in 1983 came close to air passengers numbering 1,220,480. December arrivals of 175,210 were up 2.6 per cent over 170,700 counted in December, 1982. The rounded statistics were provided by the Immigration Department in a computerised record of all foreign visitors and transit arrivals, excluding ship crews, diplomatic personnel and returning residents. [Text] [Nassau THE TRIBUNE in English 18 Jan 84 p 1]

CSO: 3298/425

TEXT OF PRIME MINISTER ADAMS' NEW YEAR'S MESSAGE

Bridgetown BARBADOS ADVOCATE in English 4 Jan 84 p 7

[Text of New Year's message to the nation from Prime Minister Adams]

[Text] "Good evening, my fellow Barbadians, on this the first day of 1984. We have just come through a particularly significant year as a small nation striving to maintain its democratic way of life as well as to ensure continued improvement in its living standards. Last year, when I spoke to you at this time, my words related to the steps which the Government was taking to enable our economy to withstand the impact of the prolonged economic recession.

This year, I think that it is well accepted that those steps, however harshly questioned by opposing political forces, have been justified by the success of our IMF programme. With the slow, and at first uncertain signs of recovery in the international economy, the Barbadian economy began to show its own hopeful signs and economic indicators suggest that Barbados has enjoyed some economic growth during 1983. Preliminary figures indicate this to be of the order of two per cent. Without any major difficulties we have met all of our obligations under the IMF arrangement; our foreign reserves have stabilised; the rate of inflation has been drastically cut and unemployment has levelled off. Nevertheless, we face new problems not envisaged a year ago, as the economic situation in Caricom took a decided turn for the worse in 1983.

Complicating the difficulties which we have had with the operations of the CARICOM Multi-Lateral Clearing Facility (CMCF) was first the introduction by Jamaica of a two-tier exchange rate and later a general major devaluation.

The licensing, foreign exchange and trade regulations imposed by Trinidad and Tobago have had a negative effect on output and employment in our manufacturing sector. Also, agreements reached at the Caricom summit, in Port-of-Spain last July to deal with Caricom's payments problem have not yet been fully honoured. Nonetheless, the Government has continued to make diplomatic efforts to deal with the problems of Caricom trade; and at the end of 1983 there were some signs of improvement.

But economics has not been the only source of difficulty within Caricom in 1983. The Grenada crisis in October has been the most spectacular political event to happen in these islands since 1783. Our response proved our commitment to the democratic way of life and the regard which we have for all mankind to live in dignity, freedom and self-respect was the factor which governed our decisions.

The tragic events in Grenada from 1979 to 1983 constitute a sombre period in the history of the Caribbean. Those of us who did what we knew was right suffered some condemnation, at the outset. But our stance is already being vindicated, now that a clear picture of the Grenada situation has emerged, Barbados is receiving much private commendation for its actions and initiatives. I must report to you, the citizens of Barbados, that I have nothing but praise for that great majority of Commonwealth leaders at our meeting in Delhi in November, 1983, who heard the arguments and gave their support to a moderate and constructive position on the action in Grenada.

Our country has traditionally taken a prominent part in the affairs of our region but never before in our history have we as a people displayed such unanimity on a sensitive political issue. Permit me once more to express my heartfelt thanks to you for the magnificent response, support and patriotic loyalty, displayed in such unprecedented circumstances.

It is a great tribute to the Barbadian public that it was able to think clearly and calmly in these difficult circumstances.

Many, many members of the Barbados Defence Force and the Royal Barbados Police Force were called upon to assist our Grenadian brethren in their time of need. Today, most of them are still ably assisting in the maintenance of law and order in that country. I want to extend a special word of thanks to all those who have had to be away from their families during this season and to thank them for committing themselves to the continued struggle for peace and freedom in our region.

I am greatly encouraged by the responsible approach adopted by the people of Barbados not only to the Grenada action but to our economic problems in 1983. It is because of your support that I am glad to report that we have made considerable progress over the past year despite slow international recovery and the economic and political disturbances in the region.

When we consider that during 1983 we were operating in an international economic environment which had not substantially recovered from the shocks of recession, we can take heart that the modest economic growth in 1983 probably heralds the beginning of a new era of economic advance in Barbados. Certainly the Government has done its best to put in place the institutional and infrastructural mechanism to take early advantage of any maintenance or improvement in recovery in the international economic situation.

In this regard, the Government has now completed its new Development Plan for the period 1983-84 to 1987-88. Its objectives are to build on the firm economic foundations laid in the Plan period just ended. Starting early

this year, government plans to inject at least \$750m in capital works into the Barbadian economy over the next five years.

The Economic Development Plan will be complemented by the recently amended Physical Development Plan 1983, which outlines the national settlement strategy and policies for Barbados, up to the year 2000. I should now like to recount some of our economic and social achievements of the past year.

Tourism

Tourism is a sector which ought to be singled out for special praise. Visitor arrivals in Barbados, after peaking in 1979, levelled off in 1980 and 1981, and then recorded a 13 per cent decline in 1982. The performance of this sector, which is our major earner of foreign exchange, had been a source of great concern. I report with some satisfaction today that the recessionary trend in tourism was reversed in 1983: this sector is expected to record at least a 6 per cent increase in arrivals over the past year we had a 26 per cent increase in November alone. [as published] Its renewed growth, mainly in visitors from the U.S.A. was largely responsible for the overall upturn of the national economy.

The return to growth in the tourism sector comes at a time when Heywoods Holiday Village in St. Peter has been completed. The investment at Heywoods has provided 300 high quality rooms and should produce 400 new jobs in the tourism sector. Heywoods also exposes a relatively virgin area to the tourism economy and by the demand for ancillary services will eventually lead to a transformation of the economic conditions of the north of the island. While on this subject I must commend the Tourist Board, and private sector organisations for their efforts to maintain the competitive edge of Barbados as a holiday destination. The new use of sport as a tourist attraction is particularly welcome as it allows the sector to expand an area of great popularity with the local society, as was evident in the varied participation and high enthusiasm for the recently sponsored Barbados Marathon.

Finally, the cruise ship business should benefit from the \$2 million in improvements planned for the Bridgetown Port.

Transportation

Tourism and transportation facilities go hand in hand. Over the past year Government has continued its development of the country's road network.

The \$6.5 million Speightstown By-Pass which is tied to the Heywoods development was completed in 1983. In addition to this By-Pass, Government also embarked on a number of other road improvements funded by the Transport Levy. The Belmont-Pine roundabout and associated improvements have provided wider roads, footpaths and bus lay-bys. The Levy is also funding the \$2.5 million Bridge Road development. A new bridge is being built, the gully will be canalised, and the Welches Road and Hindsbury Road junctions will

be improved. In addition to major road improvements, the government also made many improvements in tenantry roads, again from funds provided from the Transport Levy. Overall road improvements in fact cost Government approximately \$8 million in 1983.

Early in 1984, Government will move into the second phase of its major reshaping of the island's road systems, involving the construction of \$60 million more in roadway to link the Bridgetown Port and the Grantley Adams International Airport. Conceived as an Industrial Access Road project to be funded with overseas aid, Phase 2 will link Highway 1 with all other highways right round to Highway 7, and will serve the industrial areas at the Harbour, Brighton and Spring Garden, Grazettes, the Pine, Wildey, Newton and Grantley Adams International Airport.

The reconstruction of the roads between the Arawak Cement Plant in St. Lucy and the Shale Quarries in Greenland, St. Andrew, is also high on Government's list of priorities. The Cement Plant will shortly be coming into operation and a heavyduty road link is absolutely essential to its work. Construction is expected to begin early this year and will last for three years; it will involve the construction of two substantial new segments of road and major upgrading of the existing road systems in St. Lucy, St. Peter and St. Andrew.

Industry

Upgraded transportation facilities will act as a major stimulus to industrial activity. The industrial sector in 1983 was largely constrained by slow recovery abroad and problems in the regional market. However, one bright spot in industry was the doubling in export of electronic equipment to extra-regional markets. The designation of Barbados as a CBI beneficiary state is a major challenge to the industrial sector which is already readying itself to take advantage of the opportunities which this U.S. legislation should open up.

The Industrial Development Corporation is now in the process of constructing a new headquarters and, in association with the Barbados Development Bank and private furniture producers, is constructing a major furniture plant at Spring Garden. A furniture kiln is already in operation and should greatly improve the quality of furniture, particularly for the extra-regional market. During 1984 work will also continue on the latest Government industrial park at Six Men's, St. Peter. And planning permission is now being sought for a major private industrial park that can bring much employment to northern urban areas.

Agriculture and Fishing

The other major sector of the Barbadian economy, agriculture and fisheries, performed creditably in 1983. Although sugar output declined below the 1982 level, the reduced incidence of cane fires holds out good prospects for the 1984 crop. I do not wish to prejudice in any way the present sugar wages negotiations, but I would point out that virtually every prediction made of

the dangers of poor industrial relations in this sector have come to pass. Following many years of bitter wage and bonus negotiations the industry proved incapable of riding out climatic disaster in 1982. With employment, and production having drastically fallen and overall profitability vanished in two years, sugar's future is at a crossroads. But although EEC guaranteed prices are actually lower as a result of upward movements in the exchange rate of our currency, inflation at around 5 per cent, is also lower than it has been for a very long time. I trust that the full understanding of the crisis in the industry, which I am sure is shared by both sides in the negotiations will manifest itself in an early agreement and a prompt and efficient start to the new crop.

Sugar apart, 1983 was a good year for agriculture in Barbados with more diversification as well as improved food crop production.

Fish catches improved greatly in 1983, with the full benefit of the new Oistins Complex being felt. Fishing will also play a major role in Government's development thrust over the next few years. A large proportion of planned spending will go towards the construction of fishing harbour for Bridgetown to complement the complex at Oistins. There will also be improved facilities at Speightstown and Tent Bay.

Energy

Oil production has continued to increase at a remarkable rate since Government's purchase of Mobil's production facilities in 1982. Figures for the end of 1983 indicate that production of oil was in the region of 1 400 barrels per day while natural gas sales were up over 70 per cent. The Government has recently signed an agreement with a British firm for seismic surveys and offshore drilling off the north coast of the island. Success in this venture, if it comes, will be some years off, but it can be expected to make Barbados self-sufficient in petroleum products.

Projects

Over the past year, Government has been actively involved in a number of major construction projects which are central to the continued development of Barbados. In addition to the Heywoods Project already mentioned, the Cement Plant at Checker Hall, St. Lucy, made considerable progress and Barbadians we can look forward to our first bags of Barbados cement in 1984.

The Central Bank's new headquarters was started in 1983 and is well on schedule. This project will complement the overall redevelopment plans for Bridgetown. And, during the three years of construction it will be a major contributor to employment in our island.

Housing

City redevelopment will involve the construction of new housing facilities. The Cabinet has already approved plans for new developments at Church Village, Bridgetown and Martindale's Road. These developments will give

the Inner City a facelift and will be a fitting complement to the St. Cecilia housing project at Passage Road also in Bridgetown.

Education

Under the World Bank Education Project, Government continued to build new and upgrade old schools in urban and rural areas. Among the new primary schools built or upgraded so far are Pine-Willey, now officially named the Luther Thorne School; St. Luke's; Ellerton; and St. Patrick's. The programme has also included upgraded facilities at secondary schools including the Alleyne School, West St. Joseph, Parkinson and St. Michael's.

Health

In 1984, the most basic part of the Government's National Health Scheme will be introduced, with the inauguration of the General Practitioner Service. Government has also pressed on with its polyclinic programme. The polyclinic at Ladymeade is now under construction and the Health Centre at Six Cross Roads will be shortly upgraded.

Prospects for 1984

Managing the economic difficulties of the past few years has shown that we as a people possess the necessary strength and patience successfully to cope with adverse situations. In the face of these adversities we have been able to lay a solid foundation for the times ahead. The year 1984 therefore holds new, challenging and exciting but by no means daunting prospects for Barbadians. We are still benefitting from the high level of national unity and social cohesion that was revealed by the unprecedented regional crisis of recent months. The extent to which we move fully into the new era of development that awaits us will depend heavily on our continuing to exercise these admirable virtues coupled with love for our nation, mutual respect and an unswerving confidence in our abilities to meet challenges and rise to new heights. I strongly urge that you be not distracted from your goals by the anxiety created by those whose predictions of doom and despair have become little more than empty, repetitious and unfulfilled warnings.

The signs indicate that bold opportunities await us. We should not expect the path to be easy, but by the unfailing help of God and our total dedication to country we can transform that bright potential into realistic prosperity for all in the future. I wish you all a very happy 1984.

CSO: 3298/412

OPPOSITION DLP NEW YEAR'S MESSAGES NOTE TASKS FOR 1984

Regional Reconciliation

Bridgetown SUNDAY SUN in English 1 Jan 84 p 32

[Text]

THE Democratic Labour Party (DLP) is looking to 1984 as a year of reconciliation in the Caribbean.

In its message for the New Year, the Barbados opposition party observed that relationships between the various governments, which make up the Caribbean Community (Caricom) remained "precariously balanced as we begin the New Year".

And the party added that a great degree of skill and patience will need to be exercised by the leaders of the various territories.

"The people of the Caribbean deserve the special effort, which is absolutely necessary, if our national life is not to degenerate into a spate of name-calling on the part of our leaders, coupled with neglect at home," the party president, Branford Taitt, said in the New Year message.

Reflecting on the year just ended, Mr. Taitt, said that 1983 would be remembered as "one of the most momentous in the history of our country. It was the year when Barbados and rest of the Commonwealth Caribbean briefly took the world stage in an affair which would perhaps have been better not having occurred at all.

"The unfortunate events in Grenada and possible consequences will live with us for a long time to come. How quickly we recover will be of signal importance for our entire region during the early months of 1984."

On the home front, Mr. Taitt examined problems in the manufacturing sector, which he said had ended the year "at the bleakest point" since the golden days of the 1960s.

He talked too, about the labelled "regressive indirect taxation," which took its toll during the year, and added: "Trepidation at the prospects of taxation on severance received by workers in 1984 will add to an already unstable situation in our industrial sector."

He was also critical of the housing situation, public transportation, "the relentless estrangement of large numbers of our young people from the national mainstream," and said the fatalistic despair which has overtaken the unemployed, "in the context of a general crisis of confidence between the government and governed continued to be a source of profound disquiet.

"They cry out for urgent and head-on redress," urged Mr. Taitt.

Call for Electoral Commission

Bridgetown SUNDAY ADVOCATE in English 1 Jan 84 p 1

[Text] All Barbadians have been urged to join with the Democratic Labour Party in insisting that the country's election machinery is firmly in place.

The plea has come from president of the Opposition Democratic Labour Party, Branford Taitt who in his New Year message said that the proposed Electoral and Boundaries Commission promised by Government should be set up immediately.

Mr. Taitt said that as we look to this new year, two major issues confront our society if we are to forge our future as an island of tranquility: participation in the affairs of our country and reconciliation at the regional level.

He said: "In a democracy, agreement may not be essential, but participation most certainly is. That is why all Barbadians must join with the Democratic Labour Party in its insistence that the machinery to guarantee and ensure full participation in any election in this country, by all who are eligible, is put firmly into place. The early establishment of the Electoral and Boundaries Commission as called for in the Constitutional Amendment passed in the Parliament during 1981 is a duty which the Government must perform immediately. The absolute urgency of this matter is demonstrated clearly by the recent events in Jamaica, the outcome of which still remains a danger on the horizon."

The Opposition party president said that contrary to recent statements in some places, relationships between the various CARICOM governments remain "precariously balanced as we begin the New Year. A great degree of skill and patience will need to be exercised by the leaders of the various territories."

Looking back at the past year, Mr. Taitt said that the quality of life for many Barbadians was further eroded by their inability either to find new housing or repair their existing housing. He also pointed to the public transport system stating that the Transport Board was "chafing the nerves of the travelling public."

He added that in 1983 regressive indirect taxation took its toll and the levy system continued to be a burden and of great concern to the people.

"The manufacturing sector of our economy ended the year perhaps at the bleakest point in its development since the golden days of the 1960s. By year end there was clear evidence that a substantial number of Barbadians had been displaced or were in danger of being displaced from their work. Indeed, for many, Christmas 1983 was a sorry time," Mr. Taitt said.

The former Minister of CARICOM Affairs pointed out that 1983 will be remembered by many of us as one of the most momentous in the history of our country.

"It was the year when Barbados and the rest of the Commonwealth Caribbean briefly took the world stage in an affair which would perhaps have been better not having occurred at all. The unfortunate events in Grenada and their possible consequences will live with us for a long time to come. How quickly we recover will of signal importance for our entire Region during the early months of 1984." [as published]

CSO: 3298/412

BLP SENATOR WILLIAMS SWITCHING TO NEW CONSTITUENCY

Bridgetown SUNDAY SUN in English 25 Dec 83 p 3

[Text] **THE** ruling Barbados Labour Party (BLP) will have to find a new candidate for St. John in the next general elections, constitutionally due in 1986.

Senator John Williams, who ran against former Prime Minister Errol Barrow in 1981, has decided to switch constituencies, and is now actively courting St. Michael North West, a seat now held by Opposition MP, Mr. Lawson Weekes.

Senator Williams, who was appointed to the Upper House following the 1981 elections, was recently appointed a Parliamentary Secretary in the Prime Minister's office with responsibility for immigration matters.

He was considered by the BLP top-brass as an investment when he was thrown into what was considered as the toughest election contest, running against the Opposition Leader, who has held a monopoly on St. John ever since he won that seat in a by-election in 1958.

He was the third candidate the BLP fielded in St. John in as many elections since the introduction of single-member constituencies in 1971. The BLP

candidate polled 707 votes to Mr. Barrow's 3 665.

Senator Williams confessed that St. John was not an easy constituency to canvass, because of its geography and size. "But I enjoyed campaigning in St. John," said the Parliamentary Secretary, who thought he did well in 1981 considering that he only had four weeks to solicit support.

He has not yet been endorsed for St. Michael North West, but yet considers his chances as good.

He expressed satisfaction with the response he has been getting, and pointed out: "I find I am the kind of person people respond to easily."

CSO: 3298/412

BLP ANNUAL CONFERENCE OPENS; FORDE NOTES 'INFLEXIBILITY'

Agenda Preview

Bridgetown THE NATION in English 4 Jan 84 p 13

[Text] SOME 400 delegates from 27 constituencies will debate and vote on 72 resolutions when the Barbados Labour Party (BLP) opens its 45th annual conference Sunday.

But there will be no discussion on matters relating to Dr. Don Blackman, who was axed from Cabinet three months ago.

Party sources had earlier indicated that the former Minister of Health, whose Cabinet appointment was revoked in September, was becoming openly critical of government's policy, and it was felt that he should either state where his loyalties were, or break with the party.

It is also known that certain members of the BLP have been mobilising support for a motion to expel Dr. Blackman from the party.

However, general secretary, Senator Clyde Griffith, said yesterday, there was no sentiment in the party to "undermine or destroy Dr. Blackman."

He added too, that the BLP member soliciting support for Dr. Blackman's expulsion, was not on the National Executive and has no intentions to sit on that council, ruling out the possibility of a motion by that member reaching the BLP's new executive, which will be elected after the two-day conference.

Dr. Blackman is also listed among delegates from St. Michael East, who are expected to attend the annual two-day talks.

Senator Griffith also confirmed that the St. Peter constituency had submitted a resolution, recommending that the Speaker of the House of Assembly, Mr. Burton Hinds, be honoured for

his services to this country, since 1966.

But the BLP general secretary thought that resolution was premature, and said that while it might be dealt with at the conference, it was not a right thing to honour a man who was very much alive.

Speaker Hinds, the elected representative for St. Peter, has been away from the House since last December on sick leave.

This year's conference, which is being held two weeks earlier than usual, is expected to generate lively debate on a number of national and regional issues, including the Grenada crisis.

The Women's League, which celebrated its 25th anniversary in the year just ended, has also submitted a significant number of important resolutions for debate.

Forde Remarks

Bridgetown THE NATION in English 9 Jan 84 p 1

[Text] **GOVERNMENT backbencher and former Attorney-General, Mr. Henry Forde, yesterday spoke of disturbing signs of political cannibalism and inflexibility within the Barbados Labour Party (BLP), and warned of the dangers of this.**

Mr. Forde, who was filling the role of chairman at the start of the party's 45th annual conference, at the Queen's Park Steel Shed, spoke out strongly against this trend.

He told his audience, which included Prime Minister Tom Adams and former United States Congresswoman, Mr. Shirley Chisholm:

"There have been disturbing signs of political cannibalism and inflexibility. We rightly pride ourselves — as a party — as put-

ting Barbados first, and as a Government we have put Barbados first.

"But, at the same time, we must beware of shaking the foundation which we have built, through division, jealousy, prejudices, pettiness and imaginary strifes.

"Our party is big enough to rise above all this and to lead our country to rise about this. As we ring in our 46th year, let us forget any forms of petty strife, let us strive as much as we can to heal any wounds."

The former minister of foreign affairs added: "I am sure there are those who would rejoice at any of these factors affecting our

party, but our party has been tested before and has emerged a stronger and even more united body.

"This great party will not be beaten, nor destroyed, nor defeated, nor lose power except we do it ourselves, because the people are behind us."

Praise for Adams

Bridgetown THE NATION in English 9 Jan 84 p 1

[Text] TRIBUTE was yesterday paid to Prime Minister Tom Adams by former Attorney-General, Mr. Henry Forde, for his fine ability as a regional and international statesman.

Speaking at the start of the Barbados Labour Party's (BLP) annual conference at the Queen's Park Steel Shed, the Government back-bencher praised Prime Minister Adams for his stance on the recent Grenada crisis.

He added: "We not only have evidence of his ability as a

regional and international statesman, but he has also displayed exemplary powers of management during the years of economic recession.

"We are assured that his, and the Government's plans for recovery will revitalise and further strengthen our economy."

Mr. Forde reminded his audience that it would be quite easy in the face of such triumphs for persons to be carried away by arrogance, but added that the past should not be forgotten.

He continued: "... As we begin our deliberations, let us remember the necessity to listen to arguments and criticism with humility, with tolerance, with respect and attentiveness, which have always been traditional features of our meetings and strong principles of our party.

"During these conferences we gain the opportunity to learn from each other and to ascertain whether we are in fact satisfying the needs and wishes of our people."

Party Elections

Bridgetown THE NATION in English 10 Jan 84 p 11

[Text] Senator Clyde Griffith, minister of energy, has been reelected general secretary of the ruling Barbados Labour Party.

Senator Griffith was returned to office during elections at the party's 45th annual general conference held last Sunday morning, at the Queen's Park Steel Shed.

Also returned to office was treasurer, Senator John Williams, parliamentary secretary in the Prime Minister's Office, with responsibility for immigration matters.

The two senators were the only two persons elected during the first day of the conference. Elections for persons to fill a number of other posts for 1984 will be held next Sunday on the second and final day of the conference.

During next Sunday's session, Prime Minister Tom Adams will also address delegates as chairman and leader of the party.

CSO: 3298/413

MANUFACTURERS GROUP QUESTIONS GOVERNMENT MEASURES

Challenge to Survey Accuracy

Bridgetown BARBADOS ADVOCATE in English 23 Dec 83 p 1

[Text] Manufacturers in Barbados have challenged the basis and accuracy of a Government-sponsored census of exporters to Trinidad and Tobago which they believe sought to minimise the extent of lay-offs in this sector here.

