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# Latin America Report

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31 May 1985

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INTER-AMERICAN AFFAIRS

REPORTAGE ON CARICOM ACTIVITIES, POLICY PROPOSALS

Need for Structural Adjustment

Kingston THE DAILY GLEANER in English 25 Apr 85 p 3

[Text]

CARICOM's Deputy Secretary-General, Mr. Louis Wiltshire, yesterday warned member countries that if they did not take their fate into their own hands by structurally adjusting their economies, others would.

"I don't need to tell an audience at a meeting here in Jamaica that structural adjustment is a reality. And, if we do not take our fate into our own hands and make conscious decisions as to where we go and how we go, others will in fact take it for us," Mr. Wiltshire told the official opening of the 8th Meeting of the Standing Committee of Ministers Responsible for Labour at Hotel Oceana, Kingston, yesterday.

He called on regional countries to seek to consciously deal with the question of the effects of labour and management relations on their national economies, and how those interests reacted to the challenges which had been posed by the way in which the economies interacted with the international economy.

Otherwise, he said, the region would lose the opportunity for creating harmony and positive movement forward, which would be irretrievably destructive.

The matter of structural adjustment was listed on the agenda for discussion at the meeting under the heading: "Implications of Structural Adjustment Measures in Member States with Special Reference to the Nassau Understanding."

Mr. Wiltshire said that although it was not a matter which could be expected to be definitively settled in two days of discussion, it could be constructively tackled with advancement made towards a final solution.

Turning to the wider CARICOM community, he said that it was very often assumed and sometimes stated explicitly that the Caribbean Community was in danger of collapse and that the various areas in which the countries had to function together for effectiveness were either taken for granted or ignored.

Trade Measures

FL251857 Bridgetown CANA in English 1422 GMT 25 Apr 85

[Text] Bridgetown, April 25--The Caribbean community's main private sector grouping, worried about the beating regional business is taking from a decline in intra-Caricom trade, has appealed to member countries to implement agreed measures for revitalizing trade by the June 1 deadline.

The Barbados-based Caribbean Association of Industry and Commerce (CAIC), noting that unemployment was rising and some companies were closing because of the lack of a viable regional market, said: It was a state of affairs which could not be permitted to continue for much longer.

Intra-Caricom [trade] took a nosedive in 1983 as the major markets, faced with spin-offs from the turbulent Western economic recession, started tightening up on imports amidst limited available foreign exchange.

Caricom heads of government, at their last summit in the Bahamas, set January 1 this year as the deadline for introducing decisions aimed at getting intra-regional trade going again. Several countries did not comply and the council of ministers set the new deadline at a meeting in Guyana earlier this month.

St Vincent and the Grenadines and Belize, where there were changes in government since the Nassau summit, were given a while longer.

The CAIC board discussed the state of Caricom trade at a weekend meeting here last weekend, a secretariat statement said today. The board urged even those two countries to do everything possible to implement the agreed package as soon as was practicable, the statement said.

All Caricom member states should ensure that the required legislation and/or administrative action needed to give effect to some parts of the Nassau package was taken in good time.

The CAIC said the urgency of getting Caricom trade going again was manifest in the difficulties regional exporters were having in their bid to penetrate North American and European markets, plus a projected slowdown in economic growth in the United States.

The board however endorsed the policy of seeking to expand extra-regional exports from Caricom wherever possible, both in order to augment the region's foreign exchange earnings as well as to diversify its export base, the statement said.

#### Lome III Aid

Port-of-Spain TRINIDAD GUARDIAN in English 29 Apr 85 p 4

[Text]

**ROSEAU, Mon., (Cana):**

CARIBBEAN Community (Caricom) member countries could expect substantially more aid under the Lome III Economic Co-operation Treaty between the European Economic Community (EEC) and the African Caribbean and Pacific Group of developing countries than under the predecessor agreement, EEC delegate to the Eastern Caribbean Joannes Ter Haar said here today.

Ter Haar, in Dominica for talks with government officials on EEC-financed projects, said the region benefited from \$60 million (US) under Lome II. The money financed a range of development projects.

"This programme has been reasonably successful and we discussed with (the Dominica Government) how in the future we can make the regional programme more successful," he said.

Ter Haar said the regional aid allocation will be substantially more than \$60 million allocation under Lome II.

Dominica has forwarded to the EEC for possible financing projects in road construction, training, trade and tourism promotion.

Ter Haar said they had also identified a programme of community-oriented projects including the construction of small health centres, bridges and community halls.

## Canadian Tariff Study

Port-of-Spain TRINIDAD GUARDIAN in English 30 Apr 85 p 15

[Text]

### KINGSTON, Mon., (Cana):

THE Canadian Government is still studying a Commonwealth Caribbean request for a lifting of all tariffs applicable to regional imports and the dismantling of existing non-tariff barriers as far as possible, according to a senior official of the Caribbean Community (Caricom) Secretariat.

Following a meeting in Guyana earlier this month of the Canadian-Caricom Joint Trade And Economic Committee (JTEC) which regulates a 1979 trade and co-operation agreement, regional officials appear guardedly optimistic the request will be granted.

"How long it will take and what will result: That is not yet totally clear, but the Canadians have committed themselves fully to examine the issue in light of the clarifications given in Georgetown" said Deputy Caricom Secretary-General Louis Wiltshire, in an interview here.

The Canadian side, he said, had promised to get back to us in due course. He said he expected a follow-up meeting to take place within the next year.

The idea of total duty free access for regional exports to the Canadian market along the lines of the United States Caribbean Basin Initiative (CBI), was raised at a summit here last February involving Canadian Prime Minister Brian Mulroney and Commonwealth Caribbean leaders.

The so-called Carib-Can proposal was authored by Jamaica's Prime Minister Edward Seaga who had also called for a lower value added requirement from the Canadians for regional products and investment incentives tailored for specific projects.

Mr Mulroney had expressed some reserva-

tions but had promised to study the proposal. Caricom officials at the Georgetown meeting put forward more arguments to clarify their case.

Mr Wiltshire said: "One might have thought that (Carib-Can) might involve a major new initiative. It involves extension of existing arrangements, but not wholesale extension."

Apart from removal of the tariff regime, Caribbean countries want Canada to ease regulations to make it easier for them to export more rum. They also want Ottawa to buy regional sugar at preferential prices, rather than those prevailing on the world market as obtains at present.

Mr Wiltshire felt

that the removal of barriers — tariff and non-tariff — could make an important difference to the region, one there was the ability to supply at competitive prices.

"Canada is a wealthy neighbour and obviously an important market and to the extent to which those barriers are dismantled and we can fill the market is important," he said.

He stressed that once the market becomes available, the region will have to place emphasis on being competitive in price and quality.

"We have an advantage in terms of labour cost and access. We have to organise to produce and export. It is not an easy process, but we have to organise," he said.

INTER-AMERICAN AFFAIRS

CARIBBEAN DEVELOPMENT COOPERATION UNIT PLANS TO MEET

Port-of-Spain TRINIDAD GUARDIAN in English 2 May 85 p 1

[Text]

HEADS of Government of four Caribbean communities will be among 20 countries attending the Tenth Anniversary Session of the Caribbean Development Co-operation Committee to be held at the Trinidad Hilton from May 29-June 5.

The meeting will also be attended by Secretary-General of the United Nations Mr Javier Perez de Cuellar, who has agreed to be present at the opening ceremony and deliver the feature address.

Chairman of the meeting will be Trinidad and Tobago Minister of External Affairs, Mr Errol Mahabir.

Foreign Ministers of the 20 Caribbean Development Co-operation Committee countries are expected in Trinidad for the meeting.

Heads of Government expected to attend are Miss Eugenia Charles, Prime Minister and Minister of External Affairs of Dominica. Dr Kennedy Simmonds, Prime Minister and

Minister of Foreign Affairs of St Christopher/Nevis; Mr James Mitchell Prime Minister and Minister of Foreign Affairs of St Vincent and Mr John Compton, Prime Minister and Minister of Foreign Affairs of Saint Lucia.

The technical level division of the meeting will be chaired by Mr Christopher Thomas, Permanent Secretary in the Ministry of External Affairs (Trinidad and Tobago).

The CDCC is a sub-committee of the Economic Commission for Latin America and the Caribbean (ECLAC) and was established at the 16th Session of the parent body which was held in Port of Spain in 1975.

It is significant that Trinidad and Tobago should host the 10th Anniversary Session of a regional body which was born out of a decision taken ten years ago in Port of Spain.

The decision was taken through the initiative of the former Prime

Minister of Trinidad and Tobago, the late Dr. Eric Williams. The Sub-regional Headquarters of the Economic Commission for Latin America and the Caribbean is in Port of Spain.

Six countries - Antigua and Barbuda, Belize, Saint Christopher, Saint Lucia, Saint Vincent and the Grenadines and Dominica have since attained their independence and are all members of the CDCC.

The Committee now comprises 20 members - Antigua and Barbuda, the Bahamas, Barbados, Belize, Cuba, Dominica, the Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname and Trinidad and Tobago. The British Virgin Islands, Montserrat, the Netherlands Antilles and the United States Virgin Islands all associated members of ECLAC are also members of CDCC.

CSO: 3298/620

INTER-AMERICAN AFFAIRS

EASTERN CARIBBEAN ECONOMIES SHOW GAINS FOR '84

FL291658 Bridgetown CANA in English 2046 GMT 28 Apr 85

[Text] Basseterre, April 28--The economies of the members of the Organization of Eastern Caribbean States (OECS) showed a modest improvement last year, the group's Central Bank has reported. The improvement was due largely to better earnings from tourism and important agricultural exports, the Eastern Caribbean Central Bank (ECCB) said in a 47 page review.