President of the Barbados Manufacturers Association (BMA) Henry Viera told a news conference yesterday that while it would not be able to say officially before about mid-January how many workers have actually gone home, a recent census by the state-run Export Promotion Corporation (EPC) was questionable and incomplete.

"Of known exporters to Trinidad, a list purporting to be 80 was listed and on checking, it turned out to be 77, since some names were listed more than once and it was further discovered that 17 member companies of this association, some of whom turned out to be substantial exporters to Trinidad and Tobago, were not included," the BMA boss charged.

This meant, he said, that there were at least 94 and not 80 companies exporting to Trinidad as suggested by Barbados Trade Minister Bernard St. John at a news conference a week ago.

St. John, accusing some manufacturers of playing politics with the issue, rejected charges of discrimination in Trinidad against Barbadian goods as well as lay off figures ranging between 400 and 3 000 attributed to BMA spokesmen saying the EPC survey showed only 136 workers were laid off from the company surveyed.

Trade between Barbados and Trinidad, the Caribbean Community's most lucrative market, slowed after Port-of-Spain last October 7, introduced new economic measures to curb an outflow of vital foreign currency.

Law undetermined number of manufacturing plants here have been closed and others have reduced staff, awaiting the processing in Trinidad of exchange control applications known as E.C.O. forms.

The BMA has hired a local private firm to conduct a survey of the extent of closures and lay-offs. It began on December 12, and according to Vieira, should be ready by mid-January.

The BMA head said it tried to establish the depth of Government's census, conducted between November 29 and December 2, and found that it was a telephone "call around" by three or four officers.

Vieira said that none of these officers had a written list of questions, but one provided a list of seven questions which he asked but was not sure if the other interviewers had asked the same questions.

He said that further checks with BMA members showed that some of them were asked various questions not listed by the officer and some were not asked some of the listed questions.

"So I am sorry, I do not think the minister had sound advice on the receipt of his so-called "detailed census" results," Vieira said. [as published]

Furthermore, he added, it must be acknowledged that any survey or census on employment done on any particular day or week does not show a real trend, especially any such survey done hurriedly during the week of November 20 to December 2.

"During the previous week, the Trinidad and Tobago Central Bank informed everyone that all E.C.O. (exchange control) applications would be processed by Monday, November 28," Vieira said, "So all those unsuspecting manufacturers who had closed would have had to find large sums to meet severance payments out of already impoverished cash flow."

Vieira said that those manufacturers who felt they had moral obligations to keep their staff employed for Christmas went to the EPC and had documents signed and opened their doors so as to prepare for promised shipments before Christmas.

"So I expect that the week of this "detailed census," the manufacturers of Barbados were experiencing their highest level of employment in many weeks and will be hard-pressed to hold that level over the coming months," he said. [as published]

Illegal Imports Issue

Bridgetown BARBADOS ADVOCATE in English 23 Dec 83 p 1

[Text] Barbados Manufacturers' Association (BMA) president Henry Vieira has outlined one way in which local importers have been able to illegally continue to bring garments into the island.

Speaking at a press conference yesterday, Mr. Vieira said that although extra-regional garments were on the negative list, this did not mean that they could not be brought into Barbados.

He stated that the negative list allowed for, if a product could land in Barbados at over and above the surface Cost Insurance Freight Price, it could be brought in.

He added that many of the stated prices on the negative list were the same prices listed in 1982 as they were in 1977, although it was quite clear that in real terms the 1977 prices were considerably reduced in 1982.

Mr. Vieira said that some importers had set up operations overseas, notably in Miami, and in effect were able to record their own prices at the point of shipping the goods to Barbados.

"The current negative listing system does not mean that a product cannot come in, it means that you have to prove that you had to pay so much for the product even if you are paying yourself overseas. You can pay yourself overseas, the ceiling price, under the name of any company, and bring it in," he stated.

Mr. Vieira said that it was neither fair nor reasonable to expect local manufacturers "who are trying to provide foreign exchange for this country to buy all those luxuries and provide jobs for people at all levels" to operate under these conditions of unfair competition.

Call for Export Funding

Bridgetown BARBADOS ADVOCATE in English 23 Dec 83 p 1

[Text]

Over the past two years, the Barbados Manufacturers' Association (BMA) has been constantly calling on Government to allocate more resources to the Barbados Export Promotion Corporation (BEPC).

In stating this yesterday, BMA president Henry Vieira declared that Government should not wait until there was a trade crisis or emergency to consider increased funding for BEPC.

Speaking at a press conference which he said he called to clear the air after the accusations and charges against the BMA made last December 15 by Trade and Industry Minister Bernard St. John, Mr. Vieira outlined

what the BMA has been asking government to do for BEPC.

"For two years the BMA has been making calls for Government to fund BEPC properly, not on a crisis basis, not in cases of emergency, but to fund them properly, to put permanent, fulltime trade representatives in certain strategic destinations so our products can cope with the market situation and to refer back to us on a timely basis," Mr. Vieira declared.

He also said that the BMA has on a number of occasions suggested to Government that, whenever trade problems arose, it "avoid overt retaliatory measures as they would merely aggravate an already bad

situation."

Mr. Vieira stated that "ultimately, we need CARICOM and Trinidad and Tobago is an important member state."

On the question of CARICOM trade, he pointed out: "For years we have gone on record as calling for free trade in CARICOM, for removing all encumbrances to free trade to make sure that CARICOM works to everybody's advantage."

Mr. Vieira also said that since the BMA was formed in 1964, "not a month or year" has gone by without its calling for an examination of "ways and means by which the domestic market might be better protected against imports to increase sales of local products."

Government in 'Dark'

Bridgetown BARBADOS ADVOCATE in English 23 Dec 83 p 1

[Text] Government does not fully understand the importance of the crisis facing the local manufacturing sector.

This assertion has been made by president of the Barbados Manufacturers Association, Mr. Henry Vieira.

Speaking towards the conclusion of a Press conference called last Thursday to refute many of the charges made against the BMA by Trade and Industry Minister Bernard St. John earlier this month, Mr. Vieira said that local manufacturers have now found themselves "in a very difficult situation."

"I firmly believe that government officials do not fully understand the importance of the situation," he declared.

Mr. Vieira said that every time local manufacturers lost "a little business" their companies were in jeopardy.

He stated that if the BMA went to the Press everytime it had a problem, to shout out that everything was bad, "people in this country are going to lose confidence in the manufacturers. Our creditors, our bankers, the people we are seeking to employ--they are not going to have the level of confidence on our manufacturers that they should have."

Mr. Vieira declared: "We only do this (go to the Press) when we feel it is a national issue, we only do this after consulting with the Government and trying for them to correct it."

He added: "We want corrective measures, not head-on clashes with anybody, we want things to be put right, not our talking that they are wrong. We would much prefer to have nothing to say than everything to say."

CSO: 3298/413

SEVERAL MILLION DOLLARS REMAIN IN IMF COFFERS FOR BARBADOS' USE

Bridgetown SUNDAY ADVOCATE in English 25 Dec 83 p 1

[Text] Barbados has an additional US\$8.1 million in funds to be drawn down under its stand-by arrangement with the International Monetary Fund (IMF), a recent IMF bulletin has stated.

The arrangement entered on October 1, 1982 will run until May 31, next year, and the IMF document revealed that up to December 5 this year Barbados had made drawings totalling \$33 million.

To date the country has already passed all the tests which allow for the drawings to be made under the IMF arrangements.

Government said that one of the reasons for seeking the IMF assistance was because of the country's inability to recover some Bds\$135 million tied up in the now suspended clearing arrangement, the Caricom Multilateral Clearing Facility (CMCF).

The IMF's document also gave an update on the state of another aid programme namely, extended arrangements, with Dominica, Grenada, and Jamaica.

Dominica's agreement, signed on February 6, 1981 is due to expire in February next year, and Jamaica's in April next year.

Under the arrangement Dominica has so far draw collected just over US\$8.9 million with a further \$1 million to be drawn, while Jamaica out of an agreed \$497 millions, has a further \$75 million in drawings to make.

Grenada had secured assistance under the extended arrangement programme but two weeks ago the IMF announced it was suspending the aid programme to the state. An IMF team is expected to soon visit the country to examine the economic situation there.

The IMF reported that the pace of drawings by its members accelerated in October, to total \$819 million, compared with \$510 million in September.

It reported that of the drawings made, all were by developing countries with \$295 million under stand-by arrangements and \$244 million were under

extended arrangements. Drawings under the lower conditionality compensatory financial facility, which compensated IMF members for export shortfalls that are temporary and largely beyond the control of members totalled \$281 million.

CSO: 3298/413

POLICE ROADBLOCKS REFLECT SPREAD OF PRAEDIAL LARCENY

Bridgetown BARBADOS ADVOCATE in English 28 Dec 83 p 1

[Article by Heather Greenidge]

[Text]

The high incidence of praedial larceny is still causing serious concern to the Royal Barbados Police Force, according to Inspector Allan Longe, its Public Relations Officer.

Mr. Longe said: "There is still a high incidence of praedial larceny, and one of the means of combating this, is the checking of vehicles."

He said that the police were carrying out road blocks and checks, but he explained that it was not the police's intention to embarrass anyone.....you have nothing to fear."

Inspector Longe, however, warned that people should only stop if they are approached by police in uniform.....there might be some people who might want to take advantage of the situation, but only police in uniform are doing the checks and are accompanied by other policemen from the Criminal Investigation Department (CID)."

The police public relations officer said another area which still worrying the law enforcers, was

drug trafficking. "We have a Drug Squad operation in co-operation with customs officials and we are continuing our vigilance," Mr. Longe said.

The police Inspector noted that as long as they groups of people passing through Barbados' points of entry — the airport and seaport — one could expect drug trafficking.

Mr. Longe who reviewed some of the projects undertaken by the police this year said with the implementation of the Juvenile Liaison Scheme, crime among juveniles have decreased.

This scheme is being carried out in conjunction with professional counsellors and Mr. Longe said that it had been working well so far.

The public relations officer noted that there was an overall decrease in crime and said that it could be attributed to many factors. These included the introduction of the Resident Beat Officer and the Robbery Patrol.

The Resident Beat Officer, scheme, now in its third phase, was started a year ago last December.

"This scheme has helped considerably in lowering the crime rate," Mr. Longe said.

He said that the scheme operates 24 hours a day, and because of that thieves could not easily get into a particular area. There are some 44 officers in the scheme and 30 of these operate in the St. Michael and Worthing areas.

Mr. Longe described the resident beat officer as "being sensitive to the needs of the community to give any assistance where it is necessary."

Looking at the traffic situation, Mr. Longe said that there had been a decrease in the number of accidents and one of the reasons was because of the implementation of the Specialised Traffic Patrols.

He said that such patrols explain to drivers the various traffic offences they commit but do not charge them.... "We believe that it has worked because of the decrease in accidents."

Inspector Longe said the Police Force was looking forward to more co-operation from the public in 1984.

AGRICULTURAL SOCIETY OUTLINES 1984 DEVELOPMENT PLANS

Bridgetown BARBADOS ADVOCATE in English 29 Dec 83 p 2

[Text] The Barbados Agricultural Society (BAS) is planning to implement during 1984 a number of bold new initiatives to upgrade its operations and improve the agricultural sector in Barbados.

Among other things, in a statement in the latest issue of its newsletter "Agriculture in Action," the BAS announced:

— "Plans are in train for the implementation and operation of the Society's own artificial insemination programme for dairy and pig farmers;

— "The sheep industry will be revitalised;

— "Service to poultry producers will be upgraded and the BAS is particularly looking at the provision of equipment to farmers, through the establishment of loan facilities, to enable them to improve farming practices and production;

— "The BAS is looking to establish loan facilities so that farmers, through modern machinery, such as sprayers, will be able to upgrade production and improve farming practices," the statement read.

It noted that local farmers have expressed a

willingness to upgrade and it was expected that the new assistance planned would reduce the cost of production to farmers, bring animals to market quicker, and in the case of pig growers, produce healthier pigs.

It was also stated that the BAS intends to establish a meat depot at its headquarters on Beckles Road and plans have already been approved by the Town and Country Planning Department for this facility.

With the setting up of this, meat will be marketed wholesale and retail, and consumers will be able to obtain specialised cuts of beef, pork, mutton and poultry.

The BAS also said that it will consider going into the processing of meat products on a small scale if there was a need for such.

It noted that apart from these plans geared at providing better service for farmers, it has embarked on a programme of consolidation and will be focussing on in-house activities such as:

"The implementation of smooth operation of our present projects;

"The upgrading of our monthly newsletter into

an attractive informative communication tool which can also bring in an income through advertisements;

"The recruitment of the staff necessary for carrying out the planned functions;

"The inservice training of our present staff who may need some additional training to do their jobs more efficiently;

"The reintroduction of farmers' meetings, group meetings, radio programmes, farmer training, along with the improvement of communications with farmers;

"In collaboration with the Barbados Marketing Corporation, the Ministry of Agriculture and the Barbados Agricultural Statistical Information Service (BASIS), the planning, development and implementation of planned production and marketing, especially for the export market."

The BAS said that additionally, it would be seeking to improve its financial management and investigate and implement the organisational structure necessary for greater efficiency.

SUGAR WORKERS OPEN TALKS WITH INDUSTRY; ADAMS CRITICIZED

Union Demands

Bridgetown BARBADOS ADVOCATE in English 24 Dec 83 p 1

[Text]

Negotiations for a new wages contract and improved conditions of work for sugar workers are to begin next week.

And the Barbados Workers' Union (BWU) said it was hoping that negotiations will not be as protracted as they had been in the past, and that an early settlement will be reached.

The BWU, which will be negotiating with the Barbados Sugar Industry Limited, is seeking a 20 per cent increase on wages from January 1, 1984, which will replace the existing contract that expires on December 31, this year.

The union is also seeking the payment of wages to workers not later than 4 p.m. on Thursdays, the payment of a higher rate to general workers in the factories when operating a jackhammer, and the availability of first-aid facilities to field workers among other demands.

In addition the BWU will be pressing for the allocation of persons to work areas on the plantations.

"It is expected that the negotiations should not be as protracted as they have been in the past," the union stated.

This optimism by the BWU has come against a background of the long and drawn out negotiations for the current agreement which was reached following mediation by Sir Hugh Springer and Burns Bonadie, the then Secretary-Treasurer of the Barbados-based Caribbean Congress of Labour.

That agreement was a 20 per cent hike (10 per cent in 1982 and 10 per cent in 1983 plus a five percent incentive payment which was made in two instalments.

Next year's crop is projected to yield more than 100 000 tonnes of sugar and should this be realised it will be the first time since 1980 that sugar production topped the 100 000 tonne mark.

In 1980 some 135 000 tonnes were produced, while the figure in 1982 was 85 550 tonnes and in 1983 it was 88 000 tonnes.

In the past the BWU has been making a strong case for proper facilities for sugar workers and it

is understood this aspect will again figure prominently in the upcoming talks.

Among these demands are the regular supplies of fresh drinking water, the location of toilet facilities at convenient points, and adequate first-aid.

The union has also been concerned about the high incidence of accidents and deaths caused by tractors and as a consequence of this and other cases in the industrial sector, has over the years intensified its occupational safety and health educational programmes.

Last August a one-week seminar for sugar workers dealing with occupational safety and health, grievance handling, and trade union principles, was held at the BWU's Labour College.

It will also be seeking safety guidelines for factory employees.

The negotiations are coming just two weeks after Government got Parliamentary approval for a price support mechanism scheme, the second straight assistance package in as many years to prop up the industry.

Plight of Workers

Bridgetown BARBADOS ADVOCATE in English 7 Jan 84 p 1

[Text]

The second round of wages negotiations on behalf of sugar

workers ended yesterday with the Barbados Workers Union

(BWU) outlining to sugar industry officials the plight of workers in the industry.

BWU General Secretary Frank Walcott said he had informed the sugar industry officials of the problems of the workers that must be recognised, and that he expected an increase to meet the problems of the employees.

He stated this position was put to the industry officials while also explaining to them that the BWU was aware of the problems of the industry.

The BWU and the Sugar Industry Limited are negotiating a new wages contract for the workers with the union seeking a 20 per cent hike on behalf of the employees.

The talks will resume next Tuesday afternoon at the union's Solidarity House. Yesterday's talks lasted for about two hours.

A spokesman for the Industry, said progress was being made and there were no contentious issues. He declined to say what his side was offering the workers.

He stated that the implications of the international recession on the local sugar industry was now being examined by Sugar Industry Limited.

Meantime the BWU has strongly objected to statements made by Prime Minister Tom Adams in connection with an early start to the 1984 sugar crop.

Additionally the BWU is also distancing itself from the January 15 date given by sugar industry officials as a possible starting date.

The union's case on these and other matters was outlined yesterday by Mr. Walcott.

Mr. Adams in his New Year's message said among other things he trusted that with the full understanding of the crisis in the sugar industry, which he sure was shared by both sides in the negotiations, will manifest itself in an early agreement and a prompt and efficient start to the new crop.

Negotiations must be concluded before a date can be set for the start to the reaping of canes.

Mr. Walcott said the BWU objected to the statements made by Mr. Adams, and for that matter any other government Minister during or prior to the negotiations.

He felt the statements were not in the best interest of collective bargaining and they tended to prejudice the negotiations.

Mr. Walcott said those statements should not be made since the BWU had taken a firm stand on sugar on behalf of the employees.

In relation to the start of the crop Mr. Walcott stressed that "nobody can set dates for us".

He said the negotiations were set against the background of issues before the two bargaining bodies.

He said he was an optimist and when he sat down to negotiate he does so to conclude negotiations.

Walcott Slap at Adams

Bridgetown THE WEEKEND NATION in English 7 Jan 84 p 1

[Text]

GENERAL SECRETARY of the Barbados Workers' Union, Mr. Frank Walcott, has taken to task Prime Minister, Mr. Tom Adams for comments he made concerning the sugar industry in his New Year's message.

Speaking shortly after emerging from a second round of talks with officials of the Barbados Sugar Industry Limited for a new contract for workers in this year's crop, Mr. Walcott said that although he had not studied the Prime Minister's statement in any great detail, he did not like the comments.

He said: "I do not consider it to be in the best interest of

collective bargaining or industrial negotiations for the Prime Minister or any minister to be making comments prior or during negotiations, because they tend to prejudice negotiations.

During his New Year's Message, the Prime Minister had noted that following many years of bitter wage and bonus negotiations, the industry proved incapable of riding out of climatic disaster in 1982.

He expressed the hope that the understanding of the crisis in the industry would be shared by both sides of the current negotiations, and would

manifest itself in an early agreement and a prompt and efficient start to the crop.

However, Mr. Walcott was at pains to point out the union's stance on sugar, noting that it had taken the bold position about sugar and supported the workers many years ago when many others were taking a stand that disrupted the industry and caused it and the workers to be "torn asunder".

"We do not accept these people coming at this stage to make any one believe that they have more interest in the sugar industry than we have," Mr. Walcott said.

CSO: 3298/414

PUBLIC WORKERS UNION SEEKS IMPROVED JOB SECURITY

Bridgetown BARBADOS ADVOCATE in English 7 Jan 84 p 1

[Text]

The National Union of Public Workers, in a statement issued yesterday called on the Government to place several thousands of its employees on the permanent establishment and thereby provide them some measure of job security.

NUPW General Secretary Joseph Goddard said that the denial of acceptable minimum job tenure to such a large number of public officers and public employees was contributing in no small way to the low morale and indifference which can be found in the public service.

"This is neither good for the service nor to the public who are either or both tax payers or recipients of services provided by public workers. Over the last six years there has been little motivation for the worker, even non-monetary benefits such as job security and civilized physical accommodation are being denied the workers.

"Here we have a situation where a substantial portion of our community is being discriminated against in terms of withholding from them, by political might, fair wages and salaries and reasonable

improvements in their employment. Added to this is the denial of minimum acceptable job security. How does any thinking person expect these workers to react, to perform their duties? How could any discerning and fair-minded person expect these workers to give of their best under such an uncertain and untenable situation encouraged and perpetuated as a deliberate policy of intimidation by an uncaring employer?"

Mr. Goddard cited a number of Government departments which were particularly hard hit by the double shortcomings of understaffing and temporary employment.

"The National Insurance Office not only has a high incidence of temporary staff but is grossly understaffed.

"The Customs Department long ago dubbed Hollywood, has a substantial number of "acting" staff some even acting in higher positions all this despite the millions of dollars being collected annually by them in duty, levies and other fees and despite the magnitude of their responsibilities in other very important and sen-

sitive areas which are well known to all of us."

"The Queen Elizabeth and other areas of the nursing service have not only a staff problem in terms of inadequate numbers but many nurses are "non-established" (temporary) in spite of representations over the years for their appointment to the permanent establishment". Mr. Goddard said.

The NUPW boss said "The Dental Auxilliary Service, the Aedes Aegypti Eradication Service and the Emergency Ambulance Service, to name a few others, are "temporary"; other departments are plagued by staff shortage such as the Welfare Department."

The NUPW is hoping that its continuous and insistent representations, coupled with the inherent benefits to be derived by the public as tax payers as well as recipients of service, will bear fruit early in 1984 and see many hundreds of workers appointed by the Public Service Commission as well as the creation of additional posts by the Establishments Division and the filling of these positions by career public workers, the union's general secretary said.

CSO: 3298/414

RUNNING WATER PREDICTED FOR ALL HOMES IN TWO YEARS

Bridgetown THE NATION in English 29 Dec 83 p 20

[Text]

THE reign of the village standpipe in Barbados should come to an end in about two years time.

For, according to general manager of the Barbados Water Authority, Mr. Nickey Sealy, it is projected that by that time all homes in the island would have running water.

Mr. Sealy said that the authority was now phasing out a number of the standpipes since most homes now had running water.

He noted that persons, who are unable to pay for the service, because of their poor financial standings, are now able to make use of a down payment plan in which they can pay down a minimum of \$50 toward the connecting fee and pay the balance in two years.

The authority now has well over 80 000 accounts, compris-

ing metered and fixed rates, and are now installing about 3 000 services each year.

However, it was stated that this figure is an improvement over the past five years, with the recent upswing in the building of private homes and hotels.

In addition, it was stated that there were only a few places in rural districts that the service has not touched, and which were now being tackled with the expectation that all homes would have running water in about two years time.

Of the more than 80 000 consumers, 16 000 are metered accounts, while the others comprise house holders whose rates are fixed.

The metered accounts include industries, plantations, and domestic services.

At present, the daily water requirement for Barbados is over 30 million gallons, with more than 30 000 homes having had their services installed during the last 11 years.

CSO: 3298/415

MASSIVE 4-YEAR PROJECT TO HALT SOIL EROSION PLANNED

Bridgetown THE NATION in English 3 Jan 84 p 20

[Text]

THE Barbados Government has embarked on a massive project which will step up the campaign against soil erosion in the Scotland District.

Special assignments permanent secretary in the Ministry of Agriculture, Major Sam Headley, told THE NATION yesterday that the project a large-scale experiment, would cost some US\$5.8 million, cover initially 72.8 hectares of land and run for four years.

Major Headley noted that for years, the Soil Conservation Unit of his ministry had been involved in similar work, but that had never been costed or documented.

"This project is to ensure that there is proper costing, recording and evaluation of the systems employed and to afford the country maximum benefits from these," he added.

He said that all-weather roads were now being constructed and a number of separate and distinct aspects to the project would be started. The land earmarked for the project had been divided into three areas: those for drastic, intermediate and minimum reshaping.

The Hilly Turners Hall/Swan area, as well as Greenland will all be taken in by the experiment.

When all the work has been done to stabilise the land through various processes, the land is to be put into agricultural use.

Major Headley added that various types of fruit trees would

be planted, while sections would be devoted to forestry and grazing.

"This is going to be one large project which will go much further than Turners Hall/Swan or Greenland. What it will in effect do, is give the Soil Conservation Unit a shot in the arm so they can step up their work.

"A large amount of machinery and equipment will be acquired for the research work and once this is done it will be used by the Soil Conservation Unit for their continued work."

Major Headley also spoke of another aspect to the project. He revealed that provision had been included for the encouragement of persons with plots of land in the area to utilise those under the supervision of the Soil Conservation Unit.

"What we want to establish are some model farms in the area, but we will have to select, carefully, persons who understand what we are doing in the area, and who can appreciate it.

"The whole idea is not to allow nature to continue on its present course in the area without man bringing it under control. We want the people to benefit from this project," he added.

A public relations campaign is to be mounted on this, Major Headley said. Under the project being funded by the Inter-American Development Bank (IDB), an English firm has been contracted to supply consultancy services in engineering and agronomy and to provide a machinery expert.

BRIEFS

UNION'S 1984 PLANS--The Barbados Workers' Union (BWU) has unveiled part of the plans it will be pursuing during 1984. In its weekly press statement, the union said two significant changes will take place during the coming year. These will be the programme for the May Day celebrations and the celebration of the 10th anniversary of the Labour College. The BWU stated that its Executive Council will be placing before members a specific programme to mark these two important events next year. Meantime the union has announced that its half yearly meeting is being planned for February 5. The meeting will enable the Executive Council to place before members a report on the BWU's activities since the last annual delegates' conference held last August. The report will also include plans for the operation of the union within its new headquarters at Solidarity House. [Text] [Bridgetown SUNDAY ADVOCATE in English 25 Dec 83 p 2]

'CHEATING' BY FOREIGN DEALERS--President of the Barbados Small Business Association (SBA) Muhammad Amin Nasser has alleged that unscrupulous overseas dealers have cheated small local manufacturers out of approximately five to seven million dollars over the past five years. The SBA chief said that small businessmen from Barbados hunting for raw materials in Europe and North America have very often been easy prey for unscrupulous agents, who were just looking to turn over a fast profit. Mr. Nasser said that the situation of ripping off small businessmen was one which was getting out of hand, and added that the Furniture Trading Company at Brighton, St. Michael which has been set up through the Industrial Development Corporation was a step in the right direction towards helping the small businessmen. He said that the IDC's measures would not only stop any opportunists dead in their tracks, but would also help to secure raw materials at cheaper prices and in greater volume. Mr. Nasser also stated that the setting up of the Furniture Trading Company would also mean a more competitive product at home and abroad. [Text] [Bridgetown BARBADOS ADVOCATE in English 6 Jan 84 p 1]

SINGH COLUMN--THE WEEKEND NATION brings you a new weekend columnist. He is former editor of CARIBBEAN CONTACT, Rickey Singh. Writing under "Our Caribbean," Rickey Singh offers in his first weekly column in the WEEKEND NATION his conviction that CARICOM will survive; and he tells why--on page 7. Rickey Singh replaces Andrew Hatch who writes the column, "In Place." [Excerpt] [Bridgetown THE WEEKEND NATION in English 6 Jan 84 p 1]

DEVELOPMENT BANK FUNDING--The Barbados Development Bank (BDB) will be lending more money to Barbadian fishermen this year for the acquisition of larger fishing boats. Chairman of bank, Senator David Seale, said yesterday that the institution would be placing emphasis on assisting fishermen in owning larger boats with freezer capacity. In recent times the trend in the fishing industry has been toward the use of ice boats, which, because they are able to stay at sea for longer periods, prove much more economical to operate. The assistance of the BDB, which was started last year in this area, is to be expanded. Only last weekend, Minister of Agriculture, Dr. Richard Cheltenham, spoke of advances in the fishing industry in 1983, pointing out that at the end of the year there were 20 ice boats in the water, compared to only eight at the corresponding time in the previous year. Dr. Cheltenham announced, too, that government was hoping to begin work on the construction of the new fishing harbour for Bridgetown early in the year and added that similar facilities for Speightstown should be started later in the year. In other news from the BDB, Senator Seale said that they would be continuing their assistance to the industrial sector, adding that the present finances of the institution looked good and he did not anticipate that they would need to obtain additional funds. The BDB chairman said, that because of serious problems in the tourist industry last year, some loans had to be extended, but repayments which were slow in 1983 should pick up this year with the recovery of the industry. [Text] [Bridgetown THE NATION in English 4 Jan 84 p 1]

CSO: 3298/415

MILITARY, OTHERS TERM MALUF 'UNTRUSTWORTHY,' VENGEFUL

Dilermando Assertion

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Jan 84 p 5

[Text] Rio de Janeiro--Deputy Paulo Salim Maluf is not a good choice for president at the moment that will crown the democratic ideals of the 1964 revolution, particularly when the nation is facing one of its most serious crises. It is thus essential that Figueiredo's successor have sufficient credibility so that the crisis can be overcome.

That warning was voiced in Rio this week in private conversation with friends by one of the most prominent military leaders of the 1964 regime, who was distinguished for his liberal position: Gen Dilermando Gomes Monteiro, former commander of the Second Army and former minister of the Superior Military Court (STM).

General Dilermando noted that Maluf clearly showed one of the leading traits of his personality, the desire for vengeance, explaining that he had not supported Maluf's candidacy for governor of Sao Paulo but rather favored candidate Laudo Natel, who was "more reliable and less ambitious."

For this reason, according to the general, Maluf was seeking revenge when he tried to involve one of the general's sons in a scandal at the Sao Paulo Savings Bank, but was caught by surprise when his intended victim took the initiative of asking the courts to investigate any responsibility he might have with irregularities in that financial institution.

The general feels that the court's reply was sufficient to nullify any effect the then governor's attempt at revenge may have had and that it served to show that he was right when, as commander of the Second Army, he refused to become involved in Maluf's attempts at enticement.

Hard to Swallow

"I am convinced that it would be tragic for us Brazilians who established the 1964 movement and those who have made sacrifices during the present crisis if Mr Paulo Salim Maluf became president. But, if he is elected president, we shall have no alternative other than to swallow it, hard as that will be," the former STM minister asserted.

The general said he is rooting for any one of the presidential possibilities, although he does have his own preference--which he did not reveal--but "as a Brazilian citizen, as a soldier in an army to which the nation always resorts at times of crisis," he also hopes that Paulo Salim Maluf will not succeed Figueiredo.

He also recalled personalities such as the first president of the 1964 movement, Castello Branco, "a man always dedicated to constructing a stable democracy, and the president who initiated political liberalization, Ernesto Geisel, and the man who assumed the honors, the positive aspects and the burden of liberalization, Joao Figueiredo.

"Now, at the crowning of this process, it is important that the nation have as president-elect a man who has the necessary national credibility, the virtues of loyalty, poise, character, consistency, regardless of party or whether he is civilian or military," he remarked.

Dilermando Gomes Monteiro recalled further that Maluf was the first to enter the presidential race, whereas Aureliano Chaves, Mario Andreazza, Helio Beltrao, Marco Maciel, Ulysses Guimaraes entered later, "but any one of these would be better at this hour of consolidating national reconciliation, when the intention is to make Brazilian democracy stronger and more stable, freeing the army from the burden of political involvement of the past, adhering to the policy of professional and constitutional commitment adopted by Army Minister Walter Pires."

The assertion of General Dilermando about the Maluf candidacy is not an isolated incident within the context of the Brazilian military, where there are reservations not only about Maluf's methods but also about his conduct as a presidential possibility in relation to President Figueiredo.

Questioned Loyalty

[Article by Helio Contreiras]

One of the virtues most highly cultivated by the military, even in their regulations--loyalty--was brought up in relation to Deputy Paulo Maluf by friends of the president when Figueiredo was in Cleveland recuperating from a heart operation. In Brazil, Maluf was the only one not to heed the request for a truce in the process of presidential succession made by Navy Minister Adm Maximiano da Fonseca and by the chief of the Armed Forces General Staff (EMFA), Brig Gen Waldir Vasconcelos.

One military man even asserted on that occasion that Maluf was disrupting the truce, as the moment was one of solidarity toward the president, who was recuperating, at the side of family and close advisers, from delicate surgery. The same military man asserted in Rio this week that Maluf has, among the problems that could hamper a government under his direction, the trait of not being trustworthy. "Past experience shows that simply being anticommunist is not sufficient to merit the confidence of the Brazilian people," he stressed.

Maluf's criticism of Brasilia perquisites was interpreted by the same military man as an expression of gratuitous hostility toward the government, which has

limited this type of expenditure as much as possible. According to him, the sale of official residences in Brasilia and transfer of cabinet ministers to functional apartments will not solve the nation's economic problems, but rather good administration and fighting corruption, as well as international credibility.

The same source recalled, moreover, that one of the most luxurious residences in Brasilia is precisely that of Deputy Paulo Maluf. "He was thus showing an example of the perquisites he was opposing in others."

According to military men discussing Maluf's criticism of perquisites, "his story is not well told," as several cabinet ministers have been restricting their expenses and there is yet the case of those such as Navy Minister Adm Maximiano da Fonseca, who make a point of charging the expenses of any private parties to their own account.

When Gen Dilermando Gomes Monteiro was in the Geisel government, he established a reputation as a liberal, especially when he pacified the Second Army, assuring the cohesion of the military of Sao Paulo after the dismissal of Gen Eduardo D'Avila Mello, which occurred after the deaths of factory worker Monoel Fiel Filho and journalist Vladimir Herzog in quarters belonging to the DOI [Department of Domestic Operations]-CODI [Internal Defense Operations Center]. Although maintaining an ethical position in relation to his predecessor, Dilermando Gomes Monteiro opened a new phase in Sao Paulo of more dialogue between the Second Army and the community in general, especially the press.

When he left the Second Army, praised by the Army High Command, Dilermando was appointed by President Geisel to be a minister on the Superior Military Court. His name was then submitted to the Senate by Planalto Palace, and he was highly praised by the leader of the erstwhile MDB [Brazilian Democratic Movement], Senator Paulo Brossard.

When President Geisel chose for his successor Gen Joao Figueiredo, Dilermando was one of the first to support the recommendation, giving further military support to the candidate of Planalto Palace, who was opposed by a group led by the former chief of the President's Military Household, Gen Hugo Abreu.

The STM minister remained in a position not only of support for General Figueiredo but also for his policy of political liberalization, even asserting in January 1979 that the AI-5 [Institutional Act No 5], which had been repealed on 31 December 1978, had not been missed by anyone in the nation for a long time.

General Dilermando also believes that liberalization could have occurred sooner, and would have been carried out by President Geisel if conditions had permitted.

Pro, Con

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jan 84 p 5

[Text] The regional president of the PMDB [Brazilian Democratic Movement Party], Senator Fernando Henrique Cardoso, agreed yesterday in Sao Paulo with Gen Dilermando Gomes Monteiro's criticism of Deputy Paulo Salim Maluf, according

to which he "is not trustworthy, has no credibility and is vengeful." He recalled that the former commander of the Second Army "expressed the sentiments of a significant portion of the armed forces, who joined the 1964 movement because they wanted to raise Brazil's moral standards, and now they do not want to end the military cycle by installing this abomination in the presidency of the republic." Deputy Arthur Virgilio Neto (PMDB-Amazonas) also agrees with the general's words, but thinks "he should include a few more people, such as [Interior] Minister Mario Andreazza."

In defense of Deputy Paulo Maluf, the coordinator of his presidential campaign, Calim Eid, responded to the accusations of Dilermando Gomes Monteiro against the ex-governor. "It isn't Paulo Maluf that is vengeful," he asserted, "but rather the general, who wanted revenge through his words in the O ESTADO DE SAO PAULO interview for what happened to his son in the State Savings Bank." If Maluf wanted revenge for the support given by General Dilermando to Laudo Natel at the ARENA [National Renewal Alliance] state convention in 1978, "he would not have responded to the requests of mutual friends that a job be given to the general's son," the ex-governor's adviser explained.

Calim Eid recalled further that Gustavo Damaro Monteiro "was one of the directors of the bank, all of whom were dismissed because of charges of improper proposals," adding that "legal proceedings were begun and we cannot comment further about the subject now simply because the case is in the courts."

Deputy Armando Pinheiro (PDS [Social Democratic Party]-Sao Paulo), a Maluf supporter, does not believe the interview "reflects his real and rational thinking, since he could hardly have changed so much from the days when General Dilermando was commanding the Second Army and Paulo Maluf was governor of the state, when the relationship between them was the best, the most cordial and the most harmonious possible."

Incompatible Methods

Senator Carlos Chiarelli (PDS-Rio Grande do Sul), in turn, takes the general's side. He reassured yesterday in Porto Alegre that "Deputy Paulo Maluf is not the appropriate person to lead the nation, nor is he the ideal candidate for the PDS," claiming that "his methods are not the most compatible with a respectable and respected democratic process."

Another deputy from Rio Grande do Sul, Joao Gilberto (PMDB), added: "I would venture to say that, if he becomes president of the republic, either he will not finish his term or he will take over the institutions of government; that is what worries even the military." He said yesterday in Brasilia that "Maluf is viewed by the public as a kind of symbol of what politics should not be."

For Raul Bernardo (PDS-Minas Gerais), a Maluf supporter, however, "it is odd that the prominent General Dilermando has expressed himself about candidates for the presidency." Another supporter of the Maluf candidacy, Deputy Amaral Neto (PDS-Rio de Janeiro) is also surprised by the statements of the ex-commander of the Second Army and even cited army disciplinary regulations: "I'm sure that General Dilermando is subject to disciplinary penalties for going around making statements

that only serve to disrupt the Brazilian political process. There must be some rule that prevents this type of statement."

Pernambucan Joao Carlos de Carli (PDS), another "Malufist," also took a poke at the military last weekend. "Really, I think this general should go back to bed and the pajamas he has been wearing, and go and take care of his grandchildren. He should retire to the insignificance that the reserve confers upon him. General Dilermando rose through the army through appointment, whereas Paulo Maluf became a deputy by getting the most votes in an election," the deputy stressed.

Amaral Neto stressed that he is not supporting candidates, but is struggling "against the possibility of Brizola becoming president." He also refused to accept the interpretation that General Dilermando's statements would be an indication of a clear position taken by a strong group within the armed forces led by ex-president Geisel, as "there is no longer a Geisel group," and recalled that its leading proponents, General Golbery and Humberto Barreto, "have publicly given their support to Maluf."

Punishment

Despite Deputy Amaral Neto's reference to military disciplinary regulations, the Army Mass Media Center did not even comment yesterday in Brasilia on the interview of the ex-minister of the STM with O ESTADO DE SAO PAULO. And other military sources noted that General Dilermando, as any officer of the paid reserve, is in fact subject to army disciplinary regulations--which prohibit public statements about political matters--but he will not be punished, because he expressed a personal point of view about the Sao Paulo deputy.

8834

CSO: 3342/62

MILITARY EXPRESS SUPPORT FOR CHAVES CANDIDACY

Dilermando's Declaration

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Feb 84 p 5

[Text] Yesterday in Sao Paulo, Gen Dilermando Gomes Monteiro declared his preference for the candidacy of Aureliano Chaves for the presidency of the republic. The former commander of the 2d Army and former minister of the Superior Military Court said he was sympathetic to the vice president's campaign, which he intends to advocate and support. "I am going to recommend that my friends support him," he stressed.

He did not wish to comment on the other candidates. "Having come out for Aureliano Chaves, I do not see any need to comment on them." General Dilermando also refused to comment on the criticism leveled at him by Malufist politicians for having said that Deputy Paulo Maluf has no credibility and is a vindictive man.

Explaining his position, the officer noted that he had been following the activity of the vice president since the period when Aureliano was governor of Minas Gerais. "This is not just my personal observation as commander of the 2d Army, but also because of the comments I heard from Ernesto Geisel on the excellence of his administration as governor," the general added.

Dilermando recalled that he had met several times with Aureliano on his visits to Minas Gerais with Geisel, and had become friendly with the governor. Recently, he said he appreciated the way in which the vice president had performed in the periods when he acted for Figueiredo. "I am certain of the character of Aureliano Chaves," the general declared, "as a man of honest and high ideals, a sense of ethics and administrative experience, a man who has earned enormous sympathy among the nation's public."

In coming out for the vice president, the former commander of the 2d Army also observed that he was honored to be in the company of individuals who have expressed the same point of view, men like former President Geisel, Helio Beltrao and Olavo Setubal and "more recently," he noted, "the young and worthy governor of Ceara, Luiz Gonzaga Mota, whom I am pleased to know affectionately as 'Toto.'"

Justifying his public statement regarding the succession campaign, Dilermando argued that he felt he had a duty to express his opinion as a former military chief. "In my 50 years of army life, a considerable number of young officers listened to me and still believe in me, and they may be hoping for a declaration from someone in whom they have always trusted."

His only reservations were about the method of choosing Figueiredo's successor, feeling that national public opinion had been relegated to the background, although, in his view, it is already sufficiently enlightened and capable of assessing the candidates and choosing the best. "Unfortunately, there is still no plan for a direct election in which the people could express themselves by individual ballot," the general declared.

Meanwhile, Dilermando feels that Aureliano has the qualities which national public opinion has been demanding as essential for a presidential candidate. He said he hoped that the members of the electoral college "feel and understand that, in exercising the power which has been delegated to them, they must respect the aspirations of those who have granted them that representation."

Officers Favor Chaves

Sao Paulo OESTADO DE SAO PAULO in Portuguese 4 Feb 84 p 5

[Text] The statement by Vice President Aureliano Chaves, launching his campaign for the presidency of the republic as the PDS [Social Democratic Party] candidate, was received in army circles in Brasilia as a "good combination of measures." In addition to praising the ideas defended by Aureliano, several officers lauded the character of the candidate, declaring him to be a public man of "integrity, ethics and competency, already proven at the head of the government," an allusion to the various times in which Aureliano served as acting president for Figueiredo.

Although they always stressed that it would be untimely to reestablish direct elections for the next president, several officers said that Aureliano was "realistic" in his defense of this theory. "He knows that President Figueiredo's successor will be under pressure to establish direct elections for the presidency of the republic."

Former President Geisel's support for Aureliano was thought to be "very important" because of the "specific weight" of the general in the nation's political scene.

In Rio, military circles indicated they were favorable to the launching of the Aureliano candidacy precisely when his name has a slight advantage over that of Paulo Maluf in the sector. The officers who support Aureliano's candidacy do so openly, whereas, with rare exceptions, the Malufists are still being discreet, preferring to discuss the matter in private meetings.

Such a cautious position is adopted by everyone, however, including those who are sympathetic to Minister Mario Andreazza, because the consensus is that the presidential succession is still not definite. Hence there is an attempt to maintain discretion, both individually and by the military institutions themselves.

In any event, the demonstrations of support and confidence received by the vice president when he substituted for Figueiredo are seen as a positive factor for

his presidential candidacy. During the period when the president was in Cleveland, Aureliano won votes of confidence from Navy Minister Maximiano da Fonseca, Aeronautics Minister Delio Jardim de Mattos and Armed Forces Chief of Staff Waldir Vasconcelos. All of them, and also Army Minister Walter Pires, made a point of traveling with the acting president to make it clear that the country's political life was going along normally.

March

The high-ranking military in Rio de Janeiro, who are analyzing the succession process, look with some concern on the decision of the PMDB [Brazilian Democratic Movement Party] to promote the march to Brasilia for direct elections, but see a declaration of a state of emergency only as a last resort, according to some officers. They assure that this possibility has not even been considered by the military.

According to the officers, the demonstrations will be assessed calmly and on the basis of specific data, as was the case with the rally in the Praca da Se, in Sao Paulo. The officers say the military command will only act on orders from Planalto Palace.

6362

CSO: 3342/64

ADNAM DOCUMENT URGES ACCELERATION OF 'ABERTURA'

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Jan 84 p 6

[Text] The Democratic and Nationalist Association of Military Men (ADNAM) disseminated a document in which it asks for the "definitive withdrawal of the armed forces from the nation's political process," stressing that the socioeconomic crisis "requires an acceleration of the process of transition from authoritarianism to the democratic regime."

The document, entitled "The Armed Forces and Democracy," notes that "participation in the democratic process by the military as citizens of a society in full enjoyment of freedom of organization and of expression of thought is desirable; on the other hand, interference by the armed forces as an institution in political power constitutes a highly undesirable phenomenon." And it criticizes ideological discrimination within the armed forces, especially after 1964, legitimized by military legislation "reformulated in such a way as to permit elimination of those who dissented from any decision of the 'system' or were not sufficiently fervent in support of security policy," predicting that "if there is not a revision of the role of the armed forces in national life another intervention is likely."

To forestall this possibility, ADNAM proposed internal democratization of the military institutions, restoring "to the military the right, as citizens, to participate democratically in the nation's political life." This requires "broadening of amnesty, without restrictions of any kind, in such a way as to apply to all those punished after the 1964 military coup," stressing that "no more than 10 percent of the military who were punished were even partially contemplated by Law No. 6683/79."

"It is necessary to remove the legal restrictions," the document emphasizes, "beginning with the right to promotions and automatic return to active duty, whether or not 'a vacancy exists,' regardless of 'administrative concerns' and the verdicts of commissions organized for the specific purpose of preserving discrimination."

8834

CSO: 3342/62

INFLATION RATE FOR LATEST 12 MONTHS TOTALS 213.2 PERCENT

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jan 84 p 32

[Text] The Brazilian Institute of Economics [IBRE] of the FGV [Getulio Vargas Foundation] confirmed yesterday that the rate of inflation for the month of January, after being purged of the price increases for oranges (considered temporary), was 9.4 percent, slightly less than the 10 percent expected by economic authorities and greater than that of January 1983, which was 9.0 percent. Without taking adjustments into account, the rate was 9.8 percent. The total change for the latest 12 months thus comes to 176.3 percent after purging and 213.2 percent before purging, according to information reported yesterday by the IBRE research department.

The higher prices for petroleum derivatives in effect since 26 January did not influence the behavior of the indices, as the surveys are made during the 26th day of the previous month and the 25th of the month of reference. These higher prices will thus not affect the inflation rate until February.

According to IBRE, the Wholesale Price Index (IPA), one of the components in computing inflation, rose 9.7 percent in January (10.2 percent before purging), raising the cumulative rate for the latest 12 months to 184.6 percent, compared with 235.2 percent before purging. The second component, the Consumer Price Index (IPC), showed a 9.8 percent increase (165.8 percent in the latest 12 months). Before purging, these rates are, respectively, 9.9 percent and 180.3 percent. The Construction Cost Index, the third component of the computation, rose 5.9 percent in January (the same rate before and after purging), raising the cumulative 12-month rate to 151.3 percent (after purging) and 153.9 percent (before purging).