After a year of little or no growth in 1983, the present indications are that the ECCB area as a whole recorded modest growth in 1984, the bank said.

The OECS comprises St. Kitts and Nevis, Grenada, Dominica, Montserrat, St. Vincent, Antigua and Barbuda, and St. Lucia.

The bank said developments in foreign exchange reserves and other indicators suggest that there was some improvement in the area's external economic performance. The net foreign reserves of the Central Bank, which showed very little change in 1983 over 1982, increased by 74.7 million dollars (one EC dollar; 37 cents U.S.) during 1984.

The bank said that, buoyed largely by the economic recovery in the United States, the most vibrant sector in the area's economy during last year was tourism. Most countries reported significant increases in tourist arrivals in 1984 over 1983.

The increases in stay-over visitors were most substantial in Antigua and Barbuda--27.7 per cent, Grenada--21.7 per cent, St. Kitts and Nevis--16.3 per cent, and St. Lucia--13.2 per cent.

Early indications are the hotel occupancy rates and the average length of stay recorded in a number of countries were higher than in 1983. Provisional estimate of gross tourism earnings for the areas as a whole is put at 514 million dollars compared with 420 million dollars in 1983 and was a major factor in the area's improved external position, the bank said.

The bank said that because the eastern Caribbean dollar is fixed to the U.S. dollar, earnings from non-U.S. dollar exports such as bananas, sugar and cocoa had been affected.

It said exports of bananas to the United Kingdom increased in volume by 8.5 per cent, to 137,844 tonnes, while earnings rose by only 4.3 per cent, to 119.35 million dollars. The unit price for the commodity averaged 866 dollars per tonne in 1984 compared with 900 dollars in 1983.

Export data on other commodities are not yet available but the indications are that the improved balance of payments out-turn was the result of higher export volumes, improved tourism earnings and significant capital inflows of an official nature, the bank said.

The bank noted that domestic credit expanded slightly more slowly in 1984 than in 1983, increasing by 9.9 per cent compared with 10.6 per cent in the year earlier.

While the overall rate of credit expansion fell in 1984, the rate of growth of bank loans to the private sector increased (11.7 per cent compared with 10.9 per cent in 1983) in harmony with the rise in the rate of growth in economic activity, according to the bank.

Over the period, the growth in lending to tourism, housing construction and manufacturing was particularly strong. Bank lending to the private sector in the first quarter grew very little. During this period businesses generally tend to be more liquid and thus able to finance activities internally.

CSO: 3298/621

INTER-AMERICAN AFFAIRS

BARBADOS MINISTER COMMENTS ON VISIT TO TRINIDAD-TOBAGO

Port-of-Spain EXPRESS in English 27 Apr 85 p 32

[Text] "The politicians can go to hell," said Barbados Minister of Tourism and Environment Aaron Truss at a Hilton news conference yesterday.

"And I am speaking as a politician. I think Trinidadians are still welcome in Barbados and Barbadians are still welcome here, and we mustn't, and I am speaking as an ordinary Barbadian now, we mustn't let ourselves be misled by people inside or outside of our territories."

Truss said he felt whatever had happened in the past between Trinidad and Tobago and Barbados, right or wrong, is now irrelevant, since it was largely a question of interpretation. "We have to put all this behind us," he added.

The Barbados Minister, appointed just two months ago by late Prime Minister Tom Adams, is in Trinidad and Tobago at the head of a 30-man mission aimed at promoting Barbados as a tourist destination for Trinidadians and Tobagonians, and providing information on CARIMEX, an exhibition of Caribbean manufactures to be held in Barbados in June and July this year to coincide with the CARICOM Heads of Government Conference there.

Among those with him are Jack Dear, Chairman of the Board of Tourism in Barbados; Patrick Hinds, Chairman of the Board of Tourism; and Gordan Jordan, Chairman of the Barbados Tourism Investment Corporation. A number of business officials are here as well.

The dapper Truss, a businessman and karate black belt, gave a brief outline of Barbados's four-point economic thrust, and stressed the importance of tourism to the small island nation.

"Tourism, manufacturing, agriculture, and new white-collar projects like offshore banking are the main support of our economy," he explained. "Last year was a good year for tourism in Barbados in that a record number of American tourists came, as well as tourists from other destinations including West Indian island--but not Trinidad and Tobago."

This is the problem he is here to solve. "Usually, of the 88,000 tourists who come to Barbados annually from other Caribbean islands," he said, "50,000

of these come from Trinidad and Tobago. This gives you an idea of the importance of your tourists to our country."

But in 1984 the number of tourists going to Trinidad and Tobago fell by 10 per cent. What caused this?

"From speaking to people here I understand that there are two main problems," Truss said. "Firstly, I was told that because the Barbados dollar is pegged to the U.S. dollar Barbados is more expensive than other destinations; and secondly, I understand that potential tourists have great difficulty obtaining foreign currency to go away with."

Truss did not seem to think bad feeling between the two countries contributed as much to the decline as some people feel.

On the issue of past conflict between the governments of Trinidad and Tobago and Barbados over BWIA, Truss said it had always been the intention of the Barbados government to appoint BWIA its national carrier, but certain things had to be ironed out first. He said Barbados has recently appointed BWIA as its carrier on certain North American routes and it has been decided that no further decision will be taken until a six-month period of negotiation has ended.

"Historically our countries are close," said Truss, "and co-operation between us, as with the Arawak cement plant, BWIA, and tourism, can be the basis for future friendship."

CSO: 3298/621

INTER-AMERICAN AFFAIRS

NATIONS NAMED AS SOURCES OF INCREASED DRUGS IN BARBADOS

Port-of-Spain EXPRESS in English 3 May 85 p 47

[Text] Bridgetown, Thursday (CANA)--St Vincent and the Grenadines and Guyana are joining Jamaica as major suppliers of illicit drugs to Barbados, a senior police officer said today.

Head of the Barbados Police Drug Squad, assistant Superintendent Arindell Greenidge, said marijuana seizures from Kingstown were on the increase and investigations had shown Guyana was producing cocaine, some of which was ending up here.

"Most of the marijuana comes...from Jamaica (but) we are getting a substantial amount coming in from St Vincent and...some from Guyana," he told the Caribbean News Agency (CANA).

He said police investigation revealed that cocaine was produced in Guyana. "We had about three or four cases where...the cocaine originated from Guyana."

Most of the cocaine arriving here comes from Trinidad and Tobago.

Greenidge said Guyana-produced cocaine was easily detectible because it was a crude product compared with the higher grades from leading suppliers in Latin America like Colombia.

Greenidge said while the force had no hard evidence to suggest Barbados was a transshipment point for drugs destined for the United States, he had reason to believe the island was being used in trafficking to Europe.

"...I have reason to believe that Barbados at times is being used and drugs sometimes pass through Barbados, probably to one of the European countries. I've got reason to believe that," he said.

CSO: 3298/621

INTER-AMERICAN AFFAIRS

COLOMBIA, ECUADOR, VENEZUELA SIGN TRANSPORTATION ACCORD

Bogota EL ESPECTADOR in Spanish 14 Apr 85 p 11-A

[Text] Cucuta, 13 April (Editorial Office)--The governments of Colombia, Venezuela and Ecuador took a decisive step toward integration here today by signing an agreement that overcomes obstacles to passenger transportation by highway and encourages the economic revitalization of the borders.

Colombian Minister of Public Works Rodolfo Segovia Salas, Venezuelan Minister of Transportation and Communications Juan Pedro del Moral and the deputy minister of government from Ecuador, Enrique Novoa Arizaga, signed the so-called Declaration of San Jose de Cucuta that establishes parameters to exchange transportation services.

In the declaration, the ministers repeated the desire of their governments to support compliance with the resolutions adopted by the Cartagena Pact, especially those related to international transportation by highway.

They agreed to ask their respective ministries of foreign relations to carry out the corresponding actions to end the negotiations on bilateral agreements concerning transportation of passengers, freight and consignment within the next 90 days.

They also agreed to advocate the promulgation of internal laws in each of the countries to regulate the different aspects of the operation of international transportation by highway between the countries.

Points in the Declaration

Other basic aspects of the declaration are as follows:

To support the organization of centralized and coordinated border services in which the different government entities involved in international transportation by highway participate. Also to advocate bilateral uniformity of operation hours on the borders.

To undertake training programs on international transportation by highway for officials, transporters and customers. To give priority to the organization and operation of transportation services to make integration a reality through stronger traffic of products and people.

To develop institutional relations among the National Council of Land Traffic and Transportation of Ecuador, the Ministerial Office of Transportation Planning of Venezuela and the National Institute of Transportation of Colombia through cooperation programs to exchange information and experiences. They will ask the directors of these institutions to hold quarterly meetings on the border zones of the countries.

To promote studies that lead to complementary bilateral agreements to regulate transportation on the border zones through the adoption of expeditious bilateral regulations.

The ministers of Colombia and Venezuela pointed out the benefit of initiating talks to reach an agreement that regulates international transportation of tourist groups between the two countries.

They expressed their satisfaction in the constructive dialogue that inspired the meetings. This permitted them to reach positive conclusions for integration among our countries by repeating the desire of their governments to undertake actions that reaffirm the operation of international transportation.

#### Colombian Position

Cucuta, 13 April (Editorial Office)--The minister of public works and transportation, Rodolfo Segovia Salas, showed a good spirit of cooperation. Therefore, a green light was given for international transportation by highway in the Andean subregion during the installation of the Eighth Asotrans Assembly in Cucuta.