Changes

In the IPA, the items that went up the most this month were foodstuffs (10.8 percent), domestic utilities (10.4 percent), nonfood raw materials (10.4 percent), consumer durable goods (9.9 percent), machinery, vehicles and equipment (8.8 percent), construction materials (8.6 percent) and production goods (8.4 percent). The greatest percentage increases in this index were due to prepared and processed tobacco (104.6 percent), oranges (67.6 percent), leaf tobacco (63.6 percent), men's hose (53.3 percent), cocoa (48.4 percent), cigarettes (45.6 percent) and seeding and planting equipment (43.7 percent). The biggest percentage weights were exerted by milk (10.0 percent), oranges (8.3 percent), black beans (5.8 percent), corn (4.9 percent), cigarettes (4.5 percent) and cotton cloth (3.0 percent).

The items in the IPC that went up the most were personal services (13.0 percent), public services (11.7 percent), apparel (9.9 percent) and food (9.6 percent). The largest percentage increases in this index, according to the IBRE survey, were in chayote (185.3 percent), cabbage (99.1 percent), sweet oranges (63.2 percent), pears (49.1 percent), onions (47.0 percent), apples (45.2 percent) and sardines (44.3 percent). The largest percentage weights were exerted by fresh milk (5.0 percent), chayote (3.6 percent), French bread (2.4 percent), sardines (1.9 percent) and black beans (1.8 percent).

The Construction Cost Index showed a 9.7 percent increase in the price of construction materials and only 0.4 percent in the cost of labor.

8834

CSO: 8834/62

FALLACIES IN ANTICIPATED 1984 TRADE BALANCE IMPROVEMENT

Economists Skeptical

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Jan 84 p 45

[Text] The government is expecting a significant improvement in the balance of payments this year, estimating a surplus of \$4,259 million, as against the deficit of \$3,259 million in the foreign accounts at the end of 1983. However, the estimate is based on items that are still surrounded with uncertainty, such as a positive trade balance of \$9 billion and net interest payments of only \$10.8 billion.

The new foreign program outlined by the Central Bank, which will certainly undergo some modifications in the coming weeks, is really "rose-colored," to use the expression of some technicians in the government itself. According to the figures, there will be a complete turnaround in the results of the foreign accounts, despite the fact that the country will continue to live with an exchange squeeze and is also threatened, even after obtaining the "jumbo loan" of \$6.5 billion on Friday, with having to go back to the international financial system at the start of the second half of this year, in search of new funding to balance the 1984 accounts.

The prediction of a positive trade balance of \$9 billion is still in place, based on an optimistic estimate of a 14-percent growth in exports, from \$21.9 billion to \$25 billion. With a more conservative estimate of a growth of 10 percent, Professor Luciano Coutinho, of UNICAMP [University of Campinas], calculates that the country could achieve \$24 billion in exports. Since the government will do everything possible to obtain a positive balance of \$9 billion, there will be a harsh aggravation of the domestic recession, with even greater restrictions on imports. In addition, the \$9 billion trade balance depends on such factors as a more vigorous recovery of the world economy and does not take into consideration the problems caused by the high value of the dollar on the European market.

According to professor Dercio Munhoz, of the University of Brasilia, the government has also underestimated the debt service, not only for last year (\$9.7 billion, according to the data collected up to now), but also for this year, of \$10.8 billion. By his calculation, the debt service will be at least \$13 billion. Actually, given the debt of \$100 billion in 1984, and assuming that 80 percent of that debt is with commercial banks, at 12.5 percent interest,

and 20 percent is with governments, at an average interest rate of 9 percent, the debt service will be at least \$12 billion.

Trade Balance

The positive trade balance of \$9 billion minus the net service account of \$15 billion will result in a \$6 billion deficit in the account of current transactions, as against \$7.487 billion in 1983 and \$14.7 billion in 1982. Since the new balance of payments program provides for a capital inflow of \$10.259 billion in 1984, the balance of payments should be a positive \$4.259 billion. The other side of the ledger, indicating the destination of the foreign exchange surplus, indicates that the overall balance will be \$1 billion after the back payments.

The capital movement of \$10.259 billion, as against \$4.228 billion in 1983, is owing to the delay in the signing and consequent liberation of the "jumbo loan" of \$6.5 billion, which was planned for last year. The loans in currency will reach \$13.62 billion, with \$9 billion in new resources (\$2.5 billion in commercial financing of government agencies).

The government's optimism is also apparent in the item of net foreign investments: against all expectations, it predicts an entry of \$700 million.

In 1984, the government plans to pay \$1.612 billion in amortizations, because \$6.269 billion will be refinanced. Professor Luciano Coutinho calculates that even with the entry of \$9 billion in loans and another \$400 million in inter-company loans, minus the \$10.8 billion in interest payments, the government will still be paying \$1.4 billion in interest, which, added to the \$1.6 billion in amortization payments, will represent a real transfer abroad of \$3 billion. Assuming a trade balance of \$9 billion and foreign investments of \$700 million, less the service account (\$4.2 billion) excluding interest, there will still be a balance of \$5.5 billion. Deducting the commercial and financial back payments, there is still a balance of \$2.5 billion.

Actually, the overall balance will be, at most, \$1 billion, because in addition to the \$2.34 billion in arrears (\$1.7 billion in interest alone), there are still the obligations with the IMF, which amount to over \$88 million. Professor Dercio Munhoz explains that the balance of payments did not close with a deficit in 1983 because this only happens when the country has reserves to cover it. It closed in arrears, which will be paid this year. Accepting the prediction of a positive trade balance of \$9 billion, but taking into account that international interest rates should go up--a possibility which Delfim and Galveas have already admitted--because of the huge U.S. fiscal deficit, it may be concluded that, contrary to the official plan, the country is still facing considerable negotiation to close the foreign accounts this year.

Prospects for Trade Balance

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Jan 84 p 32

[Text] After achieving, at some grief, a positive trade balance of \$6,379,400,000 in 1983, Brazil is now attempting to achieve a growth of about 40 percent over this figure, to reach \$9 billion, (or more) by next December.

This year's balance was basically the result of the drastic cutback in imports (down 20.56 percent from 1982), while overall exports grew by 8.54 percent in an international picture still not entirely favorable.

According to FUNCEX [Center for Foreign Trade Studies] data, basic products performed satisfactorily, representing 39.21 percent of total exports. Manufactured products accounted for 59.42 percent and the remaining 1.37 percent was attributed to special operations (re-exportation, consumption aboard ship, etc).

The country's difficulty in arriving at these figures was evident, considering that they are still below those recorded in 1981. On the import side, the noteworthy item was the reduction in petroleum purchases (down 16.68 percent up to November), although oil was responsible for 50.62 percent of total imports, higher than the 49.32 percent registered in 1982. The slight increase is easily understandable, considering the cutbacks in the other products on the import list.

The most noticeable cut in imports up to November 1983 was in capital goods (down 29.08 percent), and particularly in the subsector of machinery and equipment (down 36.13 percent), which is cause for concern when one considers what attempts Brazil could be making to resume the path of growth.

The recovery in exports of manufactured products in 1983 is itself an illustration of the problem, although the reduced demand among our major foreign clients is also a weighty factor in this sector. Sales to developing countries showed a minimal growth rate (0.48 to November), proving the massive superiority of exports to industrialized nations, which can also mean greater risk, with the resurgence of protectionism.

One factor which will play an important role in the trade balance hoped for in 1984 is the possible growth of international trade as a result of the recovery of the industrialized countries. The two events do not necessarily go together, however, and some factors indicate that it could take some time for that recovery to translate into benefits for the Third World. Data from the IMF monthly bulletin--the January issue--show that trade among the developed countries declined noticeably in the third quarter of 1983, with exports dropping 6.9 percent from the previous quarter and imports declining 4.3 percent.

Regarding this last item, the happy exception was the United States, although the import demand was strongly concentrated on petroleum. North American imports from developing countries which are not oil exporters grew 4.4 percent, in very sharp contrast to the 45-percent rate for petroleum.

Thus it can be seen that Brazil faces difficult conditions in its attempts to achieve a positive trade balance of \$9 billion, a goal which, after all, does not seem too far from the \$6 million goal set at the beginning of 1983. If the current trend in the value of the dollar, the resurgence of protectionism and the domestic recession persist, it will require a real sleight of hand. This is not meant to be pessimistic, only to indicate more clearly the limits of the current restrictive economic policy.

SALES TO IRAN INCREASED IN 1983, MAY DOUBLE IN 1984

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jan 84 p 39

[Text] Brazil could greatly increase its exports to petroleum exporting countries, using the great bargaining power represented by imports, which reached nearly \$10 billion and are now about \$7 billion. The trade balance with these countries is heavily weighted against Brazil, showing deficits of 81.4 percent of the total trade with Saudi Arabia, 80.6 percent of the trade with Iraq, 95.2 percent of that with Qatar and 90 percent of trade with the United Arab Emirates. The absolute deficit with these countries through October of last year rose to \$5.4 billion, cancelling out the success obtained in increasing exports to other countries of Europe, the United States and Canada (see table).

The only exception last year was Iran, where our exports increased significantly, from \$186 million in primary products through October 1982 to \$300 million in 1983. Brazil imported nothing in 1982 and in 1983 purchased petroleum worth \$331 million. As a result, the trade-balance deficit between Brazil and Iran was only 9.4 percent, compared with an average of 90 percent for the other petroleum exporting countries. The CACEX [Foreign Trade Department] Bulletin of 5 September, devoted to Iran, mentions IAT (Foreign Trade Company) as a leader in this movement.

"Brazil doubled its sales to Iran last year, and I am sure that this year they can be doubled again. I do not hesitate to assert that we will be able to sell \$600 million to this country, which we began studying a few months after the 1979 revolution," Jacques Eluf, president of IAT told O ESTADO DE SAO PAULO. Brazil will be able to increase exports of iron-and-steel products, enter the area of special steels, machine tools (Iran was our largest buyer in 1983), vehicles, telecommunications equipment, railway transportation, paper, textiles, cellulose, petrochemical products, as well as lighter goods such as pencils and school supplies. Iran is now importing chicken but is interested in importing meat, as well as sugar, soybeans and other food products, which it now imports.

More to Come

The example of Iran, adds Jacques Eluf, shows that there is a large market to be developed in the petroleum exporting countries. "We had faith in the Iranian market when no one believed in it. We brought several missions to Brazil, including two led by ministers of state, and we got 60 Brazilian companies to exhibit in September in Teheran in an area of more than 1,000 square meters. We represent

Brazil's Foreign Trade with Petroleum Exporting Countries, in Descending Order of Value of Petroleum Imports--1983, January through October (U.S. dollars, FOB)

DISCRIMINAÇÃO (18)	(21) EXPORTAÇÃO		(22) IMPORTAÇÃO		(24) SALDO (A/B)		(25)		(26) IMPORTAÇÃO DE PETRÓLEO				(27)	
	1983 (A)	1982	1983 (B)	1982	ABSOLUTO	RELATIVO	1983	%	1982	%	(28) VARIACÃO	(29)		
TOTAL GERAL (19)	18.109.147	16.708.776	12.627.077	16.296.222	5.482.070	43,42	6.664.792	100	8.051.932	100	-1.387.140	-17,23		
TOTAL DOS PAÍSES ABAIXO RELACIONADOS (20)	2.580.312	2.358.886	6.928.977	8.441.973	-4.348.665	-62,76	6.664.792	100	8.051.932	100	-1.387.140	-17,23		
01 - Arábia Saudita	341.936	226.312	1.844.407	2.608.885	-1.502.469	-81,46	1.782.830	26,75	2.493.124	30,96	-710.294	-28,49		
02 - Iraque	341.123	274.109	1.763.909	2.069.810	-1.422.366	-80,66	1.783.509	26,46	2.069.810	25,70	-306.301	-14,80		
03 - Mexico	143.801	291.010	614.597	664.810	-470.796	-78,60	529.091	7,94	495.029	6,15	34.062	6,88		
04 - Venezuela	229.441	396.270	545.558	845.113	-316.117	-57,94	520.474	7,81	780.787	9,70	-260.293	-33,34		
05 - China, República Popular da	214.694	68.016	418.645	245.016	-203.951	-48,72	410.286	6,16	238.051	2,96	172.235	21,51		
06 - Irã	300.298	186.118	331.534	---	-31.236	-9,42	331.534	4,97	---	---	331.534	4,06		
07 - Catar	10.835	13.544	226.813	305.836	-215.978	-95,22	226.813	3,40	305.836	3,80	-79.023	-25,84		
08 - Kuwait	23.723	21.299	246.098	122.828	-222.375	-90,36	218.753	3,28	110.999	1,38	107.754	97,08		
09 - Angola	42.552	88.936	184.335	86.281	-141.763	-76,92	171.271	2,57	86.281	1,07	84.990	98,50		
10 - Emirados da Arábia	15.885	15.447	164.629	343.255	-148.744	-90,35	164.629	2,47	343.255	4,26	-178.626	-52,04		
11 - Argélia	105.493	110.185	153.038	152.733	-47.545	-31,07	130.616	1,96	150.725	1,87	-20.109	-13,34		
12 - U.R.S.S.	545.389	406.909	136.556	189.181	408.833	299,39	121.559	1,82	158.401	1,97	-36.842	-23,26		
13 - Nigéria	141.444	195.376	82.821	227.359	-58.623	-70,78	82.821	1,24	226.273	2,81	-143.452	-63,40		
14 - Líbia	15.692	8.538	78.104	253.178	-62.412	-79,91	78.104	1,17	253.178	3,14	-175.074	-69,15		
15 - Equador	88.569	55.239	69.137	165.140	-19.932	-28,11	67.760	1,02	161.518	2,01	-93.758	-58,05		
16 - Gabão	1.578	4.598	39.516	178.685	-37.938	-96,01	38.412	0,58	178.685	2,22	-140.273	-78,50		
17 - Malásia	17.857	16.982	29.680	3.863	-11.823	-39,83	28.330	0,40	---	---	28.330	---		

Key:

- | | |
|--------------------------------|--------------------------------------|
| 01. Saudi Arabia | 16. Gabon |
| 02. Iraq | 17. Malaysia |
| 03. Mexico | |
| 04. Venezuela | 18. Item |
| 05. People's Republic of China | 19. Grand Total |
| 06. Iran | 20. Total for Countries Listed Below |
| 07. Qatar | 21. Exports |
| 08. Kuwait | 22. Imports |
| 09. Angola | 23. Balance (A/B) |
| 10. United Arab Emirates | 24. Absolute |
| 11. Algeria | 25. Relative |
| 12. USSR | 26. Petroleum Imports |
| 13. Nigeria | 27. Year-to-Year Change |
| 14. Libya | 28. Absolute |
| 15. Ecuador | 29. Relative |

51 firms in the Brazilian mission that visited Teheran last year," states Jacques Eluf. The president of IAT believes closer relations with Iran, of a pragmatic nature, would be significant, with appointment of an ambassador to Teheran. Brazil is now represented there by a charge d'affaires at the level of a first secretary, whereas Iran has an ambassador in Brasilia.

Meanwhile, it is now time to urge a visit by a Brazilian minister of state to Iran, as that country has sent its minister of industry and the vice ministers of trade and of light industry to Brazil. With that in mind, Jacques Eluf sees a vast market open to Brazil, which could increase its exports to Brazil, sold at prices competitive with those of OPEC. He acknowledges in this case the decided support of Petrobras and Interbras [Petrobras International Trade, Inc.] for the activity of Brazilian exporters, guaranteeing the purchase of Iranian oil.

8834

CSO: 3342/62

PRC DISCUSSES FORMATION OF JOINT MINING VENTURE WITH CVRD

Rio de Janeiro GAZETA MERCANTIL in Portuguese 27 Jan 84 p 14

[Report by Sergio Danilo, from Rio]

[Text] Modeled on the negotiations with the Australians, the People's Republic of China has initiated negotiations with the CVRD [Companhia Vale do Rio Doce] for creation of a Brazilia-Chinese binational company for joint exploitation of an iron mine in Minas Gerais. This would be the first commercial investment by the PRC in Brazil.

The information came to this newspaper yesterday from Luis do Amaral Franca Pereira, vice president of the CVRD, and advisors of the company's commercial directorate, who are preparing studies to be presented in Beijing by a Brazilian delegation led by Finance Minister Ernane Galveas and composed of businessmen. The mission will take place from 21 to 26 March, when Li Xiannian, president of the People's Republic of China, will receive the Brazilian delegation.

According to Franca Pereira, China has been developing a new program to purchase iron ore to insure the "blending" of its ore, since China's reserves have a much lower iron content than Brazilian ore (64 percent). At present, the Chinese strategy is to insure the raw material for the Baushan steel plant, which will, in the future, produce 6 million tons of steel.

There is great interest in expanding business between Brazil and China, since China is Brazil's fifth largest petroleum supplier, contributing 6.16 percent in 1983.

Deficit

The trade balance from January to November 1983, as registered by CACEX [Foreign Trade Department of the Bank of Brazil], shows that Brazilian exports to the People's Republic of China amounted to \$214.6 million, with imports reaching \$418.6 million. Brazil's trade deficit with China, to November 1983, was \$209.9 million.

The Brazilian exports last year were concentrated on manufactured products (62.8 percent). Among the principal products were: low density polyethylene (\$39 million); pig iron (\$35 million); sheet iron and steel (\$34 million).

According to Franca Pereira, iron ore has been exported to the PRC in only one previous period, between 1978 and 1979, when the CVRD and Mineracao Brasileira Reunidas S/A (MBR), a private Brazilian firm, each exported 500,000 tons of iron as a pilot venture. During the 2 years, Brazil sold China about 2 million tons of iron. The exports were halted up to now because of the disturbances in the Chinese economy itself, which would shift from developing an industrialization program, with capital goods, to light industry. Moreover, the CVRD vice president explained, there were problems with direct exports to China because it does not have the ports to serve ships of the size of those of DOCENAVE when fully loaded. The CVRD made the necessary shipments last year by using the port of Mindinao, in the Philippines. Then CVRD president Eliezer Batista negotiated with the Japanese to form Asian Port, in Japan, which would establish a new nucleus to route Brazilian iron ore through that country. In addition to iron ore, China is interested in importing phosphate and fertilizers.

New Prices

Pereira also reported that, starting in April, the CVRD will charge new export prices for iron ore. For Japan, the price has been cut 11.6 percent, to \$15.65 per ton; for Europe and the United States, the price was reduced 9.8 percent, to \$15.95 per ton. The price of iron ore pelletized in Brazil for export was quoted at \$24.12 per ton, a 7.7-percent reduction in price.

6362

CSO: 3342/64

NEW CFP CROP ESTIMATE SHOWS INCREASE IN RICE, SOYBEANS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Feb 84 p 25

[Text] The CFP [Production Finance Company] yesterday announced its third forecast for the 1983/1984 harvest in the Central/ South, calling for a drop in production of cotton, beans and corn and increased production of rice and soybeans, compared to the previous crop estimates released in December. According to the CFP. the total harvest for all these products should come to between 47,110,500 and 47,192,100 tons, as against 43,158,100 tons for the 1982/1983 harvest and 46,396,000 tons in 1981/1982.

Only the cotton crop will show a decline from the 1982/1983 harvest, with 503,500 tons, as against 531,500 tons (down 5 percent). However, in relation to the 1981/1982 crop, the only product to show any increase will be soybeans, from 12,909,500 tons in 1981/1982 to 15,909,500 tons this year, which is also an improvement over the 14,533,800 tons produced in the last harvest.

The CFP predicts a rice crop of from 8,306,600 tons to 8,374,800 tons, or 4 to 5 percent larger than the 1982/1983 harvest, but still less than the 9,155,000 tons produced in 1981/1982. Lowland beans (the first harvest this year) should reach 1,125,800 tons, 27 percent more than the previous crop but still less than the 1,566,000 tons in 1981/1982.

The CFP is also forecasting a corn crop of between 21,265,100 and 21,278,500 tons, 11 percent larger than the previous harvest but less than the 22,103,700 tons harvested in 1981/1982. The soybean crop is estimated at 15,909,500 tons, as against 14,533,800 tons in 1982/1983 and 12,890,800 tons in the 1981/1982 harvest. It is solely by grace of the soybean crop that this year's harvest will exceed the total tonnage of the 1981/1982 harvest.

The CFP's previous crop forecast was made in December and the new estimate calls for a drop of between 2 and 6 percent in cotton production, 9 percent in bean production and between 3 and 4 percent in corn production, and a growth of 1 percent in rice production and 3 percent in soybean production.

According to Francisco Valela, president of the CFP, the decline in rice production in Sao Paulo is being offset by the improvement in other areas, permitting an increase in total production. The estimated decline in cotton, bean and

corn production is because of the lack of rainfall in Rio Grande do Sul, Santa Catarina, Parana. Rio de Janeiro, Minas Gerais, Bahia and Mato Grosso do Sul. In the case of cotton and rice, the forecast announced yesterday by the CFP includes parcels of the acreage in Bahia, Rondonia, Maranhao and Piaui.

Prices

The CFP president said it is expected that the increase in agricultural production will prevent sharp increases in the cost of food, so this sector will have considerable effect on the rate of inflation. Vilela noted that the market prices for such products as corn, beans, soybeans and rice are (today) well above the minimum prices and a good crop will force a reduction in these prices, bringing them closer to the price floor guaranteed by the government.

He thinks that the producers will demand prices which cover production costs and which will insure a certain profit margin, consistent with the levels of inflation but never "pushing" it higher. He also said he was opposed to price tables for soybean oil, arguing that when there is an "abundance" of a product, tabling is not justified because the prices stabilize naturally.

6362

CSO: 3342/64

CAMPINAS PLANT TO PRODUCE OPTICAL FIBER ON COMMERCIAL SCALE

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Feb 84 p 24

[Text] Campinas--Within 2 months, ABC-Xtal Componentes e Materiais Eletronicos S A, will be producing optical fiber, for use in telecommunications, on a commercial scale at its new plant in Campinas. Physicist Jose Mauro Leal Costa, technical director of the company, told ESTADO yesterday that ABC is investing 2 million cruzeiros--70 percent of it in equipment--in the project for the manufacture of optical fiber. A 2,000-square meter building is under construction adjacent to the CPQD [TELEBRAS Research and Development Center], which, in conjunction with UNICAMP [University of Campinas], developed the technology to be used by ABC-Xtal. The plant will be completed by 30 March, assured Carlos Rodrigues Bilharinho, director of planning for optical fiber.

Holding the TELEBRAS [Brazilian Telecommunications, Inc] concession and with exclusive marketing rights for 5 years, starting in 1984, ABC-Xtal will be the first Brazilian firm to manufacture optical fiber, a silicon thread which is extremely fine--like a strand of hair--and which can carry millions of light pulsations per second, emitted by laser beam, making it possible to transmit hundreds of telephone conversations simultaneously, with high fidelity and with no interference whatever.

According to its technical director, the company will initially produce 1,500 kilometers per year, already ordered by the TELEBRAS system, ABC-Xtal's major client. To handle the country's two most congested centers, TELESP [Sao Paulo Telephone Company] and TELERJ [Rio de Janeiro Telephone Company] should use the first optical fiber produced to upgrade their telephone centers.

The product will also be supplied to private telecommunications companies, one of which is CTBC [Borda do Campo Telephone Company], a member company of the ABC group, which covers 120 cities in Minas Gerais, Sao Palo and Mato Grosso do Sul, with 150,000 telephone terminals. To this end, the Campinas plant will be inaugurated with the capacity to produce 3,000 kilometers per year. The building was designed so the plant could be expanded to increase production to four times the initial capacity.

The price of the fiber was not divulged. According to Leal Costa, there are only some price projections that the group prefers to keep a secret. Costa said the Brazilian market for optical fiber should reach \$50 million within 5 years, and ABC-Xtal will have sole marketing rights in this period. Certain to be among the firms that will enter the market after this period is the multinational group Pirelli, which supplies the conventional copper cable for the telephone system and which has the necessary technology and organization to produce optical fiber.

6362

CS0: 3342/64

DAILY EXPRESSES CONCERN FOR ETA-SANDINIST LINKS

Santiago EL MERCURIO in Spanish 19 Jan 84 p A-3

[Text] A recent article published by the Madrid EL PAIS shed new light on the international connections which strengthen the activity of the Basque terrorist organization known by the initials ETA.

As the aforementioned article points out, the ETA began its training in Cuba in 1964, during the early days of the Castro revolution. For the training it occupied an area near Havana called "Camp Guines", which it shared with subversive groups from Argentina, Uruguay and Chile. The latter groups were beginning at that time an activity which would last for about 10 years, sowing violence in various parts of the Latin American continent.

Though it cannot be denied that some of ETA's members participated in that terrorist deployment in our hemisphere, it is understandable, as the report shows, that the principal contingent of the ETA, while waiting for propitious conditions for operating inside Spain, have continued their preparations in training camps located in Algeria.

At present--as the article notes, drawing on data turned over to the Spanish Ministry of the Interior by western secret services, Central American governments and even some repentant "Etarras"--the Basque guerillas have prominent activists at their disposal in Mexico, Venezuela, Nicaragua, El Salvador and Costa Rica.

Nevertheless, as can be deduced from previous news releases which were well-publicized and much-discussed in Spain, the Latin American sanctuary of the ETA is probably the territory of Nicaragua. It is not, of course, the kind of bond that connects a country to the terrorist who asks it for refuge, as the daily ABC pointed out last October. To the contrary, this is a bond of definite and rather close collaboration between members of the ETA and the Nicaraguan Sandinist Junta itself.

The fact itself, rather than its novelty, is interesting and impressive, of course, as proof of the vast international network with which terrorist agents support their actions, and of the unquestionable refinement of

methods which that entails. The existence of this frightening reality--rarely stemming from poverty but very often from nihilism--should cause one to think about the serious danger that it implies for the innocent population, and about the need for this population to have its rights adequately protected by the competent authorities.

Likewise, from a diplomatic perspective, the fact requires the attitudes of some European socialist leaders to be questioned. The drastic measures taken by the Spanish Government against terrorism have certainly been well received by Spaniards in particular, by Europeans in general and, at a distance, by Latin Americans. But these measures do not harmonize with the broad support given by Spanish socialism to the Sandinist dictatorship.

12467

CSO: 3348/230

ECUADOR, PERU URGED TO VIEW BORDER INCIDENTS IN PERSPECTIVE

Santiago EL MERCURIO in Spanish 23 Jan 84 p A-3

[Text] Once again a border incident, not major enough to be called a conflict, has occurred involving the republics of Ecuador and Peru. The last one of a similar kind took place in January 1981, in the Condor mountain range. Also from time to time maritime incidents have been noted, due to the seizing of fishing boats within the territorial waters of both countries.

Regarding the conflict in the Condor mountain range, it is useful to remember that the center of the problem stems from the antagonistic positions of these two countries with regard to the treaty of Rio de Janeiro of 1942. Ecuador considers the treaty to be vitiated and null and void. Peru, on the other hand, considers it to be fully valid, signed and guaranteed by its guarantors, among whom are to be found our country, along with Brasil, United States, and Argentina. Unwaveringly since its signing, Ecuador has maintained a posture of dissent with respect to the treaty, sustaining, by means of various publications and declarations, that "it is and shall be an Amazonian nation."

The Joint Command of the Armed Forces of Peru issued a communique announcing that at dawn on Sunday 15 January the Peruvian guard post located at Corrientes River, south of an already defined border, was attacked. It added that the incursion was repelled by the Peruvian troops and that as a result one Ecuadorian soldier was killed and another was wounded. The communique ended up pointing out that Peru seeks to effect contacts in order to determine the facts and to reestablish normality in the zone, according to procedures already established in previous diplomatic agreements.

On the other hand, the Ecuadorian minister of defense affirmed that the incident took place in the afternoon of the aforementioned 15th. According to his version, the confrontation occurred near the Corrientes post in Ecuadorian territory, when members of the Ecuadorian detachment, who were exercising, without weapons, were attacked by Peruvian troops. The communique stressed that said border post is located north of the line of demarcation between the two countries.

Despite the discrepancies regarding the exact location of the post, it seems clear to observers that the incident took place in a region where the border is clearly marked and where there are even boundary stones. But although the affirmations of both countries differ in form, they coincide in the view that it is only an isolated incident, which should not be blown out of proportion.

Perhaps a minor episode has been somewhat exaggerated. Nevertheless, it would be advisable for the parties concerned to clarify the matter soon through the appropriate diplomatic channels, providing pertinent explanations if it is fitting to do so. This is of interest to the entire American community, which must be on watch against the appearance of any new focal point of tensions in the continent. The pressing economic circumstances in which all Latin American nations find themselves are creating conditions favorable for internal political agitation. But it would be even more serious if, in these conditions, a small incident could act as a catalyst of social restlessness difficult to control. The responsibility of the leaders of each country calls for diplomatic means to be used to avoid possibly dangerous misunderstandings.

12467

CSO: 3348/230

NATIONAL ACTION MOVEMENT URGES ECONOMIC REFORM

Santiago TERCERA DE LA HORA in Spanish 7 Jan 84 p 4

[Text] The Executive Committee of the National Action Movement yesterday issued a statement declaring that radical changes must be made in the economic model urgently, since this is the only way the armed forces and police regime can be saved. The text of this communique reads as follows:

"As the new year begins, the National Action Movement wishes to point out certain facts bearing on the country's political development, being convinced that we are passing through a deep economic crisis that could seriously compromise the institutions established by the Constitution of 1980.

"1. Everyone knows that the social unrest generated by the economic recession afflicting us caused the government to allow the 'opening up' of traditional political channels. The purpose of this measure was to relieve the pressure and discontent manifested by society. From this standpoint, the measure enjoyed success, since the aggressive character of the 'protests' organized by the opposition ostensibly diminished.

"2. Nevertheless, new stumbling blocks arose in the march toward definitive establishment of the institutions, the most important of these being the intransigence shown by the coalition of opposition leaders in their relations with the government. In fact, in order to achieve an at least tacit alliance with the Marxists, this group went to the extreme of denying the validity of the Constitution approved by plebiscite in 1980, demanding the resignation of the head of state and proposing the readmission of communism into the legal democratic process. In this way, cohesion was achieved among the parties making up the Democratic Alliance and the totalitarian groups that are striving to destabilize the present administration at any price were linked with them.

"3. The country seems to be at dead center, since the economic authorities have not succeeded in reviving the economy and the political opening appears to have been aborted by the work of an opposition in which Marxist influence is predominant.

"4. Consequently, the National Action Movement points out that we are faced with an extremely critical situation, requiring a complete reordering of the

political and economic strategies followed to date, since only thus can public confidence be regained and support of the citizenry obtained for the path laid out by the Constitution, which should culminate in the building of a rehabilitated democracy.

"5. In order to face this dilemma, it seems essential to us that, among others, the following urgent measures should be taken:

"a. Appeal to all sectors of the citizenry, over the heads of the political leaders, to organize with a view to saving the institutions established by the 1980 Constitution and thus obviating new social upheavals that could plunge the country into irreparable conflict:

"b. Radically revise the economic model, the only way to save the armed forces and police regime, with a view to reactivating production and reducing the high unemployment rate. In this connection, we believe that the establishment of a vast irrigation project would combine several benefits, such as a substantial increase in agricultural production, significant improvement in the balance of trade, the creation of steady employment to a degree far superior to that obtainable by equal expenditures elsewhere and urban decongestion, since the labor force would be drawn to the countryside;

"c. The establishment without delay of an Economic-Social Council, which would make a compilation of the concerns of the country's main sectors and incorporate them into the tasks to be carried out by the citizenry. For the present, participation should be based on the recognition and strengthening of intermediate social bodies. In this way, isolation of the government will be avoided and the concerns and expectations of working men and women will be given a timely hearing by the authorities;

"d. Substantially reform the labor law with the objective of recognizing the workers' right to organize and engage in collective bargaining on equal terms and of reestablishing labor courts;

"e. Finally, revive the great principles that inspired the Military Pronouncement of 11 September 1973, and that are enshrined in the Declaration of Principles of the Government published in March 1974. The National Action Movement denounces the abandonment of the path laid out in that document and insists on the urgent necessity of returning to it."

12336

CSO: 3348/227

UNIVERSITY REPORT OPTIMISTIC ABOUT ECONOMIC RECOVERY

Santiago LA NACION in Spanish 7 Jan 84 p 8

[Text] The Chilean economy is in the process of recovering, according to the conclusion reached by the economist Hernan Cheyre of the Conjuncture Workshop of the Department of Economics of the University of Chile (Faculty of Economic and Administrative Sciences). He arrived at this conclusion after analyzing all the variables and elements constituting the general economic panorama as of the end of 1983.

With regard to the connection between the national economic process and the international economy, the expert exhibited caution as far as the outlook for the present year is concerned, "because this will really depend on the external restrictions faced by the country in 1984," and he added that "the way that available domestic and foreign resources are used" must also be considered.

The estimates of the said university's Conjuncture Workshop, "considering the year as a whole," indicate a decline of 1.6 percent in the Gross National Product (GNP). In this connection, Cheyre told LA NACION that, even though the figure shows negative growth in the GNP, this is the consequence of a period in 1982 when the GNP fell 14.3 percent; the situation reversed itself in May-June 1983, so that an increase of 4.1 percent was registered in the second half of the year, and this increase, balanced off against a fall of 7 percent in the first half, resulted in the minus 1.6 percent.

The study singled out for special mention the reduction in inflation which at year's end stood at 23.1 percent, even lower than the 25 percent per year goal set forth in the Emergency Plan of Finance Minister Carlos Francisco Caceres.

Outlook for 1984

With regard to what is to be expected in 1984, Hernan Cheyre examined various aspects, notably the availability of external resources, which will be determined by the growth of income from exports, by interest rates and by the availability of credits.

Concerning exports, which are linked to the economic recovery of foreign markets, he hypothesized that copper and other products would sell at prices that would bring in between US\$4 billion and US\$4.2 billion as a maximum.

Interest rates will influence directly the cost of any new credits negotiated, as well as service on the foreign debt. Every reduction of 1 percentage point represents some US\$200 million. Nor, he affirmed, is it easy to predict what will happen with this variable, but everything indicates that it should tend to fall. Chile would enjoy a more favorable position in this event, though the price of copper would rise.

As possible credits will be about US\$900 million and it may be assumed that the trade surplus will be US\$1.2 billion, the current account deficit US\$1.05 billion, direct investment US\$250 million and debt payments US\$520 million, "it follows that the country's foreign accounts could be financed with a loss of international reserves approximating US\$400 million."

He ended by recommending the exercise of care in the formulation of macroeconomic policy, political stability and clarification of the ownership of resources, alluding to the situation of certain financial organizations and their impact on productive enterprises.

12336

CSO: 3348/227

SIGNIFICANT FISHING INDUSTRY GROWTH DURING LAST DECADE

Santiago LA NACION in Spanish 10 Jan 84 p 9

[Text] The Chilean fishing industry has achieved remarkable and, within the national context, significant growth during the last decade. This development has been due basically to the increase registered in exports of products of the sea; thus, in 1973, such products represented only 1.6 percent of exports totaling US\$1,247.5 million, while last year their share of the total reached 10.8 percent and brought in a total of US\$412.2 million in foreign exchange.

In order to attain the latter figures, the fishing industry invested large sums in capital goods which, on the one hand, went toward improvement of the installed capacity, renovating machines and equipment located on land, and on the other, toward renovation of the fishing fleet.

At present, this sector is composed of approximately 123 companies with 145 plants, of which 135 are on land and 10 carry out their production operations on ship-factories. Of the total number of land-based plants, which are found across the length of the country, 98 are given over to the production of frozen products, canned products, fishmeal and smoked fish and 37 to the drying of seaweed. As for the 10 ship-factories, they operate in the south of the country and are given over to the production of frozen fish and fishmeal.

In 1972, there were only 20 plants producing frozen seafood; today, the number has tripled and there are 67, given over exclusively to the freezing of fish, mollusks and crustaceans.

At present, this industry is capable of producing a total of 979 tons of raw material every 8 hours, 77 percent of it on land. The country's first region has 48 percent of the installed capacity; the eighth and ninth regions follow it, each having 16 percent.

If the freezing plants are classified by size, expressed in terms of tons of raw material produced during an 8-hour period, 26 may be described as small and 41 as medium-size or large, the latter having a productive capacity of at least 4 tons of raw material every 8 hours.

The canning industry is daily acquiring a more important place among industries exporting products of the sea; thus, in 1981, this industry's installed capacity was 802 tons every 8 hours, and today, it is 1,254.3 tons, reflecting an increase of 56 percent in only a year. It is expected that the tonnage will again rise at the beginning of next year, thanks to the installation of a canning plant belonging to Playa Blanca Fisheries in the country's third region.

The country's first region has 45 percent of this industry's capacity; the eighth, with 20 percent, follows; and after this come the second, fourth and tenth regions, the share of each being about 9 percent. Nevertheless, if this industry is classified according to size, the conclusion is reached that there are 24 small plants and 11 medium-size and large ones, the latter being those having the capacity to process at least 15 tons of raw material every 8 hours.

The products processed are fish and mollusks.

12336

CSO: 3348/227

BRIEFS

ANTARCTIC INSTITUTE SCIENTIFIC EXPEDITION--A total of 19 foreign experts will take part in the projects to be carried out this summer in conjunction with Chilean researchers. Scientists from Chile, the United States, West Germany, Uruguay and Ecuador will participate in the 20th Scientific Expedition of the Chilean Antarctic Institute (INACH). This announcement was made by Pedro Romero Julio, coordinator of that noteworthy affair, who advised that 29 projects will be carried out this coming summer. He said that, in keeping with INACH's main objective which is to carry out its extensive scientific program, preliminary steps were taken last Wednesday to arrange the ocean-going portion of the expedition. On that day the motorized ship, "Capitan Alcazar," left Puerto Montt and headed toward Punta Arenas; from there it will undertake the voyage to Antarctica. This ship was leased to Maritime State Enterprise for the third consecutive year. It is sailing under the command of Capt Juan Gonzalez, while the overall scientific expedition is being headed by Engineer Patricio Eberhard, member of INACH's planning department. Operations will be centralized in the Bransfield and Gerlache Straits area but will extend to certain specific localities such as the Piloto Pardo Isles, South Shetland Islands, Tierra de O'Higgins, Palmer Archipelago and Anvers Island. The "Capitan Alcazar" is scheduled to remain in Antarctic waters for 60 days. During that time 47 Chilean and 19 foreign scientists will embark in successive groups, giving a total of about 865 research days throughout the summer. [Text] [Santiago EL MERCURIO in Spanish 9 Jan 84 p C-1] 8568

CENTRAL BANK REPORT ON INFLATION--At the end of 1982 there were several estimates of inflation which, unlike the official ones, projected around 30 percent for the year. However, the actual results were similar to the official expectations and therefore were substantially smaller than those mentioned. In December, the Consumer Price Index registered an increase of 23.1 percent over 12 months, while the Wholesale Price Index registered one of 25.2 percent for the same period. It is important to note the decrease in the inflation rate in relation to that in effect during the last 6 months of 1982, when the Consumer Price Index increased 44.6 percent (on an annual basis) while the Wholesale Price Index increased 97.6 percent (on a semiannual basis). During 1983 the component of the Consumer Price Index experiencing the greatest increase was that of clothing, up 31 percent, while the housing component showed the smallest increase, up 18 percent. Separating imported and national products on the Wholesale Price Index shows that the former increased 33 percent and the latter 24 percent. Among the latter, the areas of greatest growth are agriculture and cattle, with a 27 percent rate of inflation, and the area of least growth is industry, with a rate of 0.9 percent. The behavior of prices during 1983 reflects clearly the adjustment in relative prices which occurred during the year as a consequence of the changing policies in force during the period. The moderately expansive monetary policy adopted by the Central Bank contributed to this. This policy kept harmful inflationary elements from being added to the process of change in relative prices. [Text] [Santiago LA NACION in Spanish 23 Jan 84 p 11] 12467

CSO: 3348/230

MORE WOMEN DELEGATES SOUGHT IN 1984 ELECTIONS

Havana MUJERES in Spanish No 12, Dec 83 p 17

Interview with Elia Garcia Patino: "Growth Continues"

Text The Cuban woman has played a significant role in the very important and complex process of making socialist democracy work. She has carried out every job, every mission assigned enthusiastically and responsibly. And the people's government has been one of the most difficult tasks entrusted to her.

Specifically, in order to understand the work done by our women in people's government tasks, we interviewed comrade Elia Garcia Patino, deputy for Placetas and head of the people's government department of local agencies, who has broad experience inasmuch as she has been working actively in people's government agencies since they were created. She received us in her National Assembly office and answered our questions very amiably.

Question Comrade Elia, what role has the Cuban woman played in the rise and development of the people's government in Cuba?

Answer The process of institutionalizing our revolution began in this country in 1970, which picked up speed in 1972, when you take into account economic recovery and advances achieved in strengthening our mass organizations.

The establishment of representative institutions in our country signified an important step in the revolutionary process, 15 years after victory, a period in which we acquired very valuable experience for this meaningful step.

In the rise of people's government local agencies and subsequently in their development, women have played a highly significant role, directed and led by their organization, the Federation of Cuban Women.

The job they did in mobilization and information was outstanding the initial electoral process when the municipal and provincial assemblies were set up in 1976, and later in the electoral periods of 1979 and 1981.

The participation of women comrades who, organized into the FMC and CDR, work systematically by supporting the people's government delegates in holding reporting sessions and in all the jobs which must be performed in the electoral districts,

in the analysis of which are problems affecting the community and in the solution of them with their personal participation has been of great support to the people's government agencies.

Question How do you evaluate the participation of women in the districts and in people's government municipal and provincial assemblies?

Answer Elected as delegates in the 1981 elections were 837 women comrades, which represents 7.8 percent of municipal assemblies; 191, 16.8 percent, as delegates to the provincial assemblies; and 113, 22 percent as deputies to the National Assembly. It must also be added that we have 267 as members of provincial and municipal executive committees.

We are not satisfied numerically with such participation in people's government agencies; we must work to increase it since the number of women elected in the districts is actually low, and further if we take into account, as stated by comrade Fidel, that women enthusiastically support the revolution and that women to a very high degree possess the virtues considered essential in a revolution and virtues considered essential in an administrative and political leadership cadre.

However, the numbers of women delegates in the 1981 elections did rise, compared with those of 1979, and we must proceed along these lines to bring about an increase in the number of women in people's government agencies in the 1984 elections. This is a fight which we shall pursue against reminiscences of the past, against discrimination and inequality, in which men and women must take part as equals, and women in the lead, as comrade Fidel stated.

Lenin said that the proletariat could not win final victory until women's complete independence has been won.

From the point of view of their work in the people's government, women are quite active, crucial and collaborate enthusiastically and very responsibly in all tasks.

Question Could you tell us how the strong presence of women in the National Assembly of the People's Government has affected present-day Cuban legislation?

Answer I would say that the presence of women in the National Assembly is not strong numerically since it represents 22 percent of the total deputies while 78 percent are men, although it must be acknowledged that we have increased the number of women deputies in this legislature.

From the qualitative point of view, women have played a very important role in the National Assembly in debates over laws presented as well as other documents, and show enthusiasm, discipline and great concern for everything to be handled properly because that concern goes quite deep. Their participation in debates contributes to the fact that results of their work in assembly sessions are of increasingly higher quality.

Women deputies also work actively on standing work committees, which is where their activeness shows up with even great vigor; in the analysis and discussion of bills being prepared for assembly approval as well as belonging to friendship groups so as to bring our relations with other world parliaments closer together.

In short, I would say that the women deputies, very active and responsible, work even harder each time they are given additional responsibilities.

9436

CSO: 3248/344

CUBAN PUBLISHING HOUSE EXPANDS, RUSSIAN TIES, SOCIALIST PUBLICATIONS

Moscow KNIZHNOYE OBOZRENIYE in Russian No 52, Dec 83 p 4

[Interview with Felix Sautie Mederos, director of the Foreign Language Literature Publishing House "Jose Marti" by A. Shakhmatov, in Havana; date not given: "In Russian and Other Languages"]

[Text] [Question] It is known that the "Jose Marti" Publishing House has existed for one year. How did it all start?

[Answer] It started, as they say, from nothing. Here, in Cuba, there was no experience in the matters of the preparation and publication of literature in foreign languages. The publishers worked mainly with the Spanish languages.

First of all the top personnel was organized, then the staff was created which included the literary, technical and art editors, and other services. Contacts with printing enterprises and other publishing houses were established.

During the organizing of our publishing house, the experience of our Soviet colleagues was widely used. Familiarity with the activities of the publishing houses "Progress" [Progress], "Mir" [Peace], "Raduga" [Rainbow], "Aurora" [Aurora], and "Russkiy Yazyk" [The Russian Language] was especially valuable.

[Question] What are the tasks of the publishing house?

[Answer] Our collective is called on to prepare and publish the works of Cuban, sociopolitical, socioeconomic, scientific and children's literature, and fiction in their translations into foreign languages. The main purpose is to serve the cause of socialist book dissemination in the world.

The publishing house already has its contacts with companies in the United States, Canada, Portugal, France and other countries. These are very important for us, since we prepare for publication, literature in the English, French, Portuguese and Dutch languages, and Esperanto.

Of course, there will be books in the Russian language. The publishing house "Jose Marti" will publish these according to orders from the All-Union Foreign Trade Association "Mezhdunarodnaya Kniga" [International Book] with which we have already established close cooperation.

The plan of topics has been compiled by the publishing house. It contains 43 titles.

[Question] What are you publishing now and what will be published in the near future?

[Answer] We have put together the book "Tri Dokumenta Khose Marti" [Three Documents of Jose Marti]. It is symbolic that the publishing house bearing the name of the great Cuban revolutionary and poet started its activity with such a book. It includes the essays "Nasha Amerika" [Our America], "Pravda o Soyedinyennykh Shtatakh" [Truth About the United States] and "Politicheskoye Zaveshchaniye Khose Marti" [Political Testament of Jose Marti]. The purpose for the creation of our publishing house is explained in the introduction to this collection. It will be published in Russian and other foreign languages.