The minister of public works indicated that President Betancur and his ministry, through the National Institute of Transportation, "are committed to take the steps, within our legislation, so that Decision 56 acquires full application in national territory."

He added: "We are an intermediate country. We would like expeditious traffic of persons, vehicles and merchandise through Colombia from Ciudad Guayana in Venezuela to Santa Cruz in Bolivia."

After warmly greeting his Venezuelan colleague, Juan Pedro del Moral, minister of transportation and communications, and the deputy minister of government of Ecuador, Enrique Novoa, Segovia Salas stated that there will be no Andean integration without land transportation. "This must make us combine efforts in the very noble enterprise of exchanging people and things."

7717

CSO: 3348/623

ANGUILLA

NATIONAL BANK TAKES OVER LOCAL BANK OF AMERICA BRANCH

FL231515 Bridgetown CANA in English 1423 GMT 23 Apr 85

[Text] The Valley, April 23--The assets of the local branch of Bank of America have been formally taken over by the National Bank of Anguilla (NBA), banking sources said.

The NBA was created as a public company last December specifically to replace the American bank which had operated here for 16 years.

The deal, instigated by government after Bank of America indicated it wanted to leave, is worth U.S.500,000 dollars, the sources said.

When the agreement was signed earlier this month, the NBA paid the former owners U.S.150,000. A loan agreement was entered into for the balance to be paid in six half yearly installments payable in March and September.

The pact was signed by William Dafoe, vice-president of Bank of America in the Caribbean and Latin America, and Conrad Fleming, NBA chairman.

The NBA has an authorised share capital of EC5 million dollars (one EC dollar; 37 U.S. cents) in 500,000 shares of 10 dollars each.

Actual shares issued total 500,000, fetching an amount of 1.5 million dollars.

Some 7,500 were issued to the government in lieu of fees--taxes, banking licences, transfer of profits--and 138,400 to the public. The others went to promoters and subscribers of the memorandum and articles of agreement.

CSO: 3298/632

ANGUILLA

BRIEFS

GUMBS IN HOSPITAL--The Valley, April 19--Anguilla's Chief Minister Emile Gumbs was today flown to Puerto Rico for medical treatment, his office said. Gumbs, 66, was hospitalised here this week after complaining of stomach pains. His doctors advised that he seek further medical attention in the U.S. territory, an official statement said. The statement said it was hoped that Gumbs will be able to resume duties within two or three weeks. British governor of this 35 square mile British dependent territory Alastair Baillie today appointed Minister of Education Mrs Albena Lake Hodge to act as chief minister. [Text] [Bridgetown CANA in English 2000 GMT 19 Apr 85 FL]

CSO: 3298/632

ANTIGUA AND BARBUDA

ONR'S COUNCIL ELECTION VICTORY IN BARBUDA REVIEWED

St Johns NATION'S VOICE in English 2 Apr 85 p 1

[Text] The Organisation of National Reconstruction (ONR) took effective control of the Barbuda Local Council when the five (5) recently elected members were officially sworn in on Thursday 28th March, 1985.

The Barbuda Local Council which was inaugurated in 1976 when the Antigua Labour Party was returned to power, had been controlled by the Barbuda's People Movement (BPM) until the election on Saturday March 25th, 1985. In this election, all the Barbuda People's Movement (BPM) candidates lost their deposit.

Organisation of National Reconstruction upon its formation last year, had pledged to work closer with the Central Government than had the BPM of Hillbourne Frank. Frank it is, who had attempted to lead a secessionists Movement in Barbuda during the seventies after he had returned from England. He was Chairman of the Barbuda Council before the party was ignominiously relieved of control. There are nine (9) members on the Council.

The ONR's successful candidates were Senator Arthur Nibbs who pulled the highest individual number of votes, George James, Peter Frank, Calvin Gore and David Shaw. Senator Nibbs has been elected as the new Chairman and speculations are rife as to whether or not the council now controlled by the ONR will relieve Hillbourne Frank of his senatorial position.

There are 652 registered voters in Barbuda of which 475 exercised their franchise which represents a very respectful 72.9 per cent vote casted.

CSO: 3298/632

ANTIGUA AND BARBUDA

4.7 PERCENT ECONOMIC GROWTH CITED IN OECS BANK REPORT

FL012350 Bridgetown CANA in English 2230 GMT 1 May 85

[Text] Basseterre, May 1--The Antigua-Barbuda economy grew by about 4.7 per cent last year, according to the St Kitts-based Organisation of Eastern Caribbean States (OECS) Central Bank.

Following three years of relatively rapid growth ranging from five per cent to 7.5 per cent during the period 1978 to 1980, and relatively slow increase of 1.7 per cent in 1982 and 2.3 per cent in 1983, the growth estimated to have recorded a moderate increase of about 4.7 per cent, the bank report said.

The bank said that the deceleration since 1981 had resulted mainly from declines in the production of manufactured goods.

Such growth as occurred in the last three years came from expansion in the service sector, which accounts for about 84 per cent of total output in 1984.

It said that both primary and secondary production had fallen substantially in importance in the economy, the first to a proportion of about five per cent and the second to about 11 per cent.

The decline in primary production in 1984 was due to decreases of 29.2 per cent and 9.4 per cent in agriculture and livestock respectively. Although construction increased by about 13.5 per cent in 1984, secondary production grew by only 1.5 per cent mainly because output in the manufacturing sub-sector declined by 12 per cent, largely as a result of shrinking export markets both regionally and internationally, the bank report said.

The bank said there was continued improvement in the growth of retail prices during 1984, as revealed in a reduction of the rate of inflation from 10.3 per cent in 1982 to 3.5 per cent in 1983 and two per cent in 1984.

An increase in the cost of alcoholic beverages and tobacco was mainly responsible for the increase in the all-items index during 1984, the bank said.

It said the deficit in the balance of trade, after having improved from 190 million dollars (one EC dollar; 37 cents U.S.) in 1982 to 178.2 million

dollars in 1983, deteriorated to 263.5 million dollars in 1984. This adverse performance in 1984 was caused by a fall in both domestic exports and re-exports from 49.7 million dollars in 1983 to 46.3 million dollars in 1984, while imports increased substantially from 227.9 million dollars to 309.8 million dollars.

The bank said that although there was a significant increase in consumer items, the major part of the increase in the import bill resulted largely from imports of machinery and transport equipment, chemicals and crude materials for local manufacturing.

The report said that as the economy of the United States continued its recovery, visitor arrivals by air from that source increased by about 39 per cent, from 49,244 to 68,296, and contributed to a bumper tourist season for Antigua in 1984.

Total visitor arrivals by air increased from 101,113 in 1983 to 129,047, and cruise ship arrivals from 51,987 in 1983 to 66,418. Visitors by air from the United Kingdom rose from 13,189 to 14,264. While final estimates of tourist expenditure are not yet available, the indications are that earnings from this sector reached record levels during 1984, the Central Bank said.

The net foreign assets of the commercial banks and their holding of East Caribbean dollar assets outside of Antigua and Barbuda grew from four million and 9.6 million dollars respectively at the beginning of 1984 to 12 million and 20.7 million dollars at the end of the year.

This represented a continuation of trends in evidence during 1983 when these balances were restored from negative levels of 1.5 million dollars and 2.2 million dollars to which they had fallen at the end of 1982, the bank said.

It said that in respect of net credit to the public sector, a decline in 1984 of 0.5 million dollars (1.6 per cent) contained net lending by the commercial banks to the public sector to a level of 30.4 million dollars. This tightening had been in even greater evidence in 1983 when net credit declined by 18 per cent, a considerable reversal from the substantial increase of as much as 40 per cent to 37.7 million dollars in 1983.

The significant development in the 1984 performance was the increase in net deposits of statutory bodies and government corporations of some 9.1 million dollars. They had grown more slowly in 1983 from 1.2 million dollars to 4.7 million dollars. The non-bank financial intermediaries similarly increased their 1984 net deposit position from 7.9 million dollars to 8.1 million dollars.

The growth in private sector credit slowed in 1984 to 17.2 per cent following a rise of 23.6 per cent in 1983. Personal loan allocations continued to rise and formed 40 per cent of total loans distributed at the end of December 1984.

An increasing proportion of loans was also allocated to tourism, increasing from 9.5 million dollars in 1983 to 19.6 million dollars in 1984. During the year there was a marked drop (25.5 per cent) in loans to the distributive trades sector.

Private sector deposits grew by 18.2 per cent in 1984 compared with 23.4 per cent in 1983. In relation to their term structure, time deposits increased at the much faster rate of 35.5 per cent than savings and demand deposits which increased by 2.6 per cent and 3.8 per cent respectively.

This increased the share of time deposits in total private sector deposits from 46.2 per cent to 52.9 per cent, thus leading to an increase in the average cost of resources mobilised by banks in Antigua and Barbuda. The relatively high lending rates, ranging from 12.5 per cent to 18 per cent, reflect in part the higher cost of deposits, the Central Bank said.

The liquidity squeeze which commercial banks in Antigua and Barbuda faced two years ago has continued to ease, as the loans-to-deposits ratio moved from 90.8 per cent in 1982 to 84.5 per cent in 1983 down to 82.9 per cent in 1984.

CSO: 3298/632

31 May 1985

## ARGENTINA

## ALENDE'S PI ADOPTS POLITICAL STRATEGY FOR NOVEMBER ELECTIONS

Buenos Aires SOMOS in Spanish 26 Apr 85 pp 21-22, 24

[Article by Daniel Ares: "The Democratic Left"]

[Text] More than a few things have changed in Argentina in recent years. One of them has been the Left. The term "leftist," which was used over the past decade to describe those who advocated violence, has changed in meaning somewhat. So much so that in Argentina today the Left's major representative (at least numerically) is Oscar Alende's Intransigent Party (PI), which came in third in the 1983 elections with 2.33 percent of the vote. Enjoying substantial growth in its ranks, the PI is already in the midst of its own nomination caucuses with a view towards the legislative elections in November of this year.