Another of our publications of works by Jose Marti is of great interest. This is an illustrated series of nine books addressed to young readers that contains his stories and articles of educational and patriotic character for children. In its time, in 1889, they were printed in the magazine "Zolotoy Vozrast" [Golden Age] which Jose Marti published. This magazine played a significant role in the development of Latin American children's literature.

The famous speech by Fidel Castro "Istoriya Menya Opravdayet" [History Will Acquit Me] is published in many languages of the world, including Russian. The introductory word by Fidel Castro begins a photobook "Rabotat' Vo Imya Zhizni" [To Work in the Name of Life] about public health care in Cuba, which will soon be published in the English language. Its Spanish version has already reached its readers.

The deputy director of the Institute for Foreign Policy of Cuba, Francisco Lopes Segreira, joins us with his monograph "Istoricheskiye Kornii Kubinskoy Revolyutsii" [Historical Roots of the Cuban Revolution]. It has also been published in Spanish and is being prepared in a number of foreign languages.

To be published are the works by Juan Marinello "Kuba: Narod i Kul'tura" [Cuba: People and Culture], a historiographical essay by the writer Elsa Goveia "Strany Karibskogo Basseyna" [The Countries of the Caribbean Basin], novels, stories, poems, verses and dramas by contemporary Cuban writers, the works by our writers for children and youth, and publications on art.

As a conclusion to this review, I would like to mention the book by a progressive American journalist Terence Cannon "Revolutsionnaya Kuba. Ocherki, Reportazhi, Interv'yu" [Revolutionary Cuba. Essays, Reports and Interviews] that is being prepared for publication.

[Question] What is the purpose of your current arrival in Moscow?

[Answer] First, I wanted to more deeply familiarize myself with the activities of the leading Soviet publishing houses which issue literature in foreign languages, as we do. I will try to use the experience I gained during this trip in my work as soon as possible.

Second, during my stay in the USSR, the accord of collaboration between our publishing house and the Soviet publishing house "Progress" was drawn up and signed. We will study the questions of the possibility for the joint publications preparation, rendering help to each other in translation work, and of the constant exchange of the topic plans and catalogues. An understanding was reached regarding the exchange of editors and delegations of other publishing houses workers.

The collaboration with our Soviet colleagues will give the publishing house "Jose Marti" the possibility to do their best to fulfill the task of familiarizing the readers of the world with the literature of socialist Cuba.

12404

CSO: 1830/201

BRIEFS

EEC ROAD GRANT--The European Community (EEC) announced today approval of a grant of 2.2 million European Units of Account (ECUS) (about Bds\$3.7 million) for a road rehabilitation project in Dominica. The part of the road to be rebuilt makes up approximately 75 per cent of Dominica's main East-West road network, and covers an important agricultural area, producing some 30 per cent of the country's banana crop and a substantial part of the country's agricultural crops for domestic consumption, the EEC said in a statement here. The delegate of the Commission of the European Communities in the Eastern Caribbean Joannes Ter Haar said that the new road would greatly reduce vehicle operating costs, and losses, both quantitatively and qualitatively, of bananas transported over the present road, which is badly potholed and subject to flooding. It is hoped, Mr. Ter Haar added, that the new road would also provide an additional incentive to the villagers in the area to produce more agricultural produce for sale outside of the project area as a result of improved accessibility to both domestic and export markets. Construction of the road to be undertaken on a direct labour basis by Dominica's Ministry of Communications and Works and is expected to start early in 1984, Ter Haar said. (CANA). [Text] [Bridgetown BARBADOS ADVOCATE in English 6 Jan 84 p 3]

CSO: 3298/420

U.S. DEVELOPMENT AID SEEN AS DANGEROUS

San Salvador EL DAIRIO DE HOY in Spanish 14 Dec 83 p 9

[Text] The reconstruction of Europe after the Second World War was not so much the result of massive aid granted by the United States to the region as it was the result of the efforts made by each of the peoples, who were now free of the burden of supporting the enormous military apparatus of the previous decade and who now had new hope for their future.

One obviously should not minimize the significant and generous aid given by the United States to Europe, an act which constitutes one of the most beautiful pages of contemporary history. But the aid was just a small percentage of the gross income of each nation. It would not have been possible to provide more than suitable key assistance in that great task which required of every man, woman and child dedication and sacrifice.

This is the most important and decisive aspect of Gen Marshall's plan for the successful reconstruction: to stimulate the productive capacity of the nations devastated by war, aiding them in those areas where basic elements were lacking--such as in the areas of energy and industrial equipment--and contributing to meeting the primary needs of the most afflicted sectors of the population with food, clothing and medication.

At no time did the United States attempt to use their aid to exert pressure on the European governments. Although some Harvard leftists attempted to perpetuate German socialism, Ludwig Erhard, the minister of economy at tha. time, was able to set up a free market system and to launch the miracle as told in Lawrence Fertig's book, and years later told by Erhard himself.

It is essential to make these points in view of the rejection of the ideas of initiating a new "Marshall Plan" for Central America with the excuse that our nations lack human, cultural and institutional foundations on which to rebuild by their own efforts to recover from the horrors unleashed by Carterism and Castro. Besides, they wish to make the aid an instrument of coercion as is indicated by the assertion that "agrarian reform is the cornerstone of the United States policy toward El Salvador."

Aid to Socialize a Nation Is Not Development Aid

There is no question that the Central American nations were very far from having vigorous production systems or an adequate number of persons educated and trained in the broadest sense. For a number of historical, cultural and political reasons, the region had not succeeded in overcoming underdevelopment.

But by bringing the fields, the factories, commerce and services back to the levels at which they were in 1978, when Nicaragua became the victim of the Sandinista offensive and the victim of the Bowdler, Pezullo and Cheek conspirary, an enormous step would be taken which many think will require at least 10 years of work and sacrifice.

In other words, merely by putting back into operation the structures which existed in the past, we will have made decisive progress, relieving the people from privation and suffering. If later on it is found necessary to change our institutions radically, even at the expense of violating the system of justice on which western civilization is based, there will be time and opportunity to do so but a humane order of priorities requires attention to more urgent aspects.

Foreign aid for development is indispensable but it can destroy a nation if it is misdirected. When aid is subject to variable and fickle whims of political organizations, as is the case at present with the demands by Congress, a nation would be better off "tightening its belt" and getting ahead by its own efforts.

Up to now, as is shown in the cases of several communist nations as well as Mexico, Venezuela, Brazil and Argentina, aid "for development" has only served to finance and support socialist schemes and corrupt regimes. Unfortunately, if the "Marshall Plan" for Central America is rejected, we are in danger of the same thing happening here.

9204

CSO: 3248/361

MASSIVE CONSCRIPTION BY CIVIL DEFENSE REPORTED

San Salvador EL MUNDO in Spanish 14 Jan 84 p 1

[Text] It was learned today, and confirmed by actions taken here, that members of Civil Defense are conducting massive conscriptions of youths in this capital and other cities in the interior of the country and are sending them to various regiments for obligatory military service.

Some parents of the conscripts said that this is a "case of massive, indiscriminate conscription" and seems to be directed against members of a certain social class. As to official sources, they have made no report on the conscription nor concerning the youths being picked up for assignment to the ranks of the army.

This morning, in the vicinity of Barrio Candelaria park in the southern section of the capital Civil Defense members were taking youths off of buses and detaining those walking through the area to conscript them, taking them on trucks to the Civil Defense headquarters of the neighborhood from which, it is said, they were taken to the barracks of the Armed Forces Instruction Center (El Zapote).

During an interview with a journalist a member of a patrol said that the action being taken "was part of the obligatory military service which every Salvadoran must perform." Some persons who found out what had happened said that they were "opposed to the procedure being followed in the conscription." Others said that among the conscripts there are many youths who work and support their families, and that there should be special consideration in such cases.

This morning, in one of the conscription operations, the members of Civil Defense picked up 50 youths. On this occasion another patrol member said that immediately after conscription, appropriate notification was given to the youth's relatives.

Reports from San Vicente state that in that city during the last 3 days patrol members of Civil Defense have been carrying out conscriptions in several neighborhoods. This has upset the citizens and brought on protests

by parents. Informants added that the Civil Defense patrols intensified the conscriptions at the times when people were entering or leaving workplaces. Some of the recruiters replied to protests, "Don't say anything to us, we are carrying out orders from above. The Brigade needs more personnel."

In the Interior

Likewise, in the Eastern Region, especially in San Miguel, it was said that the conscription is still going on there and that the reaction of the public in behalf of the conscripts is similar to the reactions in San Salvador and other localities. Most of the conscripts are students or are working.

9204

CSO: 3248/361

STATE MONEY FOR POLITICAL CAMPAIGNS APPROVED

San Salvador LA PRENSA GRAFICA in Spanish 14 Jan 84 pp 5, 32

[Text] Yesterday deputies representing the PDC, PAISA, and AD approved the Political Debts Law, in the absence of representatives of ARENA, PCN and PPS. In accordance with Article 210 of the new constitution of the country, the law will recognize the political parties.

In their speeches, the PDC, PAISA and the Democratic Action deputies emphasized that this law is completely new in the legal and political history of the country.

Dr Ricardo Gonzalez Camacho, together with Julio Adolfo Rey Prendes and Dr Maria Julia Castillo Rodas, presented the draft and gave it the status of a law. Gonzalez Camacho said that it is the first law passed in accordance with a new constitutional precept.

This law, he stated, puts an end to the "illegitimate, illegal and unjust" aid that the political parties have received for such a long time.

Dr Guillermo Antonio Guevara Lacayo stated that the law represents democratic progress, provides equality in the struggle to gain power and gives the political parties independence.

Julio Adolfo Rey Prendes, for his part, began his speech by saying that although the law was being passed in the absence of some representatives of political parties, it would benefit all of them. He stressed that the law would be criticized by some parties who had no interest in this financing, because they had sponsors; their interest would be in overcoming the contending parties.

He finished by saying that if thousands are spent on the other battle, it is fair for us to spend something on the electoral battle.

Other deputies who also spoke were: Professor Jose Alberto Buendia Flores, Pedro Hernandez and the chairperson, Dr Maria Julia Castillo Rodas.

Provisions of the Law

Article 2 provides that the political parties that participate in an election held in accordance with Article 80 of the Constitution will have the right to receive from the state a sum of money for each valid vote they obtain, provided they receive a minimum of 5 percent of the valid votes cast in that election. The amount will be determined as follows: 5 colons in the first election for president and vice-president of the republic, 3 colons in elections for deputies to the Legislative Assembly and 2 colons in elections for members of the Municipal Councils.

The temporary provisions stipulate that political parties who are competing in the elections to be held on 25 March this year and who had one or more deputies in the Constituent Assembly on 19 December last year, will receive as a payment of political debt the sum of 500,000 colons each. Payment will be made by the Ministry of Finance within 3 days of the date of their request for these funds.

Also stipulated in the law were aspects related to coalitions and obligatory reintegration of parties who receive less than 5 percent of the total valid votes cast in the next elections.

The Political Debts Law was passed by the 35 deputies present at the plenary session. It will go into effect 8 days after its publication.

12351

CSO: 3248/360

ARENA DEPUTY SAYS LAND CLAIMS UNCONSTITUTIONAL

San Salvador EL DIARIO DE HOY in Spanish 13 Jan 84 pp 1, 21

[Text] I want to call upon, or rather warn, all honorable and honest Salvadorans who belong to the true people to abstain from making claims for land on the basis of Decree 207, says the ARENA deputy from Santa Ana, Miss Gloria Salguero Gross.

At present, she adds, this kind of claim is completely unconstitutional and whoever makes such a claim is breaking the law. What I mean is that sooner or later, in accordance with the highest law of our republic, which is the political Constitution in effect now, it is completely unconstitutional to make any such claim. All Salvadorans who do so or who have done so on the basis of the extension given in 207 are subject to prosecution or judgment according to the law.

Unfortunately our current government is not strong; it is a government that has not enforced the political Constitutions of either 1962 or 1983, says the deputy.

But sooner or later we will have a strong government in this country that will enforce the Constitution, and anyone who has been invited, forced or pressured into claiming or denouncing a piece of land may have very serious problems in the future, which will be bad for him and bad for his family.

The extension of Decree 207 is totally unconstitutional because it violates the spirit and the text of Article 105 of the Constitution, which clearly states that there is freedom to lease in this country. No right is acquired de facto by any government that can prevail over a political Constitution.

The deputies who participated in establishing this extension, who say they represent the people, acted ignorantly and shamefully. They have become the true executioners of the Salvadoran people by promoting hatred among humble people, people from the same class. They have created enmity among working people because many have remained poor while this extension encouraged the greed of others, concluded Deputy Gloria Salguero Gross.

12351

CSO: 3248/360

BCR ANNOUNCES ALLOCATION OF FOREIGN EXCHANGE FOR IMPORTS

San Salvador LA PRENSA GRAFICA in Spanish 14 Jan 84 pp 4, 17

[Text] A continuation of its policy of rationalizing foreign exchange allocations to ensure their appropriate use in the productive sectors was announced yesterday by the BCR [Central Reserve Bank].

It was also announced that beginning this month the BCR will publish periodic reports on the allocation of foreign exchange in the official market (2.50 colons to the dollar) with a view to keeping the productive sectors informed, as well as the general public.

The reports will include the allocations authorized in accordance with the policy established by the Monetary Board. Maximum priority will be granted to imports of goods that are truly necessary in the Salvadoran economy.

In accordance with these guidelines, the imported goods that have priority under the exchange policy applied by the BCR fall into the following categories: energy, food, medicine, industrial raw materials, industrial machinery, industrial spare parts and accessories, fertilizers, agricultural insecticides, agricultural machinery and agricultural spare parts and accessories. The allocations also include goods imported for trade with productive purposes and for payments on the foreign debt of industrial or commercial companies and insurance and refinancing companies.

The distribution of foreign exchange according to amount and according to the categories mentioned is part of the measures for the healthy management of international reserves adopted by the BCR. Furthermore, these measures are consonant with the needs of each and every one of the businesses whose petitions were given consideration.

Given the exceptional circumstances that exist in the national economy, the attention given these requests and the identification of priorities for the goods needed in the economy can be considered very important decisions. They were taken within the framework of the exchange policy adopted by the government of the republic through the Monetary Board and the Central Bank.

12351

CSO: 3248/360

BRIEFS

VIDES REAFFIRMS ARMY'S SUPPORT OF ELECTIONS--Yesterday Carlos Eugenio Vides Casanova, minister of defense, again affirmed that the armed forces support the 25 March elections as the democratic way of expediting the march toward peace. When asked what is the significance of the elections the minister said that if we are truly searching for peace and the well-being of the Salvadoran family we should all contribute as much as possible to show the world that El Salvador is committed to peace. He explained that those who refuse to accept the elections as a step forward in the direction of achieving a reconciliation among Salvadorans do not clearly see our true situation. We said that between the road of violence and elections, the latter is preferable; that is, elections are an expression of the will of the people and not of a group of armed rebels who are destroying what has been built, destroying lives, destroying the economy. He also emphasized that the position of the armed forces is one of not exerting pressure in support of any party but, on the contrary, it will guarantee the honesty of the elections. He asked the people to trust the armed forces to perform their duty of guaranteeing security, order and honesty in the elections. [Text] [San Salvador LA PRENSA GRAFICA in Spanish 10 Jan 84 pp 2, 40] 9204

CSO: 3248/361

DEMOCRATIZATION SUPPORTED BY POLITICAL ORGANIZATIONS

Guatemala City LA RAZON in Spanish 5 Jan 84 p 4

[Text] The social sectors that want true, authentic democratization of the country and want the next government to be truly representative and headed by a civilian continue to increase. This pressures the army in its responsibility to fulfill its promises to create the bases to make this process concrete.

The above can be easily deduced from the statements of the political organizations, especially those that appeared after 23 March 1983 under the protection of the so-called political opening. It can also be seen in statements by prominent people in the government before or tied to past administrations.

This trend that was not as obvious at the beginning of the so-called opening is becoming more definite now. It attracts support from large population sectors although some political positions are unclear since they did not exist in past elections.

The new organizations--those that appeared after the so-called Political Organizations Law--call more strongly for participation in political activities and for the armed forces to fulfill its promises to the Guatemalan people when the time comes.

One of the most recent statements supporting that trend was made by former Guatemalan president Julio Cesar Mendez Montenegro. He was president after a period of military anarchism that followed the overthrow of President Jacobo Arbenz.

Mendez Montenegro was clear that the next government must be democratic with a social orientation. The construction of the process must be sincere so that the will of the people is respected, according to other people involved in political activity.

In order to guarantee a "clean electoral process," the specific legal instrument--that is, the bill for the Specific Law on Elections for the National Constituent Assembly--must contain mechanisms and procedures to avoid the possibility that the popular will expressed by the vote is scandalously ignored as before.

This is precisely what the new political organizations and some of those that existed until March 1982 are trying to prevent. They feel that if such a situation occurred, it would wipe out the aspirations of large social sectors to experience a change in government administration, especially oriented toward the search for the collective good.

CEDEP [Center for Political Studies] has concretely indicated that the bill for the Specific Law on Elections for the National Constituent Assembly contains a controversial point: limitation of the powers and attributes of the assembly.

It has noted that it does not contain anything new compared to past laws. If it is promulgated as the Supreme Electoral Court has proposed, it would confirm that the present process is only one of apparent democratic opening and would not be at all different from past constitutional processes.

CEDEP also noted that the process would still be affected by perennial defects because of persons in power trying to safeguard their interests.

This situation leads to a loss of interest in the National Constituent Assembly as the beginning and starting point of democratization. It focuses interest instead on the general elections for president of the republic which "has traditionally been the basis and source of power...."

Although some other organizations have irrefutably questioned part of the bill, they carefully watch a possible step toward the democratization process and away from fraudulent actions.

The so-called Emergency Agreement Movement--an organization that might be considering the possibility of launching a former member of the triumvirate, Francisco Luis Gordillo Martinez, as its candidate--felt that the bill contains "the objective of guaranteeing legal purity and a democratic policy in the electoral process...."

Other organizations like the "Populist Party" led by Acisclo Valladares Molina, former candidate for mayor of the capital, have questioned the context of the bill because it might hinder the development of a real political opening.

Agreement That Democratization Be Guaranteed

Despite ideological differences among the organizations, their statements have agreed on the need to guarantee the development of the process. They have suggested that after it carries out its role, the armed forces should assume a position of obedience and collaboration.

This must be stated in this new electoral law. Otherwise, the country would be in danger of a new military takeover, the outbreak of civil war, the spread of a profound political crisis or the enthronement of a dictatorship that would end attempts at democratization.

This last has been stated publicly and to the government by the Democratic Civic Front led by Danilo Barrillas. A government spokesman disagreed and called these opinions biased.

Won't There Be Another Coup?

In spite of the repeated statements by the government of Gen Oscar Humberto Mejia Victores that there will not be another coup d'etat, fear of this has not been eliminated from the political organizations, especially those that--according to their leaders--have really tried to make people aware so that they participate.

To observers--specifically Gunter Herterich, German parliamentarian and Social Democrat activist--the possibilities of a coup cannot be discarded because there is marked division in the heart of the army.

One group is inclined toward democratization because it feels this would constitute the beginning of the solution to internal problems. The other group would not be willing to give up its interests and its privileged position.

There are other points of view opposed to the continuation of extremist activities that cause great harm to the country.

The National Center Union led by professionals Ramiro de Leon Carpio and Jorge Carpio Nicolle is the main proponent of this. It has defined its political position as one of opposition to the extremes of the right and the left.

Some officials of the military government have told the press that they lean toward this position. Other political groups state--based on the political history of the country--that the solution to the internal crisis can be political if it is recognized in time.

7717
CSO: 3248/370

BRIEFS

ROAD CONSTRUCTION IN PETEN--FYDEP [National Enterprise for the Economic Promotion and Development of El Peten] is building two roads that will facilitate access to two major archeological centers in Peten, according to Col Agustin Armando Villagran Rivas, FYDEP promoter. One road will connect Tikal National Park with Uaxactun; there are only 10 kilometers left to be completed. The road will be scenic since it goes through virgin forests where tourists can see wild animals. Also tourists can travel from Tikal to Uaxactun--which has the oldest known pre-Columbian pyramids and temples in the lowlands of Peten--at any time of the year without any problem. The road will have a double purpose since it will benefit some 300 families who live there. They have been practically isolated without roads. Before, the only way to leave was via airplane but this route was suspended by Aviateca airlines. The second road will connect Poptun to the caves of Naj-Tunich. The walls of these caves are decorated with strips of colored hieroglyphics which are considered unique in the Mayan area of the department. Colonel Villagran expressed his intention to encourage tourist development of Peten because it is the resource that will eliminate the poverty of thousands of families in the near future. The FYDEP promoter is also planning other projects that will aid communities that have been forgotten for a long time. He has the firm support of Miguel Angel Mendez Cetina, former editor of PRENSA LIBRE, who is working for the basic needs of the area. Mendez is one of the few Peten residents who has strongly defended the interests of the department. [Text] [Guatemala City PRENSA LIBRE in Spanish 11 Jan 84 p 16] 7717

COFFEE PRODUCTION DROP EXPECTED--Engineer Werner Schmooch, executive director of the Guatemalan-Mexican joint committee to combat coffee rust, said this morning that a 10-percent loss in coffee production is expected this year. He continued that not more than 2 percent of that can be attributed to coffee rust. The rest is due to different factors like the abandonment of land and the presence of other diseases like "broca." He stated that the main factor in the decline in production is the abandonment of land because of guerrillas. The member of the joint Guatemalan-Mexican committee said: "All the plantations in the country, 365,000 fields planted with coffee, are contaminated with coffee rust." Dr Rafael Antonio Ibanez, vice minister of agriculture, said that the rust is spreading. He stated that the coffee growers must learn to coexist with it through improved technology. The vice minister said that, in all the areas affected by the rust, about 30 to 40 percent of the coffee production has been lost. He added that 30 percent of the total area is

infected. Engineer Schmooch said that some 70,000 of the 365,000 coffee fields are affected, mainly those in the southwestern part of the country. Both stated that the committee will continue with its activities to prevent the disease in Guatemalan coffee fields. [Text] [Guatemala City LA RAZON in Spanish 10-11 Jan 84 p 24] 7717

CSO: 3248/370

RISING PRICES BLAMED ON PROFITEERING, HIGH TAXES

Port-au-Prince LE PETIT SAMEDI SOIR in French 26 Nov - 2 Dec 83 p 3

[Text] Louder and louder cries concerning the dramatic situation generated by the steady and generalized price increase of market products. Rice is becoming a luxury item. In less than a year, its price has taken a giant leap from 2.50 to 3.50 gourdes for a small "parmite." [as published] Corn, the basic ingredient on our people's dinner table, has increased substantially (30 percent). In the same period of time, we are witnessing an unbridled rise in oil, wheat, peas, etc. In short, more than three-fourths of the already undernourished Haitian people are becoming chronically poorer still.