Whereas in the 1960's and 1970's the Left was in the hands of groups who sought to resolve the nation's major problems through violent methods, for example the Montoneros (who included leftwing Peronists) or the ERP [People's Revolutionary Army] (the Trotskyites), today this ideological faction is operating through the Intransigent Party, which is an offshoot of the old Radical Party mainstream. In the late 1950's, the most left-leaning of the Radical Party's youth left behind Arturo Frondizi's back to form the Intransigent Radical Civic Union (UCRI). The UCRI won the 1958 elections, and Dr Oscar Alende, the party's candidate in the province of Buenos Aires, walked off with the governorship. Not long thereafter (March 1962) Frondizi was overthrown, and the differences between him and the Banfield caudillo grew irreconcilable. Shortly thereafter, the Intransigent Party was unveiled, with Oscar Alende at its helm. Over the years it was to become an alternative to the two major national parties. In 1973 the party ran against the Peronists in an alliance with the Christian Left and the Communist Party. The Oscar Alende-Horacio Sueldo ticket, running under the name of the Revolutionary Popular Alliance, took 7.56 percent of the votes (870,333). In October 1983, the Alende-Lisandro Viale ticket, representing the Intransigent Party, came in third with 344,434 votes (2.33 percent), establishing itself once and for all as an alternative to Radicalism and Peronism and as a leftwing party seeking socialism through the ballot box, not through violence.

The PI seems to have shown real growth since then. Some attribute it to a possible infiltration by men who once belonged to the ERP splinter group called ERP 22 August. Other observers then said, of course, that it did not matter that "repentant" advocates of violence are now seeking their place in the sun in a democratic party. This is, on the contrary, a desirable change. For his part, Oscar Alende does not rule out that in his party or in any other "there might be people who once believed that they could change the country through armed rebellion. I would be concerned, of course, if there were an attempt to implement those violent methods in our party. But this is not happening, nor is it going to happen." In order to rule out the possibility of violence, the PI is today undergoing the understandable ferment of party caucuses.

On Friday 29 March, the party organized a rally in Once Plaza that brought out close to 30,000 people. It marked the beginning of the November election campaign and, at the same time, of the party caucuses.

On Thursday 25 April, when this edition of SOMOS hits the streets, Dr Oscar Alende will have left Banfield to attend his party's national convention in Cordoba. There the party will no doubt spell out its strategy for the upcoming legislative elections, though a number of basic decisions are already taken for granted.

According to Alende, the possibility of forming a front with other political forces has already been ruled out. This policy is in keeping with a resolution passed at the national convention in mid-1982, the aim of which is to chart a strategy for gauging the PI's growth since the last national election.

Under the D'Hont system, at least 130,000 votes are needed to win a seat in the lower chamber for the districts of the capital and Buenos Aires, the PI's strongholds. The PI garnered 115,000 in the last election, and its most optimistic leaders are expecting 260,000 this time, which would mean 2 seats in the Chamber of Deputies. The PI currently has four councilmen in the capital: Juan Carlos Villalba and Ernesto Giacomine (whose terms expire in November) and Jose Luis Valles and Carlos Ramon Rodriguez, who will remain in office.

In the Chamber of Deputies, meanwhile, the PI has Marcelo Arabolaza, the caudillo from Lincoln in Buenos Aires Province, who has a 4-year term; Miguel Monserrat from Buenos Aires Province and Raul Rabanaque Caballero from the Federal Capital, both of whom have only 2-year terms. With the legislative elections just 6 months away, pessimists in the party talk of electing four deputies to Congress, while the most upbeat predictions are of six.

What seems certain is that the caucuses will be limited to the Federal Capital. Three lists were submitted for the PI's most recent caucus in the capital: the Green list, headed by Raul Rabanaque Caballero,

which won with 2,100 votes; the Red list, consisting of Niceforo Castellano and Carlos Rodriguez, which took 1,200, and the Blue list, headed by former Col Juan Jaime Cesio, which had to settle for 700 votes. Today, there are just two prospective lists: the Green, led by Rabanaque Caballero, and the Red, with Niceforo Castellano as its candidate. Those who have inside knowledge about the PI do not, of course, rule out the possibility of an accord between the two, with Rabanaque in the top spot and Castellano number two.

The PI jigsaw puzzle recently became even more complicated with the much-talked-about arrival of two new members. They are former judge Salvador Maria Lozada, who gained such renown 12 years ago for his investigations into the DELTEC meat-packing firm, and former Christian Democrat (Humanism and Liberation faction) Nestor Vicente, who in October 1983 tried his luck running for councilman on the ticket that sent Augusto Conte to Congress. Conte made it to Congress with 80,000 votes, while Vicente got only 30,000.

While Lozada claims that he joined the PI to struggle "for national liberation," Nestor Vicente says his switch to the PI "does not mean that I have ambitions." This makes sense, inasmuch as the party's charter stipulates that a person must be a member for at least a year before voting in the caucuses, not to mention running for public office. And as we know, Vicente joined the PI only in October 1983, shortly after the elections in which he failed to win a councilman's seat as a Christian Democrat. Nevertheless, there are those in PI circles who are saying that Vicente could fill the second slot on a list headed by Rabanaque Caballero. Reportedly in the running as well are Oscar Valdovinos (the press secretary of the national committee) and Marcelo Vinsentini (the boss of the large Group of Villa del Parque faction). This is how the PI's caucuses shape up for late July in the Federal Capital.

Meanwhile, the outlook in the province of Buenos Aires is appreciably different. No one sees caucuses in the offing there. The first reason, they say, is that Don Oscar, as his followers call him, as founder of the party and in light of the national image he has built for himself, is in no mood to battle for a nomination for deputy after having run for president twice. Secondly, they say, the party wants to avoid the infighting and frictions that would tarnish its image especially in the eyes of young people, who are said to have placed so much hope in what observers have described as the "civilized Left." "Alende has to head the lists of candidates in a clear-cut atmosphere of unity, without any opposition whatsoever," seems to sum up the feeling of most PI members.

So far the list of legislative candidates from Buenos Aires Province has two definite names: Oscar Alende and Miguel Monserrat, who is running for reelection. The number three spot is where the speculation begins.

There are those in the PI who feel that now is the time to make room for youth and labor. The final decision is up to the doctor from Banfield. The name of Mario Diaz is among those being mentioned; not only does he have the backing of Intransigent Youth (he was PI youth secretary) but he also has the labor connection, being a national convention delegate representing the Moron section of the commerce union. Diaz ran for deputy in October 1983 in the fourth spot but has now put his years of youth group activism behind him. Perhaps he will be the labor union candidate this time around.

The PI's strength lies almost exclusively in three districts: the Federal Capital, the province of Buenos Aires and Santa Fe. The list of candidates for deputy in Santa Fe will almost unquestionably be headed by Lisandro Viale, Alende's running mate in 1983. In any event, no one is ruling out a caucus in Santa Fe, but mostly for appearance sake.

Because of the erosion of support for the Radicals since the party has been in power and owing to the wear-and-tear on Peronism from its infighting, some think that the PI might do surprisingly well in the November election. These same analysts are still surprised, however, at Alende's recent show of support for Alfonsin, inasmuch as critical support would likely be of more help to the PI at the polls.

The next few months will be turbulent, to say the least, for the Intransigents. But it will only be a few months, because November, they predict, will bring them calm.

8743

CSO: 3348/629

ARGENTINA

ALENDE ON DOMESTIC ISSUES, FOREIGN DEBT

Buenos Aires SOMOS in Spanish 26 Apr 85 p 22

[Article by Daniel Ares]

[Text] A medical doctor by profession, married, two children (born in Maipu), 75-year old Oscar Alende, affectionately known to his "loyal followers" as the "the bison," is the high priest of the Intransigent Party (PI). He sowed the seeds of the political prestige he is now harvesting during his term as governor of Buenos Aires, a post he won in the 1958 elections. He ran for president in 1973 as the candidate of the Revolutionary Popular Alliance in a coalition with the Communist Party and the Christian Left, garnering 870,333 votes (7.56 percent of the total, half as many as the Manriquez faction). He tried again in 1983, coming in third with 344,434 votes (2.33 percent of the electorate). He will be a PI candidate for national deputy in November 1985. The following are his most recent comments on national issues:

--The coup and the coup plotters. "What is happening is that this democratic, popularly elected government is starting to do things that are jeopardizing the privileges of certain sectors. These groups no longer expect anything of democracy and are in favor of a coup, but the Intransigent Party does not want a coup and is going to defend democracy. The target of the criticism being leveled at the government is democracy, not the government. The dilemma facing Argentine society today is not whether we pay back our foreign debt with or without the International Monetary Fund. The dilemma is the same as in 1983: consolidate democracy or face chaos, a return to the past or national disintegration."

--Alende, politics and oil. "It is naive to think that oil is going to take care of the republic's problems, inasmuch as it is going to take 2 or 3 years to invest in this nonrenewable, scarce resource. All that the government is trying to do with its current petroleum policy is pay back the foreign debt. What it should be doing is implementing the program that the PI has spelled out, because it is a heroic, up-to-date strategy with the necessary mettle to chart a course that is independent of the major centers of world power."

--The foreign debt. "It is illegitimate and unjustified. This money was lent to a dictatorship of infamous traitors who heightened the country's dependence instead of making it more affluent or promoting its growth. The fact that we are part of an organization like the IMF does not mean that we do not have the right to make changes or impose our views. We thus have to gauge the risks, because it's very risky to be a high risk."

8743

CSO: 3348/629

BELIZE

# POLITICAL PARTIES ISSUE STATEMENTS CLARIFYING STANDS

## San Pedro Party

Belize City THE BELIZE TIMES in English 14 Apr 85 p 1

[Text]

Following the impressive victory of the San Pedro United Movement over the UDP 7, the new mayor of San Pedro has made a release to the press stating categorically that the San Pedro Town Board is not aligned to any political party or personality.

This release was prompted by various newspaper articles, principally "the Voice", which had attributed the victory in San Pedro to the area representative Louis Sylvestre. There was even speculation that Sylvestre and Hunter were attempting to use the San Pedro United Movement (S.P.U.M.) as a spring to launch another political party.

But the San Pedranos have made it clear that Sylvestre was not responsible for their campaign.

Says the release signed by Mayor Gilberto Gomez Jr.,

"Two weeks prior to the Town Board elections, in response to public acclaim, S.P.U.M. was born to contest the municipal elections. We then, on our own initiative, organized our own campaign committee, fund raising committee, and drafted our own manifesto.

At NO time did we request any assistance from any political party nor personality, and today we stand on our own feet and are not affiliated in the same respect. Our heart felt concern is to serve the citizens of our municipality."

Christian Democratic Party

Belize City THE BELIZE TIMES in English 14 Apr 85 p 3

[Letter to the editor from Dr Theodore Aranda, party leader (CDP)]

[Text] Christian Democratic Party of Belize, Valley Road, Dangriga, March 30, 1985

You are at it again (Amandala, page 1, of March 29, 1985) denying the autonomy of the CDP by linking it to the PUP, by perceiving it only through an ethnic perspective and by deliberately misrepresenting its legitimate political activities for personal vendetta. But whatever your reason for presently trafficking in distortions for and by the UDP you are still responsible for deceiving the public.

The Christian Democratic Party is organized with a sense of purpose and political values. It has been, and will continue, calling for unity and seriousness of purpose among all our people. Ethnicity and personal vendetta have no place in it.

But instead of responding to you after your fashion, we invite you to join us in the struggle for political education, pluralism and social justice. Our country needs to be built. But obviously that is an enormous task and requires the energy and effort of all our citizens. We must, therefore, join together and make our contribution to the great cause. In short, what will build our country will be the sum total of the effort and values of all of us the inhabitants--not the sum total of our separatism, misrepresentation or ill-will.

You will, therefore, not draw us into a squabble over your own inadequacies and prejudices. But we do hope to draw you into using your talent for the unification of our people and the building of our country.

CSO: 3298/634

BELIZE

## ESQUIVEL DECLARES CONFIDENCE IN EX-MINISTER PERDOMO

### Text of Statement

Belize City THE REPORTER in English 14 Apr 85 p 4

[Text]

The Prime Minister Manuel Esquivel in a written statement to the press this week gave a ringing endorsement to the former Minister of Trade and Industry, Mr. Santiago Perdomo, affirming that Mr. Perdomo enjoys the full confidence and respect of the UDP administration.

The full text of the Prime Minister's statement says:

"I have read too often in the opposition press references to Mr. Santiago Perdomo as a "security risk". This is a shameless distortion of a statement made early this year by my government on a decision not to proceed with a proposed appointment of Mr. Perdomo to a post at the U.N.

"In fact at no time was it stated nor

implied by the government that Mr. Perdomo was in any way whatsoever a security risk. In fact he is well respected by my government and by the Party, and enjoys our full confidence.

"We look forward to his early return to Belize to continue the good work he has long performed for his Party."

Mr. Perdomo, a senior minister in the government of the PUP during the 1960 and 70's, resigned his Cabinet post abruptly in 1978 because of the Party's refusal to break with certain known communists who were ministers as well. He spent two years organizing an Anti-Communist Society and only later joined the United Democratic Party. During the years immediately preceding the last

general elections Mr. Perdomo was National Party Organizer and was responsible for the re-organization and renewal of the UDP in San Ignacio Benque Viejo and Belmopan.

After the General Elections Mr. Perdomo expected he would have been appointed Belizean Ambassador to New York. This was not done however, and the Prime Minister during a press interview explained the appointment was not be made because of circumstances over which the Belize government had no control.

## Accusations Against Esquivel

Belize City THE BELIZE TIMES in English 21 Apr 85 pp 1, 12

[Text]

The many press people who attended the Prime Minister's press conference along with Foreign Minister Dean Barrow just prior to their visit to Mexico are shocked by the bare-face lie which Esquivel wrote to the Amandala and Reporter Press last week.

Esquivel is now saying that his Government never considered Santiago Perdomo a security risk and that was not the reason why he was not appointed Ambassador to the U.N.

The record of the press conference show clearly that when Perdomo's brother "Mono" asked whether "the rumours around Town" were true that San would not get the job, the Foreign Minister rebuked him for spreading the ru-

mours himself. The Foreign Minister further stated that Santiago Perdomo had in fact been considered for the U.N. post but after "checks were made with the security forces" the Prime Minister was advised that Perdomo could not be appointed. Esquivel was present and heard all that Barrow said. He did not object. In fact he endorsed his F.M. by his silence.

Now Mr Esquivel after getting pressure from the Perdomo people is trying to cover up this whole sordid episode. In so doing he lied to the nation!

CSO: 3298/634

BELIZE

# REPORT ON PRIME MINISTER'S TOUR OF SOUTHERN REGION

Belize City THE REPORTER in English 14 Apr 85 p 4

[Text]

Friday Apr.12:

The Prime Minister, Mr. Manuel Esquivel returned to Belize from Punta Gorda today, making his debut flight in a BDF aircraft at the close of a three-day tour which took him to Hopkins, Seine Bight, Mullins River, Placencia, Monkey River, Punta Negra and Punta Gorda.

Mr. Esquivel went by road, and sea with a short respite at Hunting Caye and

made the return trip by air.

The Prime Minister and Mrs. Esquivel started the tour on Wednesday morning by road transport to Hopkins and Sittee, sleeping in Sittee on Wednesday night. By Thursday at 9 a.m. he was in Seine Bight. He and Mrs. Esquivel made the trip by road to Placencia and to Mango Creek by skiff. On Thursday night the Prime

Minister and his party slept in Monkey River.

At Monkey River the Government party boarded the customs launch Patricia for a leisurely cruise to Punta Negra on the Toledo coast with a short stop-over at Hunting Caye. From Punta Gorda the Prime Minister's party flew to the Municipal Airport in Belize City.

CSO: 3298/634

BELIZE

NATIONAL ASSEMBLY FIGURES ASSESS GOVERNMENT'S BUDGET

Senator Finnegan's Speech

Belize City AMANDALA in English 4 Apr 85 pp 2, A, B

["Excerpt" from Senator Finnegan's budget speech]

[Text] On the taking over of the administration of government by the United Democratic Party three months ago, it found that the past administration of the People's United Party had run the country broke. There was no money in the Treasury. The Government had over-borrowed and the banks and other lending agencies were reluctant to give the government more loans. The government was hopelessly in arrears in its repayment schedule. The P.U.P. government knew not what to do. As a last ditch effort they turned to the International Monetary Fund (I.M.F.) for bailing out. But we all know that any country that goes to the I.M.F. for assistance is already financially bankrupt. It's like taking an operation when the doctors have diagnosed terminal cancer. The operation is just to ease the pain, let you last a little longer. It's like the fly going into the spider's web. The P.U.P. Government had already negotiated the terms with the I.M.F., but decided to delay its implementation until after the general elections--thank God for that.

Although the former Prime Minister had refused to tell the people the true financial position of the nation, we all knew that something was amiss. The ministers of Government were becoming increasingly more arrogant. They were behaving as if they were our masters and not any more the representatives of the people. The police were being used to instill fear in our people. The Belize Defence Force instead of being trained to defend the country against outside aggression, they were being prepared for an eventual confrontation with the people.

Madam President, some of the terrible economic conditions facing this nation after some twenty years of P.U.P. mismanagement were:

A Government with no money in the Treasury. The Accountant General was daily checking on the monies that came in before payments were made. Merchants and others providing goods and services to government had to wait as long as a month for payment after submitting their claims to the Treasury. Foreign Exchange had dried up. Merchants were unable to pay for goods from abroad.

The commercial banks had overextended on advances to the government, and had no funds for lending to the private sector.

The Central Bank had made advances to the Government from its reserve above that which was authorized by law, and the balance of reserve held by the Central Bank was dangerously low. The government had to hastily pass a law to increase the amount which it can borrow from the Central Bank.

The several amounts which the government was expecting to receive from Customs Duties and Income Tax had fallen far short of the sums budgeted for.

The commissioner of Income Tax was unable to collect the taxes due because those who owed large sums were the ministers themselves, their cronies and their lackeys and any attempt on the part of the Income Tax Department to press for collection was thwarted by the Government.

The Water and Sewerage Authority has proved to be wasteful and unable to get out of deficit spending, although water rates continue to go up. I believe that it is the only business in the whole world where the more you buy the more you pay. The first 1,000 gallons of water consumed cost you \$8.00; the next 2,000 gallons it's \$9.00 per each 1,000 gallons and for the fourth thousand gallons it's \$10.00. These rates are outrageous. The rates should be going down the more water one consumes instead of going up. A few years ago, the government obtained from the Canadian Government a part grant and a part loan of some 26 million dollars for a water and sewerage system for Belize City. Because of poor administration and lack of proper spending of the funds provided, the figure was revised to 90 million dollars for the completion of the project. A few months before the general elections last year, the then Minister of Energy and Communications announced with much fanfare that the Government of Canada had agreed to convert the loan to a grant. Had it remained a loan, just imagine what the water rates would have been. In addition to all this, government has been giving subventions to the Water and Sewerage Authority in excess of the amount received by the Belize City Council. What a shame and disgrace.