What is going on? What is at the root of this new complication? It would be simplistic to attribute this crisis in our business activity to inflation as a single cause. Thus we have learned, through serious research, that this inflationary spiral cannot be understood in isolation, aside from its accompanying phenomena. The Haitian cost of living is currently at the limit of what is tolerable, not because recession is in full swing nationally, but rather because certain men responsible for our economic activity--ranging from high priests of finance to some sectors of the business middle class--are knowingly sweeping under the rug vitally important issues. It is a proven fact that in the "Madan Sara" of Croix-des-Bossales, the little second-hand dealers of the Marche Salomon have to adjust their merchandise (through "indexation") to the irrational increase in the prices of imported goods for everyday needs. This starts a chain reaction that must result in a process of general price increase.

The System's Main Beneficiary

This subgroup of the ruling class, which certain economists call "flibuste compradore" leaps with both feet over the nation's real problems to establish its own economic power. Its opposition to the maturation of a national industry is proverbial. Adding even more to the noncultural vocation of this country, exploiting and cruelly sponging off salaried workers through its assembly wing, preventing food production in order to make national demand dependent on its own importing capabilities, this sector is leading the nation into a quagmire. As the primary

beneficiary of the current economic system, it divides up its super-profits, as vultures would, with international financial capitalism (foreign banks established in this country), whose ally it has become.

Thus the Port-au-Prince powers are beginning to realize the damage caused by such absurdities on our financial market: absurdities that destroy everything in sight. A decree on imports has just been enacted, whose sole purpose is to set in advance the real price of products crossing our borders. This is why some observers fear that this state interference may be emotional and consequently limited in its results.

It is nonetheless true that such steps represent a step--however timid--towards solving this painful problem. Still, an ideal growth would require a campaign against this socio-economic pollution whose structure is rooted in a paradoxical mode of operations. Protectionist measures and quota setting are not a bad thing when other economies, stronger than ours, are using them on a large scale at the expense of their business partners. It would be realistic on our part to try, by all possible means, to protect our trade whose unhealthy, disordered spending does not fit in well with the possibilities of increasing local production. The General Customs Agency is capable of giving us informative illustrations on that very question. Too many useless goods we could do without are flooding the market.

To all this we must add the misdeeds of the TCA (Tax on the sales volume). According to economic analyses and calculations on the fiscal system, those taxes (\$150 million for the 83-84 budget) have had a negative impact on prices and have triggered additional eroding of the consumers' purchasing power and a reduction of industrial production. The fact is that 57.2 percent is paid by the households and that 42.8 percent has a repercussion on production. The weekly publication L'INFORMATION made no mistake on that account when it published in one of its issues an interview of Haiti Metal's chief executive, in which he piteously drew attention to his company's economic danger due to the introduction of the TCA. All these "demotivating" factors are paralyzing the good operation of the economy.

From One Pharmacy to Another

Despite the activity of public authorities--such as the policy of harshness adopted since August, 1981--the evidence remains: there is an absence of any rational pricing policy. If we consider pharmaceuticals as an example, the laxity of those companies will be noted, with reason to worry.

From one pharmacy to the next, prices are flying up and down, without remedy. It is urgent, therefore, for investigators from the board of Quality Control, of Consumer Protection and Commerce Inspection (DCQPCIC) to curb those reprehensible acts that further aggravate the situation.

Here are two examples among 1,000:

Cuticura toilet soap sells

- a) for \$5.25 at the Champ de Mars pharmacy,
- b) for \$1.99 at "Lalue Super Market".

Erythromycin

- a) \$0.55 per tablet at the Champ de Mars pharmacy,
- b) \$0.35 per tablet at Ma Pharmacie (Lalue).
- c) A tube of quadriderin, a dermatological cream, the length and thickness of a finger, sold for \$3.40 18 months ago. Today its price is \$10.10. Who sets the prices in this country?

Thus Haiti is floundering in an economic system whose crisis is not due to temporary circumstances: it is deeply rooted. In any event the Haitian community is anxiously awaiting the start of a true pricing policy aiming to protect the small wage earners and the consumers who are short of cash. There are ways and means to improve their situation...

11936

CSO: 3219/12

LABOR ORGAN SLAMS GOVERNMENT'S BUDGET, PROGRAMS

Jobs Failure

Basseterre THE LABOUR SPOKESMAN in English 23 Dec 83 p 2

[Editorial; portions in brackets underlined in original text]

[Text] One may be forgiven for thinking that Government indeed intended by the Budget for 1984 to guide a Christmas present to the people of this country.

The Budget Address by the Minister of Finance was presented on Tuesday 20th December 1983, just 5 days before Christmas.

In that address the Minister of Finance said "The Government intends /to continue its programmes of economic development/ so that the national income will increase to such an extent that all of Government's needed revenue could be raised without the introduction of /too many new/ tax measures."

On reflection what turns out to be is a very pretty parcel very nicely wrapped up. But there is nothing in it. It is a timely reminder to the citizens of this country that all that glitters is not gold.

Take a look at the words underlined in the quotation from the Minister given above. The first set of words commits the government "/to continue its programmes of economic development/". One cannot continue what has not been begun. There has to be a beginning before there is a continuing. And, for our part, we cannot discern that there has been any beginning by this government in so far as economic development is concerned.

What are these programmes to which the Minister refers? They certainly are not programmes to do with the sugar industry. For everyone knows that this industry is in one hell of a state. The Minister himself admits that "the recent performance of this country...presents serious implications for the economy and is cause for much concern in relation to development of the country."

The Minister lists the indices of "recent performance" as "decline in volume falling world prices and the depreciation of the pound sterling."

We might add top heavy administration, gross mismanagement, iniquitous labour relations and bad husbandry.

In practical terms this means for the workers small earnings in crop, and sometimes in dull season 2 days work or 1 day's work or no work at all.
[as published]

To "continue" along that line is death work.

The Government may say there are programmes to do with the tourist industry. But alas the government's continuing boast about cruise ship calls shows that they do not understand the tourist industry. Cruise ship calls do not contribute significantly to the development of the economy.

The government has indeed undertaken other programmes but they have not paid off and are not paying off. The Tourism Minister's claim that Labour paid \$1 million to ALM whereas the PAM/NRP government paid nothing to Bee Wee or PANAM is spurious. They may not have paid Bee Wee the money, but they spent more than \$1 million at Bee Wee's behest installing navigational aids, acquiring refuelling equipment and other equipment and remitting landing charges.

They wasted some \$350,000 building the monstrosity in trash known as Kittitian Village. They have spent many thousands of dollars entertaining film stars besides more than \$1 million dollars spent on promotion.

They have remitted to New York some U.S. \$460,000 which the Director of Audit says has not been properly accounted for.

They have attracted a new operator to whom they have "sold" the Royal St. Kitts Hotel but this person is not a hotelier; he is an expert in construction and in the short time since he has been involved in the hotel, the hotel has changed 3 different managers.

They promised us tourists would knock us off the streets. But the tourists do not come.

So in the heart of the tourist season, the major hotel in the country is laying off staff to face a blue Christmas out of work.

If these are the programmes the government wishes to continue, we would earnestly beg of them not to.

We understood the Minister to be referring to programmes in the manufacturing sector.

We hear that they have done a joint promotional exercise with the Private Sector at the Miami Conference. But the truth is the government has been promising us endless investors for years now.

Yet employment has not expanded on the Industrial Site, rather it has contracted. The situation in Trinidad and Tobago has struck a severe blow to

our garment manufacturers. Yet the government has taken no diplomatic initiative to get over this problem. The CBI will not help here. Because the duty free regime proposed by President Reagan does not apply to textiles, garments or leather goods. [as published]

If the government cannot protect the jobs we have, how can we trust them to create new jobs?

In any event the government's undertaking to create 150 new jobs a year in the manufacturing sector is like a drop in the bucket or a bucket in the ocean.

In sum, there is nothing wrapped up in the government's promise to continue nonexistent programmes. It is a worthless gift.

But let us now look at the second set of underlined words. Ah! There's the rub.

The Minister proposes to raise the needed revenue without the introduction of /"too many"/ new tax measures. It was most important for us to have read the Minister's direct words over again.

We think that perhaps persons got carried away at first and thought that the Minister proposed a no tax budget. Indeed some of our own Opposition Spokesmen spoke as if that were their understanding. But that is not what the Minister said. He did not say no tax. He said not too many new tax measures.

The point is important. Look, for example, at the different formula used by the same Minister when he produced the Nevis Budget on Monday 12th December, 1983. He said (in paragraph 80), /"Mr President, I do not proposed any new tax measures in my first Budget Address./ [as published] Grasp it? /"Not...any"/ That means none. None in Nevis but not too many in St. Kitts-Nevis which in practice must mean St. Kitts.

So what we have to find out is how many is too many. The Minister says "Not too many new tax measures." In other words, there will be some. Will there be one or two or three? When will he tell us? What will they be? What more can we bear?

They have already increased the taxes on our homes.

They have increased the taxes on our food and our clothes.

They have put up our lights.

They have imposed a tax on us when we travel.

They have put up the cost of passports and police certificates.

They have put a charge on blood tests, urine tests etc.

They are charging heavily for X-rays and other health services.

They have abolished personal income tax but they collect \$1.00 from every individual travelling for an income tax clearance.

They extract from us \$11 million in Consumption Tax on everything we use.

What other taxes will they devise for us?

Will they tax each head of cattle or goat or sheep or every sheep we own?

Will they now put a tax on the few dollars we have saved on the Bank?

Will they put up the cost to post a letter or make a telephone call?

And what is the reservation? Why could we not be told now?

The government has postponed telling us the unpleasant truth. They have put off their and our day of reckoning. But it will surely come.

We conclude that what looked at the beginning like a Christmas present, when all the wrapping is undone is a plain Election gimmick of little worth.

Police vs. Youth Spending

Basseterre THE LABOUR SPOKESMAN in English 23 Dec 83 p 20

[Fitzroy Bryant column "Frankly Speaking": "They Don't Care About Young People"]

[Excerpts] Last night (Wednesday), I was discussing the 1984 Budget for St. Kitts-Nevis with a young businessman who is very active in several community groups and has shown a particular interest in the problems of our young people.

In that context, we looked at a printed copy of the Budget Address and of the Government's Estimates of Expenditure for 1984.

The 1984 Estimates of Expenditure show, in addition, that

- (a) Not even one post in the Education Department or the Youth and Community Affairs Division or the Public Libraries has been upgraded.
- (b) Not even one new post has been added to the Education Dept. or to the Youth and Community Affairs Division or to the Public libraries.
- (c) The posts of Commissioner of Police and Deputy Commissioner have been substantially upgraded.
- (d) There is no new post or upgrading for the Fire Brigade, but for the Police Force there are new posts of Assistant Commissioner of Police,

Senior Superintendent of Police, three new posts of Corporal and fifty-five new posts of Constable, making a total sixty (60) new posts.

This government has got to be crazy, pol. crazy as we say locally. You mean, not even one (1) new teacher or community worker, but sixty (60) more policemen!

More than \$600,000 for the Police Force, but \$1,500 for Cayon High, for Sandy Point High, \$1,500 for the teachers College, \$1,900 for Basseterre High, \$1,500 Basseterre Junior High. And Nil, nothing, no increase, for the Technical College.

Christmas or no Christmas, that is madness. Lunacy. The government is suffering from a faecal concussion. It wants an enema in its head.

The leaders of the Peoples Action Movement do not care one damn about the young people of St. Kitts. There is no money to be invested in their education, in youth activities, in sports, in the Children's Home, in the Harris' Home for Boys, in cultural activities, in public libraries, in women's affairs. No money for such matters.

Machine Guns, Riot Equipment

But a lot of money for Police upgrading and expansion--plenty more policemen, more police dogs, more machine guns, more riot equipment.

Not even the Fire Brigade, which is attached to the Police Force, could get a real piece of the action. The Fire Services, just like the schools, libraries, etc., are good enough as they are. They don't need improvement. Only the Police Force.

I am a strong supporter of the Police Force. Every policeman in St. Kitts, including the Commissioner, knows that. I fully endorse the need for firm, effective police action. The Police are a vital part of the machinery to maintain law and order in our island.

So, money must be spent on the Police Force. It must be modernised and improved to enable it to cope effectively with the increasing criminal activity in St. Kitts.

But I reject the totally negative attitude of this Government--more policemen to take care of the criminals, but not more teachers and community workers to build up the young people and stop them becoming criminals. Arrest, lock up, put in jail, instead of educate, motivate, liberate.

What a Christmas present for the young people of St. Kitts from Simmonds, Powell, Morris, Heyliger, and the rest of that offensive gang!

CSO: 3298/421

LABOUR REPORTS, RAPS SIMMONDS PRE-ELECTION MANEUVERS

Bryant Predictions

Basseterre THE LABOUR SPOKESMAN in English 30 Dec 83 p 6

[Fitzroy Bryant column "Frankly Speaking": "Elections in St. Kitts in Early 1984 (Don't Be Surprised!)"]

[Text] Don't be surprised if you are told, or find out, within the next week or so, that Friars Bay has been sold for four million dollars, that a certain Minister of Government is to receive a commission of \$400,000, and that the Simmonds government has received \$4 million of the money owed to it by the Bank of Commerce.

Don't be surprised if, in his New Year Message, you hear Prime Minister Dr. Kennedy Simmonds announce that his government has found a little money and out of the generosity of his heart he has decided to pay a little "goat water" to sugar workers in St. Kitts in January 1984.

Don't be surprised if, in the same message, you hear Dr. Simmonds tell civil servants and other public servants, including pensioners, that he has just found a little money and he will be giving them a little something extra for the New Year.

Don't be surprised if, early in the New Year, there is an announcement by Simmonds or Powell or the Social Security Board that they have just found a little money and they will be paying the workers of St. Kitts a portion of their National Provident Fund money.

Don't be surprised at anything at all the Simmonds government says or does during the next few weeks.

General elections will be held in St. Kitts early in 1984 and the people have shown a total dislike of the PAM/NRP collision government.

However and wherever they get money from, even if they have to sell the most valuable parts of St. Kitts to international gangsters, the Simmonds government will find money somewhere and somehow, to launch a desperate attempt to buy over the people of St. Kitts.

No Money There!

No money was there to pay sugar workers their goat water in January 1982. Or in January 1983.

"N.A.C.O. losing millions of dollars. N.A.C.O. has an overdraft of \$40 million. S.S.M.C. losing millions of dollars. The price of a ton of sugar on the world market is less than the money it takes to make a ton of sugar. No money there! How de Doc. going pay goat water if de industry broke? You want him mek de money?"

That was January 1982 and January 1983. But I bet you "de Doc" find the damm money to pay the goat water in January 1984! N.A.C.O. and S.S.M.C. still losing millions of dollars; the N.A.C.O. overdraft more than \$40 million; the world price of a ton of sugar is still very low.

But elections are coming up. Simmonds will find the money. Somewhere. Somehow.

The government couldn't find any money at all for the customary extra month's pay to public servants and pensioners in December 1981, December 1982 or December 1983.

"Where there is plenty, I give you something. When things are tight, I give you nothing". Thus said the mighty jackass Simmonds.

But that was 1981, 1982 and 1983. He will change in 1984, you mark my words. He will find money for civil servants, non-establishment workers and pensioners. Somewhere. Somehow.

Don't be surprised, I say. The elections will be very early in the year and the money and the promises will begin to flow from New Years Day.

Mind you, the Union wrote to Simmonds since 15 December about the goat water payment next month for the sugar workers and pensioners. Simmonds wasn't sure if the deal was going through. It was only today, Friday that he knew for sure.

So he couldn't give the Union a yes or no answer as he did last year. He was waiting to see how the wind blow whether the yachts would come back with the money, as they had promised him.

Lack of Manners

Of course, that does not excuse his lack of manners. He could have a acknowledged the Union's letter. And if he was too busy learning to talk Chinese (to be better able to beg for money on his next joy-ride to South Korea, Taiwan and Hong Kong), he could have directed one of his several Permanent Secretaries or Assistant Secretaries to send a letter of acknowledgement.

Manners maketh man. Manners maketh jackass too. All in favour say "aye".
The ayes have it.

Simmonds, Powell, Morris and the rest of the idiot gang have a very low opinion of the people of St. Kitts. It is clear from their reactions that they seriously believe the PAM leaders can kick around Kittitians for 4 years and then appear and wave some dollars in front of them and St. Kitts people will then forgive and forget everything.

They believe they can harass, oppress and take advantage of the young people for 4 years, and then turn up one day with a few dollars and the young people will say, "Thank you, massa, you so wonderful!" and forgive and forget everything.

They believe a few dollars thrown around now will make Kittitians forget

- the sell-out of St. Kitts to Nevis
- the sell-out of Royal St. Kitts Hotel
- the sell-out of Friars Bay
- the sell-out of M. V. Liamuiga

and all the corruption, malice, spite, inefficiency and down-right dishonesty fo the government.

From Next Week Itself

I predict that, /from next week itself/, [underlined] you will see Simmonds, Powell, Morris and the rest of that new-found-joy gang electioneering up and down St. Kitts.

Although the government has steadfastly refused to set up the Electoral Commission required by section 33 of the new Constitution, i.e. the so-called Independence Constitution which came into force on the 19 September 1983, I predict that there will be hectic activity in the Electoral Office at East Square Street, Basseterre, from next week.

The government has to make a set of rules for the new system of continuous voter registration. In the National Assembly, months ago, the Simmonds government promised the Labour Opposition that they (the Opposition) would see the new rules before they were made. No new rules have reached the Opposition yet.

But I predict that, from next week, the government will by trying to get visitors and others to register their names on the basis of the new law and the new rules.

The PAM trumps are working on all kinds of unlawful measures for the impending elections--bogus lists, party-political polling stations, threats to voters, etc.--because they know they can't win even one seat in St. Kitts if the elections are fair and valid.

PAM is going to try anything and everything, fair and foul. Abuse, promises, sharing out beers, rum, tins of sardine, 2-lb. bags of rice. And they will try to rig the elections.

But they will still lose. We will then arrive at one of the most dangerous points in the history of St. Kitts, for they will not want to leave office. Many of the leading PAM trumps feel that PAM should stay on as the government, even if they have to use guns to do so.

As the Old Year slips away and the New Year approaches, the people of St. Kitts should think on these things. 1984 can be a very dangerous year for St. Kitts.

Friars Bay Sale

Basseterre THE LABOUR SPOKESMAN in English 7 Jan 84 p 1

[Excerpts] That portion of the St. Kitts South-eastern peninsula known as Friars Bay was sold last Friday (30th December 1983) in a transaction completed at the St. Kitts Branch of Barclays Bank International Ltd. at the Circus, Basseterre.

The exact area of Friars Bay is not known but it is said to comprise between 200 and 300 acres of the best land in St. Kitts.

Friars Bay was sold by the Bank of Commerce National Trust & Savings Association Ltd to meet part of its obligation to the Government. It was sold to two foreigners who received licences from the Government under the Aliens Land Holding Act for the purpose.

It is reported that a Minister of Government received \$400,000 as a commission on the sale.

According to reliable reports all of the \$4 million from the sale of Friars Bay has gone to the Simmonds Government.

No part of it has been made available to Bank of Commerce to make payments to the hundreds of small depositors owed in some cases hundreds of dollars and in some cases, thousands of dollars by the Bank.

No information has been disclosed by the government concerning the identity of the purchasers of Friars Bay. It is reported that the purchasers have some connection with the three yachts--Octopussy, Doria and Non-Stop which started to visit St. Kitts in August 1983.

Meanwhile, in related news, this newspaper has been informed that an overall survey of the Salt Pond section of the Peninsula is taking place and that negotiations for land sales at Salt Pond are going on.

Salt Pond is said to be about 800 acres of land.

The Simmonds government is seeking millions of dollars to open up the peninsula for tourist development. It is reported that the government is seeking a loan of more than \$10 million to build a road from Frigate Bay down through the peninsula.

How many Kittitians will own land on the peninsula, and how much land will be owned over there by Kittitians, by the time the road is built?

Sugar Bonus Shortcomings

Basseterre THE LABOUR SPOKESMAN in English 7 Jan 84 p 2

[Editorial: "Too Little Too Late!"]

[Text] Whatever were the motives of the Prime Minister in announcing on New Year's Day that his government had decided to pay "goat water" to the sugar workers out of money he got from Taiwan the Prime Minister himself must now be a sadly chastened and bitterly disappointed man.

The announcement did not do the trick, whatever is the trick it was supposed to do. It has not won him any friends, it has not generated any enthusiastic support for him in the country. [as published] /It is too little, too late./ [underlined]

It is too little in a lot of different ways. In the first place the "goat water" is to be calculated as 5 per cent of 1983 wages.

Well the workers /know/ [underlined] that their wages in 1983 were small. The crop output was small. From September 1982 when their year began until the crop started in February 1983 they earned very little because when they did work, it was only 2 days per week. Then again, between the end of the 1983 crop and 31st August 1983 when their financial year ended, they also earned very little. Thus if their aggregate earnings for the year are small any percentage of it is bound to be smaller.

But that is theory. Last month, December 1983 the sugar workers received their Xmas bonus. By agreement that was 7 per cent of the year's wages. [as published] Nearly all of the workers were profoundly dissatisfied with the amount of money they received. Except in the government's mathematical books 5 per cent of the same total is bound to yield less money than 7 per cent did. And if the workers were not happy with 7 per cent, they can hardly be expected to be ecstatic over 5 per cent. In that sense then, it is too little.

The Prime Minister said the bill for the goat water will be \$750,000. The Prime Minister has also said on numerous occasions that the workforce in sugar is 6000. Each person then on average will be entitled to \$125.00. But some, including those in management who also get goat water will get much more than that. It follows that some will get much less than that. Some, indeed, will get a lot less than \$100.00. Under Labour, the pensioners all got \$100.00 because that was perceived as the barest minimum

that could be meaningful. An able bodied worker with a family getting less than \$100.00 as "goat water" will be nothing to write home about. So in that sense also it is too little.

Further, this token payment which the workers will receive will not be able to do what the sugar workers have normally done with "goat water". The more thrifty more prudent ones have increased their real assets by adding a room--even a small room--to their homes. Many have used that money to defray examination expenses for their children. All have resorted to it to clear debts which accumulated during the dull season months and to sustain them during the hard month of January until the start of crop. But on the basis of the Prime Minister's announcement it will not be enough to do any of these things. So for that reason again, it is too little.

As we have pointed out before, the Report of the Director of Audit for the year 1982 shows that there are sugar funds totalling millions of dollars. If the Prime Minister in his broadcast has indicated to what use these funds would be put for the long term benefit of the industry and why it would not be possible to use some of those funds to give a meaningful bonus to the starved and starving sugar workers he might have been excused. But in the absence of any such indication or explanation, what he is offering is too little.

And it is too late. Not to put too fine a point upon it, it is one year too late. The Prime Minister deprived the sugar workers of their "goat water" in 1983 and the workers have neither forgotten it nor forgiven him for it.

The workers all know that it is only because the Prime Minister was hurt by the workers' response in 1983 that he has decided to pay the bonus in 1984. Therefore the offer is not seen as an act of grace. And it is not accepted as such. Indeed as the workers see it the Prime Minister starved and pressured them into working for derisory wages. They responded by being less than diligent. The whole crop was not reaped, money was lost, the Prime Minister's boast proved premature. He had won the battle but he had lost the war. And instead of seeking genuine reconciliation with the workers they see this as a gauche ungracious act intended to buy them for filthy lucre and, not even that much of it. [as published] Moreover, they want to know how it happens that he could find money for goat water this year when he could not find last year. [as published]

Nor has the Prime Minister's discourtesy assisted him. On 15 December 1983 a letter was sent to him by the General Secretary of the Union, The Honourable Joseph N. France. Now Mr. France could be the grandfather of the Prime Minister and his service in the public life of this country dates back to before the Prime Minister's birth. Yet after more than two weeks the Prime Minister failed to send even a reply of acknowledgement to Mr. France. Why? Because the Prime Minister wanted to claim arrogantly that he was making a 'gift' of goat water to the workers out of the generosity of his heart without reference to any claim by the Union.

He was denied even that sop to his vanity because the Union released Mr. France's letter to the public before the Prime Minister's broadcast.

Furthermore one of the feature writers in this newspaper had speculated, as it turned out with accuracy what the Prime Minister was going to do. So that when it was done, it did not surprise anyone.

There is this further point. The Prime Minister's indication that the money for the goat water was provided by the Republic of China (Taiwan) is disingenuous and does not fool any one. Money could have been found for the purpose from the various sugar funds.

A few days earlier the government had collected a couple of million dollars from the sale of Friars Bay. So why money from Taiwan?

We believe we know the answer.

A day will come when the Prime Minister will have to admit that he has been selling out the citizenship of the country and the country itself to the Taiwanese.

The reference in the Prime Minister's broadcast was a public relations expedient to win goodwill among people for the Taiwanese when that day comes.

It is tomfoolery at best and the people should resist it.

If Simmonds has promised to deliver souls let us make sure that all he can give is his own.

Simmonds Speech Reaction

Basseterre THE LABOUR SPOKESMAN in English 7 Jan 84 p 11

[Fitzroy Bryant column "Frankly Speaking": "Simmonds Spliced The People Must Unsplice Him"]

[Text] Those of you who saw Prime Minister Dr. Kennedy Simmonds performing on ZIZ T.V. last Sunday, delivering his so-called New Year Message to the Colony of St. Kitts--for the people of Nevis were not interested and paid him no notice--did you notice that the T.V. video tape had been /spliced/ [underlined]

Well, there's a very interesting story behind that New Year Message.

All during Wednesday and Thursday, last week, Simmonds public relations adviser was busy writing the Message for Simmonds to go on T.V. the Sunday (New Year's Day), lick his mouth and read it. [as published] That is the usual practice for Simmonds.

By Thursday evening the prepared Message had been typed. Simmonds took it home and practised reading it. Next day (Friday 30 December) ZIZ recorded the Message on video tape. So far, so good.

But then, that same day, the sale of Friars Bay for \$4 million took place and the Masses House noticeboard announced the sale. The final issue of

THE LABOUR SPOKESMAN newspaper for 1983 came out later that Friday. The "Frankly Speaking" column at page 6 warned the public not to be surprised:--

- (a) If they heard that Friars Bay had been sold for \$4 million.
- (b) If they found out that a Minister had been paid \$400,000 as a commission.
- (c) If Simmonds announced in his New Year Message that his government was going to pay a little goat water to sugar workers this month.
- (d) If Simmonds announced that he would be paying public servants "a little something extra" for 1984.

Simmonds had a problem. He hadn't really planned to pay sugar workers any goat water. Since the Friday, ZIZ radio had been giving the public, in advance, the main points of the New Year Message and there was no mention at all of goat water for sugar workers.

Kittitians Shocked to Their Bones

But Simmonds knew the Friars Bay sale to foreigners was going to shock Kittitians deep down to their bones. And anyhow, if he didn't pay the goat water, it would look as if he was spiting the sugar workers merely to prove me wrong.

So, Friday night and Saturday morning, noon and night, the ZIZ news informed Kittitians that Friars Bay had in fact been sold. They didn't say to whom or for how much but they admitted that Labour was right / (Again!) / [underlined] and that Friars Bay had been sold.

The decision was then made (on Saturday) to pay the goat water. A small one. 5%. Out of the Friars Bay money. But of course they couldn't admit that.

The public relations man was summoned to do some more writing. A piece was added to the New Year Message. The ZIZ T.V. boys had to journey up to the Factory great-house again.

They wanted to video tape and record the whole New Year Message from start to finish, including the new part about the goat water. But Simmonds did not agree. He didn't want to go and bother the wife and children again.

As a result, on the second trip ZIZ recorded only the goat water part. Then they went back to the studio and spliced the tape, i.e. they joined up the new goat water part, recorded on Saturday, to the rest of the Message which they had video taped and recorded on Friday.

But it was not a good splicing job. Any observant viewer could have seen, quite easily, that the goat water part was an after-thought. Spliced on.

Simmonds started 1984 spliced. Just like the ZIZ video tape, he is very badly spliced. But not to worry. He's going to get unspliced during 1984. The people of St. Kitts are going to unsplice him in a very definite way.

The sugar workers are going to unsplice him. They know the little 5% goat water is only an after-thought. They know they have got it only because the Union leaders were raising hell with Simmonds about it and only because he wanted to "sweeten up" the sale of Friars Bay.

\$400,000 for One Man

The sugar factory workers and sugar estate workers and their families are not foolish. They know that, while \$700,000 of the Friars Bay money is to be shared out among 6,000 of them, one man, a Minister of Government, is getting \$400,000 for he one. [as published]

And he don't need it as much as them.

The civil servants, non-establishment workers, pensioners and employees of the public corporations and their families are waiting eagerly to unsplice Simmonds and his gang.

Simmonds and his government not only deprived them of their extra month's pay in December but in the New Year Message Simmonds did not say one word about an increase in their salaries.

In 1975 civil servants and other public servants got a salary increase. Three years later, in 1978, they received another increase. Three years later, in 1981, they received another increase. Since 1981 the cost-of-living has burst through the roof.

Some civil servants were grumbling since last year. But they said to themselves, "Well, alright, is every 3 years we get an increase, so we will hold on until 1984 and hope we get a really big increase." [as published]

Now 1984 done come, Simmonds done mek his jackass broadcast, and nobody telling them nutten bout they increase.

Civil servants, pensioners, non-establishment workers and the rest, they vex like hell. They don't want to hear about Independence. Nevis done tek that and gone with it. They want to hear about money. Dollars. Increase.

They are going to unsplice Simmonds a---, believe me.

"We Not Mekking Any Damn Joke"

One senior civil servant said to me, quite cynically, yesterday, "Bryant, all you fellows mek Simmonds pay sugar workers they goat water. That's good. But mek the man pay us we increase, you know. We under plenty pressure and we not mekking any damn joke."

Frankly speaking, as I said last week, somewhere, somehow, Simmonds will have to find the money to pay civil servants and other public servants their increase /this year/. [underlined] And the sooner the better. After all, general elections coming up soon.

But Simmonds should have said something about it in his New Year Message. Even if he couldn't have said how much and when, he could have told civil servants and the rest that his government recognised the difficulties they were experiencing and would try to do something about it this year.

Rather than do that, he spent most of the time in his 45-minute broadcast electioneering, trying to bullshit the people of St. Kitts once again.

Maybe he thinks people can put Independence and a seat in the United Nations in their pot to cook for their children to eat. Maybe he thinks poor people can put PANAM and Royal St. Kitts Hotel in their pot to cook for them and their children to eat.

The man is a real jackass. Let us all prepare to unsplice him, I say.

CSO: 3298/421

OPPOSITION ORGAN HITS U.S. MILITARY 'TROJAN HORSE'

Castries CRUSADER in English 14 Jan 84 p 2

[Editorial]

[Text] In the euphoria of the Grenada Invasion it is not difficult to slip in anything on a numb and bewildered St. Lucian people. On the contrary this is just the time to abuse human rights, to frustrate democracy and to ride roughshod over public opinion, all in the name of assisting the yankees to root out Communism and left-wing ideas in the area. Once the Independence of St. Lucia and its territorial sovereignty is compromised then there is almost nothing left to protect. Prime Minister Compton has taken St. Lucia along the primrose path of international humiliation and un-principled opportunism. There is practically no more humble pie and filth left for St. Lucians to swallow.

He has also compromised the self-respect of many prominent St. Lucians, not the least being our Governor-General who has mouthed so many empty platitudes in his Throne speeches which his Government has overturned and violated at every step. IT is downright hypocritical for the Governor General to say that St. Lucia has regained respect abroad when in the supreme Forum where one can judge international respect and integrity almost every nation in the world voted against St. Lucia's position on the Grenada Invasion. St. Lucia has very little international standing at present and could never win any international vote which is not manipulated by the United States. It would be almost impossible for St. Lucia to be host to the General Assembly of even the OAS in 1984 as it was in 1981. Prime Minister Compton has earned his spurs as one of the most disgusting "yard-fowls" on U.S. Imperialism today. The disgust for him came dripping from the lips of African Personalities like Julius Nyerere and Robert Mugabe and from the lips of "friends" like Pierre Trudeau. Even Margaret Thatcher who bears the hall-mark of right-wing Conservatism had no respect for Prime Minister Compton's sell-out of St. Lucia's integrity.

Our Governor-General should weigh carefully the import and seriousness of his statement that "our problems cannot be solved MILITARILY" and we should plumb for consultation, negotiation and discussion and in the situation where the Government for which he is a spokesman of sorts flagrantly violates the very principles that he adumbrates and promulgates, then he should let his light shine! Even her Majesty's Government which he represents turned its back on the rascality of the OECS and he himself in his next Throne speech might well be caught excusing the unconstitutionality and the illegality of the OECS action.

Now that St. Lucians have been left defenceless with no other safety-net but the goodwill of an aggressive warmongering Super-Power. We must toady to the United States. We must fall in with their militaristic designs. We must tone down our stand on South African racism because our Allies have found it EXPEDIENT to do so. We must isolate any Caricom partner that the United States decides to humiliate. We must suck whatever plum they throw our way however acid, however lethal. We must be prepared to subvert the liberation struggles of our Latin American brothers simply because it offends American hegemony. We must absorb their cheap soap-operas. We must follow the trading pattern that they dictate with a safari to South Korea, Hong Kong and Taiwan. We must stomach the dictatorships which they approve ("Somoza is a son of a bitch but at least he's our son of the bitch!") and deplore the regimes that they deplore.

The appearance of U.S. Marines in St. Lucia for the past few weeks immediately raises some very interesting questions. There is nothing basically wrong with getting training facilities from "friendly countries. Prime Minister Compton has been sending men to a number of countries to train, including ISRAEL. But such actions must be consistent with the policy pronouncements and the geopolitical posture of the State. Our Prime Minister has sold himself in recent years as the Apostle of Peace who resents all violence and adjures all militarisation. His speeches are loaded with metaphors about turning our swords into ploughshares. He viciously attacked Grenada for its Arms Buildup. He ripped Maurice Bishop apart for maintaining a standing army. He is on record as saying that all these islands need is a well-equipped Police Force and we should have no truck with armies or militia. He roundly condemned certain countries for giving guns to third world countries instead of aid and money. He accused opposition groups of encouraging violence, terrorism and sabotage. In short he was the DOVE OF PEACE defending St. Lucia from THE HAWKS.

Today the Policy-line is different. Overnight our docile dove has become the most hawkish of the Region's hawks. Barbados Tom Adams was quick to put the foundling child of Grenada's invasion on Compton's doorstep. He said it was St. Lucia's Compton who first called him with the suggestion of armed intervention. What Tom Adams didn't know was that the US Embassy in Barbados had been in constant contact with the St. Lucian Prime Minister conveying directives and instructions.

Now that the political process in Grenada has been seemingly destroyed Prime Minister Compton is turning his hand at helping the United States to virtually subjugate these islands. He is busy reducing the area to u.s. satellite status and this necessitates a firm military presence in all the islands of the Eastern Caribbean. If this is the wish of the Prime Minister then it is a fundamental shift in policy and goes against the grain of his Independence rhetoric. St. Lucians must be told firmly and clearly the intention of the Government and they must be consulted before mortgaging their lives to U.S. Imperialism.

Our "haven of peace" which the Governor General speaks about is now bristling with the machines of war. Our people look on bewildered. Firece combat training is taking place and the people of the village of Gros Islet were

speechless at the sight of machine-gun-toting soldiers prowling around the backyards of their houses in mock combat. The murderous war-cries of the 82nd Airborne Division has reached our shores and the St. Lucian trainees are now adapting all these techniques of warfare. Grenada, at least had the excuse of expecting a US Invasion but St. Lucia has no such excuse.

The United States has brought the Trojan Horse of Guerrilla Warfare and Combat Training into St. Lucia. The Community has not been psychologically prepared for this sudden intrusion and if the turn-about in policy came from Mr. Compton's infantile and egoistic love of the wargames which he indulged in against the Grenadian people, then he should pause to prepare St. Lucians for this atmosphere of seige. The whole thrust and attitude of the Police Force has changed overnight. The skills of criminal investigative work and good police methods have all been swamped by the new militaristic thrust. Now our Police no longer asks questions, they just bust you! Our Special Service Unit strut and swagger around Castries with automatic weapons in their hands. Cowboy-type policemen in plain-clothes now sport their 38's openly in their belts and our local official gunmen are bragging about the number of men they have killed. This cannot be good for the State especially as a number of raw recruits have come in to the Force at the deep-end and have plunged into the techniques of killing before they have learnt the responsibility of policemen and the sanctity of life.

The US Marines are themselves swaggering around our towns and villages and quietly inculcating the values of hired killers instead of exposing our young minds to more constructive techniques for self-reliance.

It seems like madness for Prime Minister Compton to impose this fearson war machine on our people when their economic fortunes are at their lowest ebb. When 65 percent of the youth of the country are unemployed and chronically jobless. When national frustration is at its highest. When one in every three St. Lucians is seeking opportunities to go abroad. When criminal activity is considered an acceptable form of income-generation. When marijuana trade has gained some respectability. When the people are not mobilised behind the Government, when the Police hierarchy is in such divisive disarray and no one knows the real focus of power in the State.

St. Lucians have entered 1984 sitting on a powder-keg of violence and militarism and the US Trojan Horse in our midst might be just the fuse to ignite it!

CSO: 3298/445

'MILITARIZATION' OF POLICE SEEN IN MOVES AGAINST CHIEF

Castries CRUSADER in English 14 Jan 84 p 1

[Text] While the green vans roll through the streets of St. Lucia laden with Policemen in combat - greens carrying sub-machine guns with faces blackened against recognition, a serious crisis is looming in the Police Force.

There are moves to replace Police Chief Cuthbert Phillips although it is not clear as to who will replace him. One theory is that the United Workers Party and Prime Minister Compton himself is not happy with the Commissioner of Police. He is considered to be too independent and cannot be relied on to see things the Party way. His recent speeches seem to lean heavily on the Prime Minister making firm demands for better conditions and training for the men under his command. He has also pressed the Prime Minister to state a clear policy in respect of the Police Force and the chain of command.

Both Compton and the Party are trying to elbow the Police Chief out of his top position. One strategy was to send him abroad on a long course. The Commissioner resisted this. The next move was to transfer the Commissioner to the Ministry of Foreign Affairs but the Commissioner has also resisted this move. A few weeks ago Cabinet took a decision to take away from the Commissioner of Police the power to appoint persons to the Force and to make promotions. Cabinet agreed that a Committee of three persons - The Cabinet Secretary, The Director of Public Prosecutions and the Commissioner of Police - should make such decisions. This means that the Prime Minister's two nominees could always outvote the Commissioner and effectively wipe away his influence in hiring and firing policemen.

Commissioner Phillips immediately saw in this a clear initiative to eclipse him in the Police hierarchy. Besides there are open comments made by the SSU Chief to persons in public to the effect that "the Commissioner is not loyal to the Government and we must move him from there". Few persons place any seriousness on the claim made by the SSU Chief but his comments reveal an organised plot to get rid of the Police Chief!

Sources close to the Police indicate that Top Cop Phillips has alerted his men to resist any such moves to undermine him. Police sources also claim that the replacement for Commissioner Phillips is expected to be Police Inspector "Five" Augustin or alternatively an American who will head the entire Force including the SSU.

The Crusader has repeatedly drawn attention to this highly explosive situation in the Police Force. There are three distinct factions in the Police Force with support and allegiance divided between Commissioner Phillips, Deputy Augustin and SSU Chief Cyril. Now the situation is further complicated and aggravated by the heavy arms build-up, the strong influence of US Marines training our local policemen for fierce, aggressive combat encounters and the creation of a new Grenada-elite led by Kim Lous. Guns are available at all levels now in the Police Force and the men are itchy for action therefore the polarisation of support has intensified in the past three weeks and the Prime Minister and the Party cannot resolve this issue.

Meanwhile rank-and-file policemen are very apprehensive about the whole situation. They fear that the recent militarisation of the Police points to the possibility of an armed resolution of the dispute. They feel that the US Marines themselves will be part of the scenario and certain Police Officers are at present jockeying for the support of the US "Trainers".

Ordinary citizens are glancing suspiciously at the "Army" that is emerging almost without sanction in our midst. They recall the Prime Minister's charge at Election-time that the Opposition would build an army in St. Lucia when all that was needed was an efficient Police Force. They are aware that the Prime Minister has once again gone back on his words.

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BRIEFS

1983 TOURISM--LAST YEAR, St. Lucia had recorded its best tourism performance since 1980. In 1983 a total of 77,394 persons visited St. Lucia by air, a figure which represents a 9% increase over that for 1982. This growth was led by the United States market which supplied St. Lucia with some 18,934 visitors in 1983, an increase of 63.4% over last year. "No doubt the return of Pan Am, contributed substantially to this growth," a spokesman for the Tourist Board said. The other major market gain was the United Kingdom, up 18%. In 1983, there was some decline in traffic from: Canada, down 26%, the other Caribbean islands, down 23%, and West Germany, down 6% when compared with 1982. [Text] [Castries THE WEEKEND VOICE in English 14 Jan 84 p 1]

CSO: 3298/445

DECEMBER DESIGNATED FOR MILITIAS' RECRUITMENT CAMPAIGN

Militias Exceed 1,000 Members

Paramaribo DE WARE TIJD in Dutch 5 Dec 83 p 1

[Text] In the month of December a big recruitment campaign will be held for the Youth Militia and the People's Militia.

It is a well known fact that the Youth Militia and the People's Militia are, among other things, used to defend strategic locations in our country.

As of the moment both militias consist of over 1,000 members.

This recruitment campaign is meant to register as many citizens as possible. In the course of 1984 several levies of recruits will be called upon to serve.

This method will enable the leadership of the militia to rely on larger reserves than before.

To facilitate this registration, which will be promoted in all the media, several of the information booths opened in Paramaribo on the occasion of the proclamation of the 25 February Movement will also be used.

Registration for the Youth Militia and the People's Militia starts today in Paramaribo at the following locations:

Stibula, Latour, soccerfield Beekhuizen, police stations Flora, Tammenga, Wanica Street/Grave Street, the Memre Boekoe Barracks, DSB Kernkampweg/Kwattaweg, the Geyersvlijt Trade School, and also at all information booths of the 25 February Movement.

In the Marowijne District registration can take place in the barracks at Albina.

The same goes for the Nickerie District.

The registration facilities are open every day except Sundays from 8 o'clock in the morning.

People's Militia Officer Interviewed

Paramaribo DE WARE TIJD in Dutch 10 Dec 83 pp 1, 12

[Text] "We have a lot of respect for all citizens who, after a full day's work, exert themselves in the afternoon to participate in the training sessions of the People's Militia.

Ensign Jannasch, one of the leaders of the People's Movement, said this is an interview on the recruitment campaign which began this month with the registration of levies for the year 1984.

Assist Army

On 31 May the National Army began to train citizens who, as members of the People's Militia, assist the army with assignments as guard duty, giving protection, and patrol duty.

Although the establishment of a people's militia caused a lot of excitement, especially in circles unfavorably inclined towards the revolution, the use and training of citizens in military matters is not something new for Suriname. Those who remember World War II know that the authorities established then the "urban and rural guard" to assist the armed forces in emergencies.

Positive

Ensign Jannasch describes the experiences with the militia as "very positive". He attributes this mainly to the great dedication and full cooperation of the hundreds of citizens who have already registered as members.

About the army's first experiences with the militia the ensign says:

"The establishment of a people's militia was something new to us. On paper we had been ready with the organization but actual practice revealed all the things that needed corrections and adjustments. We considered therefore the first levy as an experiment which could teach us a lot. Working with civilians is something completely different for military personnel; we also noticed that in matters of attendance we could not insist on what we demand from military personnel because we are here dealing with people who have already done a full day's work when they attend the training sessions."

Different Approach

After three levies this year we are going to do things a little differently next year: summonses for registration will then be sent out per neighborhood and the training sessions will also be held in the various neighborhoods and districts. Ensign Jannasch: "Up till now the people came to us

but next year we are going to the people." Then he explained the phases of the training which begins with an introductory general training followed by an advanced general training of respectively 10 and 12 weeks.

Step by step the militia will be introduced to the handling of weapons, military drill, and field service while classes in political schooling will be at least as important a part of this instruction.

In the first 6 weeks of its existence Suriname's People's Militia has proved on several occasions that it is useful and needed; it played an important part in preventing acts of sabotage which were meant to spearhead an invasion.

Good Relation

One of the duties of the People's Militia is guarding installations of vital importance. Such as drinking water works, electric power plants, etc.; in this manner it supports the troops of the National Army who can now involve themselves even more thoroughly in strictly military matters.

In conclusion Ensign Jannasch said: "We are happy to see that the People's Militia and the National Army are getting along very well... The militia members are taking their work of safeguarding installations and performing guard duty very seriously and conduct themselves as military personnel with many years of experience. It is a pleasure to work together with them and our respect is mutual."

Anti-arson Mission Highlighted

Paramaribo DE WARE TIJD in Dutch 2 Dec 83 p 1

[Unsigned article: "Army newspaper MAKANORA: The People's Militia is Playing an Important Part in Preventing More Fires"]

The People's Militia is playing a role of growing importance in the defense of our revolution.

A group of enthusiastic young men and women have recently been enlisted in guarding vital enterprises and government buildings in our land.

Immediately after it became known that the so-called Liberation Council launched actions from the Netherlands and French Guyana which initially resulted in some fires, the People's Militia was activated.

These men and women who also perform their regular day time jobs, remained on duty till deep in the night under the guidance of military personnel.

It cannot be denied that thanks to their presence, alertness, and vigilance more fires and calamities were prevented.

Especially now that the section counterespionage and subversion of the Information Service has discovered plans to raid, the EBS [Electric Power Company], the Water Department, STVS, SRS [Railroads], and government buildings, we should not underestimate the role the People's Militia has played and is still playing.

Members of People's Militia are stationed at all these locations. They always operate under military guidance.

It was members of the People's Militia who discovered that a number of suspicious characters had scaled the fence to start fires.

Soldiers in the vicinity were immediately notified of their findings. The potential arsonists fled when they saw the soldiers.

When the population heard about these plans to commit arson and assassination people were horrified.

This feeling went hand in hand with a growing sympathy for the military and the People's Militia. A lot of people were still a little confused about the People's Militia. That has now changed. The People's Militia is an organ operating directly under the command of the military government and does not act on its own.

It needs to be said that the members of the People's Militia deserve a lot of appreciation for their sacrifices for their country, their people, and the revolution. Their willingness to sacrifice and toil in the service of our nation deserves to be emulated.

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CSO: 3214/17

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