The Banana Board one scarcely hears about today, although three years or so ago the former government let us believe that the industry would soon become the number one foreign exchange earner. Today the Banana Board is in debt millions of dollars to the Caribbean Development Bank.

The Port Authority--I understand that of the surplus funds accumulated by the Port Authority, a large portion was taken over by the former government when it ran short of funds. In addition to this nearly half a million dollars have already been spent on the so-called Belize River Project in the area of the Foreshore in Belize City. The Authority is now faced with a law suit due to the abnormal silting up of the sea immediately in front of and running along nearly the entire length of the Foreshore. This whole project has come about because the Maritime Wing of the Belize Defence Force has been experiencing difficulty in docking of its vessels due to the silting up of the river mouth. But did you know that when the British Government agreed to provide the funds for the building and facilities for the B.D.F. Maritime

Wing, it advised the former government not to site the facilities where they are because the cost of keeping the river dredged to the depth necessary to accommodate the docking of the patrol vessels would be prohibitive? They recommended either that area just outside of Belize City on the Western Highway near Cucumber Beach or in the area of Salt Creek on the Northern Highway. But the former Government insisted on using the old customs compound.

#### PUP Leader's Address

Belize City THE BELIZE TIMES in English 7 Apr 85 pp A-D

[Text]

#### THE ECONOMY

The budget speech began by deploring the disastrous state of the economy. To quote the Honorable Prime Minister: "Conditions had brought this country to the brink of economic disaster .... and forced the past Government into the embrace of the International Monetary Fund"(unquote). Later on I shall comment on how helpful is this embrace of the IMF to the Prime Minister and his government.

#### CONTRADICTION

After making such untrue statement, the Prime Minister contradicted himself when he said there has been economic growth. I quote his words: "In 1984 the economy showed a growth of 1.3 percent in the gross domestic product. This rise will continue and strengthen in 1985"(unquote). So after all is said and done, the economy shows economic growth - a healthy sign - instead of being on the brink of economic disaster.

#### INFLATION

Inflation, which bedevils other countries more advanced than Belize in their economic development, has been kept in check in Belize by the past government. I quote the Prime Minister: "The rate of inflation as measured by the consumer price index rose slightly to about 6 percent per annum more in line with international rates".(unquote) So the rise in inflation is slight thanks to the performance of the past government.

#### CITRUS

Belize's inclusion in the Caribbean Basin Initiative, accomplished by the past government, has resulted in better prospects for the citrus industry. Again to quote the Honourable Prime Minister: ".... favourable price trends saw earnings from citrus concentrate increase by \$5.9 million to 19.5 million".(unquote). Surely, this does not bring Belize to the "brink of economic disaster."

## BANANAS

The banana industry, despite a slight decrease in production, earned a bigger income thanks to the rise of the export price. This price increase is another achievement of the past government.

Despite the alleged brink of disaster, I quote from the budget speech: "industrial performance remained promising." In fact, it increased over 7 percent.

## INDUSTRIAL GROWTH

This growth of 7 percent was achieved despite the problems of the flour mill. These problems were not due to wrong policies of the government but to the wrong policies and performance of the company which failed to offer an acceptable quality of flour and which failed to adequately maintain a supply to the domestic market.

In the case of beer production, the reduction in production can also be attributed to wrong policies of the company which did not fully cooperate with the government measures to increase revenue.

In the past year of government by the People's United Party, there was an increase in trade. Again to quote the Honourable Prime Minister: "Preliminary data suggest that 1984 showed a substantial rise in both imports and exports." (unquote)

## INTEREST RATES

There was also more money and credit and cash in circulation. No doubt this was due to the lowering of the prime interest rate of lending to 12 percent. This situation is not expected to prevail because of the government's decision to increase prime lending rates by 2 percent to 14 percent. The alleged objective may be to reduce credit and thus expenditure, but the end result is expected to be economic stagnation or negative growth of the economy.

When we view the future we can see that any improvement in the economy would be due to the policies of the past government when it established and strengthened trade and economic relations with its partners in economic development.

## SAME OBJECTIVES AS LAST YEAR

Moreover the objectives stated in the budget speech are similar to those stated by the past government in last year's budget speech.

The disappointment, however, is the failure of the budget to advance these objectives.

Apart from what the last government achieved, this budget offers nothing new.

## THE IMF

More about the International Monetary Fund. Like practically every other country in the region, Belize has a working relationship with the IMF because of Belize's status of independence. Resulting from this relationship the IMF is assisting Belize to improve its accounting procedures and the computerization of government accounts as well as the new budget format which embodies the operations of the statutory boards.

All these changes were in the pipe line at the time of the general election last year and thus it is true to say that in spite of the false allegation about the "brink of disaster" the government has inherited these changes in budgetary operation and presentation.

It is also true to say that without the co-operation of the IMF and the US-AID (the United States Agency for International Development) the government would not have been able to present a budget which shows that expenditure would be balanced by local revenue plus loans plus transfers from abroad under the international economic cooperation programmes established by the past government with our partners in development.

To suggest that the "embrace of the International Monetary Fund" is a bad and offensive relationship is not only ungenerous but also devoid of truth and integrity.

## EXPENDITURE

In 1984 the government of the People's United Party, aware and alerted to the difficult economic conditions of the region and the world, decided to reduce expenditure in the public sector and to increase revenue first by adopting measures of taxation

designed to increase revenue by \$3 million and subsequently in June, 1984, by adopting additional measures to raise a further \$8.5 million.

This decision was used politically against the past government; but the effect of this decision has been to reduce the budgetary deficit from about \$13 million in the 1983/84 financial year to some \$4 million in the 1984/85 financial year - a reduction of the deficit by some \$9 million all of which now benefits the present government.

To achieve this reduction of \$9 million which now favours this year's budget, the past government had to depend on short-term loans while it negotiated long-term loans. These negotiations were successful and will now make available to the government long-term development credits. These development credits will provide funds to pay outstanding debts of some \$10 to \$12 million.

## STATUTORY BOARDS

The budget speech refers to "streamlining" the statutory boards. To quote from the budget speech: "We must streamline the operations of the Belize Electricity Board, the Water and Sewerage Authority, the Marketing Board, the Banana Control Board and the Port Authority as well as our own operation in the Central Government." (unquote) The effect of such measures would no doubt be the laying off of some employees and the increase of rates for the service. It would mean also that the people will pay more for electricity, water and other services. Indeed it is a "raise-up" in the cost of living.

The project out-turn of the 1984/85 budget shows that the past government (a compassionate government) by its measures of economy succeeded in reducing a deficit of two years ago by \$9 million as I have already pointed out. This has improved the budgetary position and without a doubt must be of benefit to the present government by allowing them more flexibility and more room to manoeuvre. The budget before the House, however, indicates that instead of applying additional resources to help the people, the present government has embarked on a policy of providing more money for its members and more benefits to its political cronies. I refer in particular to the additional and unnecessary expenditure incurred in the decoration of ministerial offices and to the increase of travelling expenses.

## ECONOMIC GROWTH

After admitting economic growth and increase in industrial production as well as an increase in trade and credits, the Honourable Prime Minister went on to contradict himself when he said and I quote: "Given the sluggish performance of the economy .... 1984/85 was a bad year for Belizeans." (unquote). The honourable gentleman also resorted to the allegation of "short-sighted leadership of the previous government". Far from being short-sighted the policies of the past government were far-sighted and this enables a government in 1985 more room in which to work the budget.

So we see that the budget speech blows hot and cold. First, there is the brink of economic disaster. Then there are the growth in the economy, an increase in industrial production, a low rate of inflation. This positive picture is followed by doom and gloom.

Now we reach the part of the budget speech where there is to be improvement. To quote the relevant part: "The 1985/86 budget proposals are designed to show an improvement in the overall finances of the public sector." (unquote) Later on the Honourable Prime Minister says: "The budget proposals .... are deliberately and conscientiously a

worst case scenario." I ask what degree of credibility and confidence is engendered by such ambivalent statements?

The budget totals \$212.56 million. It represents an increase over the past budget of some \$32 million. This is so because the Ministry of Finance proposes to embody in the national budget the resources and operations of the statutory boards.

#### DESCRIPTION

It is also proposed to change the description of the various sections of the budget. It used to be recurrent, capital II and capital III. Now it is (1) recurrent, (2) local capital plus expenditure (which includes a small surplus from the recurrent budget plus loans from local sources plus economic support funds from abroad) and (3) foreign-funded capital expenditure. This last description is partly correct because there is always a local cost or local input in the economic cooperation programmes financed partly by transfer of resources from our partners in development.

Whether intended or not intended, this new structure serves to disguise the fact that although local revenue is estimated to increase by \$12 million, only \$2.8 million from a surplus in the recurrent budget would finance local capital expenditure.

The question which arises is where will some of the balance of \$9.2 million be allocated in the recurrent budget. Are some of these funds to be allocated to increased benefits to ministers and to some assistants and advisers as well as to more travelling?

#### ADMINISTRATION

The proposed allocation to administration has increased from \$12 million to \$18 million an increase of \$6 million. We must look out for more benefits to ministers and their advisers and their political cronies.

#### THE PSU - A SELL-OUT

The proposed allocation for salaries and wages is \$45 million - an increase of \$2.5 million more than the past year. In the 1984/85 budget, it was \$42.5 million. This increase should be considered in the context of the Prime Minister's statement and I quote: "government is also asking our public officers to help us over this temporary period of austerity by exercising restraint on their just aspirations for better salaries." (unquote)

## WAGE AND SALARIES INCREASE

It was and it remains the intention of the People's United Party to compensate the members of the Civil Service and other government workers with a reasonable increase of salaries and wages to offset the rise of the rate of inflation over the past three years. With the ground work laid for improvement in the economy by the past government, it was our view that this would be possible in the year 1985.

As regards the allocations to defray the public debt, it is my recollection that the Honourable Prime Minister in a recent news conference referred to debt-servicing amounting to \$37 million. In fact, the budget speech says that the debt servicing amounts to \$17.8 million which is an increase of \$4 million over the past year.

## DEBT SERVICE

We must bear in mind that there is a difference in debt servicing and the "debt service ratio". I would estimate that "debt service ratio" in all the circumstances does not exceed 13 percent. This ratio of 13 percent compares favourably to the ratio in other countries in the region - countries which have reached a stage of more development than Belize has reached.

There is nothing to be alarmed about nor is there a need to utter cries of economic disaster. Yet the size of the debt service ratio is a matter of concern to any responsible political party in or out of government. It is the policy of the People's United Party to maintain a low ratio and to live within our means and within our income.

## BOARDS - A DRAIN

Some statutory boards have been a drain on the finances of the national government. We, in government, were aware of this difficult situation and we prepared measures to improve the situation in the course of time. However, we must utter a word of warning that embodying the Statutory Boards in government finances will lead in the present circumstances to increase in rates. This would mean higher rates for electricity and water.

By this device of embodying the statutory boards into national budget, the Government proposes to borrow from local sources \$5.5 million and from economic support funds (also loans) \$13 million. The government proposes to borrow a total of \$18.5 which will have to be repaid.

## INCREASE IN BORROWING

It is evident that the government will continue the policy of borrowing and will thus increase the national and the foreign debt. The government will now have to experience a continuing situation described by the Honourable Prime Minister by a sequence of contradictions in his budget speech. In one breath the Prime Minister blamed the United States for the adverse economic situation in Belize. I quote from his speech:

"The U.S. budget deficit has kept interest rates at historically high levels which has increased the cost of borrowing funds for developing countries. At the same time the strength of the U.S. dollar has had the effect of reducing the Belize dollar value of aid flows to Belize from other major donors."(unquote)

In another breath, blowing hot and cold, the Prime Minister places all the blame on the past government for this situation and not on the international situation aggravated by the U.S. deficit budget. I quote from his speech: "Last year, under the old government, developmental expenditure registered a decline as grant and loan disbursement slowed and government's own surplus on recurrent account dried up. "The shortfall in government revenue was financed mainly by domestic borrowing at market rates."(unquote).

The present government will follow the same policy of borrowing to balance the budget.

## THE BUDGET

In order to balance the budget the government proposes to introduce tax measures which are estimated to bring in \$2.8 million. This contradicts the campaign promise of the government. I quote from the UDP Manifesto: "We reject proposals to increase taxes in a misguided effort to increase government revenue".(unquote)

## MISGUIDED TAXATION

The proposed taxation is misguided and runs the risk of being counter-productive. They will be charges on the tourist industry. They are the airport departure tax applicable to non-residents which will apply to non-resident Belizeans; a 30 percent increase of aircraft landing fees; the increase in hotel occupancy tax - all to be charged to tourism before the government has provided all the infrastructure necessary for a successful tourist industry.

## THE TOURIST INDUSTRY

When we consider the UDP Manifesto promises, these tax measures are not only broken promises but they may well kill the proverbial goose that lays

the golden egg. The UDP Manifesto says: "The tourist industry will provide much needed foreign exchange and, therefore, considerable emphasis will be placed on its development."(unquote). Yes, the emphasis is on charging the industry before it is firmly established.

#### TRANSIT TRADE

The proposed increase in the administrative charge for goods in transit from 2 percent to 3 percent will apply to goods in transit to Mexico. Elsewhere in the budget speech there is this comment: "A large part of this increase(in imports and exports) is attributable to the pick-up in the re-export trade with Mexico"(unquote). To increase the transit fees at this time may also be counter-productive.

#### STAMP DUTY

As regards the proposed increase in the stamp duty - an increase of 25 percent from 8 to 10 percent. This is not a "modest measure" of taxation. This will result in an increase in the cost of living. Allowing for exemption of this tax on some essential food stuff(although no mention was made of this), there are still other goods necessary to maintain the improved standard of living which previous governments have achieved for the people. As a result, the Belizean people will have to pay more for imported goods.

The proposed increases in taxation together with the increase in interest lending rates can only result in higher prices of imported goods, for which the people will have to pay.

In explaining the circumstances of these tax proposals reference was made to the statutory boards which to quote from the budget speech "will be required to assist in this effort by transferring recurrent surpluses to government".(unquote). These projected surpluses can be realized only by raising rates and/or reducing expenditure which means laying off workers and streamlining the service.

#### BELCAST

The part of the budget which is described as "foreign-funded capital expenditure" totals some \$90.66 million and includes projects prepared by the past government. However, the budget speech does not mention the building of the new BELCAST Plant for which funds have been arranged by the past government working in economic cooperation with the European Economic Community.

The ground work is prepared and construction is ready to start. This project would provide not only jobs for many workers but would be the future University of Belize where hundreds of our students can be educated in the arts, science and technology at less cost than the high cost of sending a few students abroad for their education and training.

#### HOUSING

The budget speech refers to low-cost housing. A housing project prepared by the past government is already under way and if administered properly, and if it receives due cooperation from government, there will be more houses to meet the housing shortage.

#### CITY HOSPITAL

As regards the Belize City Hospital, whose source of financing is not yet identified, much work has been done by the past government preparing this project and negotiations were underway to obtain the necessary financing by the People's United Party, the education of our young people is equally important and necessary. We would therefore advise the government to start construction of the new BELCAST in Belmopan before the external funding dwindles as European currencies lose their value in relation to the Belize dollar because of the United States budget deficit, as pointed out by the Prime Minister, and also the high interest rates.

#### FIVE DAY WEEK

The five-day week was introduced by previous governments for Belmopan. We know the problems involved in extending this arrangement to the rest of the country. Special care should be taken to ensure that the people who depend on government services as well as private sector services are not adversely affected at this stage of our development when there is need for hard work and dedicated service to the people.

#### MISCHIEVOUS

In an endeavour to make my remarks in parliamentary language, I can only describe as mischievous and insincere two comments in the budget speech, which placed side by side, smack of hypocrisy. One is a statement of intent of a responsible, honest and determined effort to correct a situation inherited from the past government, the other is a statement pledging that government ministers and representatives will not engage in the excesses the Belizean people have grown to expect from the past regime.

## DECORATION

The people have not been made by the past regime to expect unnecessary cost of decorating ministerial offices nor to expect unnecessary cost of excess travelling and paying high remuneration to certain persons. Although some form of transportation may be "free", and I use the word free in quotation marks, there must be some cost in accepting certain types of hospitality. And, when this is added to the travelling allowances, there is no denying the excesses of the present government.

## THE SUGAR INDUSTRY

Before I go further in the debate, Mr Speaker, may I refer again to the sugar industry. The budget speech refers to a leaving-no-stone-unturned search for a solution to the crisis faced in the sugar industry.

The UDP government in its manifesto promises to free the sugar industry from, and I quote, "political manipulation and encourage the development of sound and fair business practice". (unquote). May I take it that government wishes to free the world sugar quotas prices from political manipulation by asking foreign governments to abolish the quota system and the guaranteed prices and to allow the free market forces to regulate the sugar industry?

The Honourable Prime Minister may wish to comment on this and to inform the House exactly what has transpired in the numerous discussions he says he has had at home and abroad.

What alternative does he propose? The past government was preparing negotiations on a new process of sugar cane manufacture that would produce the base for industrial sweeteners. There may be other possibilities in this direction.

## INCOME TAX

With respect to income tax, the so-called monumental task of trying to arrive at figures for arrears, mentioned in the budget speech, is mostly due to a circumstance left unmentioned. It is the destruction of income tax records by a fire which destroyed the income tax office during the political demonstrations against the past government. Because of this, the government has inherited, and I quote, "a monumental task."

## TAX RELIEF

On the proposed income tax relief, the measure is indeed a modest one, if not a negligible one. The proposed arrangement to give income tax relief to low-income earners was introduced some years ago by past governments. Under this arrangement, it is estimated that some 3,000 wage-earners are exempt. The budget speech refers to the number

of 4,000 of our people who would be relieved from a burden they find hard to bear.

Let us go further into this statement and see what it means. About 1,000 persons are to be added to the list of individuals exempted from income tax. In effect, the relief can be described as a benefit of about \$50 yearly to 1,000 more workers instead of providing 1,000 more jobs as promised in the campaign. The total of this proposed income relief would amount to about \$50,000 yearly which could be used to reduce by ten the number of workers to be laid off in the proposed streamlining of the public services. At any rate jobless people do not pay income tax.

### PROMISES

Towards the end of the budget speech, it is stated that "there is no point in coming to the people at this stage with promises." This is an insult to their intelligence after the many campaign promises which were made and now cannot be fulfilled.

Let us take one promise. The UDP Manifesto says in part, and I quote. "We support the development of programmes which will lead to home ownership of public housing". That is the promise. The stark reality is that one of the first acts of this government was to disregard the hire-purchase arrangements of government-built houses which would allow their occupants to some day own their homes and to say to them that they are occupying these houses on a rental basis. A rental basis deprives the occupants of all the monthly instalments they have paid towards owning their homes.

### LAND REFORM

Mr Speaker, the budget speech does not refer to the land reform programme. This programme is basic to economic development. It provides a fundamental infrastructure for agriculture, forestry and industry. There is cause for alarm by the cancellation of leases on house lots, farm land, and land under forest licenses. Such action is regarded as political repression, if not oppression. I would hope that in the debate the Minister responsible would explain such action.

Our economic policy, as stated in previous manifestos of the People's United Party, remains the same. It is the policy of the mixed economy in which the public sector works in partnership with the private sector for increased production, balanced development and social well-being. The public sector provides the infrastructure of roads, water, sewerage, electricity, communications, sea and air ports and other services.

It is our policy on electrification to consolidate and strengthen the existing service and to extend this service into rural areas.

## FREEDOM OF SPEECH

There is a growing concern for freedom of speech when money and not the constitutional rights of political parties, obtains time on television or radio. Past governments ensured that there is equal radio time in election campaigns; but in the last general election the greater use of television was determined by which party had the most money to pay for television time. This operated in favour of the UDP since by all indications they had more money to invest in the campaign and they did invest it. I would call on the government to keep at least one campaign promise when in their manifesto they declare and I quote: "We shall also protect the right of freedom of speech on radio and television".(unquote). There can be no freedom of speech and freedom of assembly without some element of equality of time. This means equal time on television.

## PARTNERS IN DEVELOPMENT

We wish to express our appreciation and gratitude to our partners in economic development. We support the North-South dialogue and would invite the government to do so. This international endeavour promotes, the policy of partnership of the industrial and the developing world and in particular aims at (1) large scale transfers of resources to developing countries, (2) an international energy strategy, (3) a global food programme and (4) a start on some major reforms in the international economic system.

During the reading of the budget speech the Honourable Prime Minister departed from his script to inject the comment that a minister of the past government was drawing 50 gallons of fuel a day. Be that as it may, the question that comes to mind is how much a day travelling expenses ministers of government draw on their frequent travels? It does not matter so much what the official rates are. What matters is how much is received in actual fact for the many trips abroad.

## NEED FOR BETTER GOVERNMENT

May I offer congratulations to the Prime Minister for his budget speech. Yet I must say that the budget and the speech fall short of the promises made to the electorate; such promises as not raising taxes, of increasing economic activity, of providing more jobs, more and higher incomes. The provisions in the budget far from sustaining the raise-up promises, do contribute to their falling-down in non-fulfillment.

Saying one thing and doing another is a cause for the people's concern about the ability of a government to promote and protect their best interests. The Belizean people do deserve a better government.

For this we hope, we work and we pray in the words of the national prayer banned from Radio Belize. We ask the Almighty and Eternal God to protect and preserve Belize, our beloved country.

CSO: 3298/635

BELIZE

SELF-APPOINTED WATCHDOG LAMENTS SUBSERVIENCE TO U.S.

Belize City THE BELIZE TIMES in English 21 Apr 85 p 1

[Unsigned article: "Wake Up Belize"]

[Text] David Jenkins (photo) [photo not reproduced] keeps watch on U.D.P. handling of Belize's sovereignty. Jenkins himself brought his picture and the following release to the newspaper:

"Not only it appears that the UDP is softening up its position on the Guatemalan issue, but the public is alarmed at the rapid pace that the Americans are controlling our everyday lives."

"Mr George C. Price took this country away from the British and handed it over to the Belizean people; not to Guatemala, not to the Americans or any other government, but to the elected Belizean government. It was complete, intact, and at that time no country was telling us what to do. In 4 short months we have become an American satellite. We have always maintained that "Belize is for Belizeans," that "We da fu ya", and that "Ya da fu we."

CSO: 3298/635

31 May 1985

## BELIZE

## ORANGE WALK MURDERS MAY HAVE MARIJUANA TIE-IN

Belize City THE REPORTER in English 14 Apr 85 p 2

[Excerpt]

O. Walk Police are classifying a gruesome double murder just outside of the town limits as a mafia-style execution with drug related overtones.

The slayings are believed to have taken place on Easter Sunday night. Police came across two badly mutilated bodies on Easter Monday morning near mile 64 just off the highway.

Both bodies have been identified. The older man was 25 year old Jose Roberto Martinez, a Salvadoran immigrant

of Guinea Grass, Village. His younger companion was 15 year old Paul Augustine, also of Guinea Grass.

Evidence pieced together suggests that Martinez and Augustine had raided somebody else's marijuana field and had been seen. Gangland punishment was swift and severe. Reports say the bodies of the two men were deliberately mutilated and badly disfigured as an example to others who might be tempted to raid the secret marijuana fields.

CSO: 3298/633

BELIZE

CHRISTIAN DEMOCRATIC PARTY COMMENTS ON DRUG ISSUES

Belize City THE BELIZE TIMES in English 21 Apr 85 p 3

[Letter to the editor by Dr Theodore Aranda, leader, Christian Democratic Party of Belize]

[Text]

Dangriga,  
April 13, 1985.

No one can dismiss the seriousness of Joe Briceno's arrest for drug charges in Miami. But once again we Belizeans have shown how so easily we are turned against one another when what we should do is defend our country and ourselves.

Whatever one's party, one cannot but feel indignation at the way the news is being reported worldwide by the Voice of America and locally by the Beacon and the Amandala and how the Deputy Prime Minister dealt with it on "Face the Nation" of April 10 last.

Outside of Belize no one will distinguish between the old and new government. All they will hear over the Voice of America and other stations, therefore, all over the world, in numerous languages, 24 hours a day, is that a Belizean cabinet member and government minister is arrested by the Americans for drug trafficking. They will also see a minister's arrest flashed over CNN TV internationally. I don't know

how much further CNN transmits, but I watched CNN news in Honduras, El Salvador, Panama, Jamaica and Venezuela. I would therefore presume that it is watched by many more countries in Central and South America, West Indies and beyond. Furthermore, Belize is unknown in the outer world so that when this bad news is transmitted throughout the world by radio, TV and newspapers, it is the only thing heard or seen about us; and that's a lot of damage to us. Was the whole scene pre-arranged so that a CNN camera crew could be on the scene when the arrest was made and so show the Belizean minister handcuffed and being led away? What the government should have done, therefore, since it could not or would not defend its own citizen, was to protect Belize from international disrepute by protesting the strong linking of Belize and its administrative cabinet to the Briceno case.

But as if the Belize government hadn't failed enough, the Deputy Prime Minister, on Face the Nation, April 10 last, went

further and publicly stated that he had evidence that the police force, the courts and the civil service generally have been corrupted. A damaging statement indeed, but which points out three even more serious matters:

- (1) Whether or not Briceño is convicted, Belize has been severely discredited.
- (2) Gloating over the arrest of a Belizean by foreign authorities in a foreign land because our own authorities could not deal with our own law-breakers is a painful admission of administrative helplessness to enforce our own laws.
- (3) In its obsession to build itself by destroying a former government, the UDP has left no doubt of its inability to defend Belize against foreign discredit while it condemns our own vital internal institutions.

CSO: 3298/633

BELIZE

# HIGH-LEVEL FIGURES INVOLVED IN DRUGS; MINISTER THREATENED

## Thompson Allegations

Belize City THE BELIZE TIMES in English 21 Apr 85 p 1

[Text]

The Deputy Prime Minister and Minister of Home Affairs Mr Curl Thompson in a "Face the Nation" interview levelled serious charges against the Police Force. He knew, he said, of some who used drugs. He knew of others who were involved in the drug conspiracy. He further stated that even the judiciary had become tainted also "the public service in general."

These are very serious charges indeed. They come from a man who holds an office of high trust. In fact they come from the Minister responsible for the Police and the Public Service so he should know what he is saying.

That being so this newspaper is calling

for the evidence. Let there be no cover-up. Mr Thompson says he knows these drug dealers "officially and personally." They are he said, respected persons in the community. Let us have the names Mr Thompson.

To accuse the public service merits further examination. A charge against the police merits an investigation. But a charge against members of the judiciary - the guardians and arbiters of our liberty and the rule of law - demands a full, open and public inquiry.

Let justice be done though the heavens fall. The guilty must be prosecuted. We will settle for nothing less.

## Threats Against Thompson

Belize City THE REPORTER in English 21 Apr 85 p 1

[Text]

Belize City, Friday,  
April 19:

A high level report that drug dealers in Belize have put out a reward to anybody who can "get" the Deputy Prime Minister Mr. Curl Thompson, could not be verified today.

Mr. Thompson was not available for comment, and efforts to check out this story were met with official silence all round.

Significantly though security around the popular Deputy Prime Minister has been tightened considerably. His personal security guards have been increased to two armed men from the Security Forces and firm new security measures have been taken at his Amara Avenue home.

Drug dealers are apparently blaming Thompson for the recent heavy reverses which the Belize drug barons have been suffering in Miami, and New Orleans.

The Deputy Prime Minister as Minister of Home Affairs, has been spear-heading the war against drugs in Belize, and in typically fearless

style has promised to do the one thing which Belize drug barons fear most - resume the aerial spraying with a contact insecticide.

The full extent of the illegal marijuana trade was further emphasized this week when the Belize Defence Force, which has been pressed into service in the war against drugs, released a map of Belize showing 80 areas where clandestine landings have been made by bootlegging marijuana planes. They include licensed airfields, dirt landing strips and areas along the highways and sugar cane feeder roads. They include also the Bze. International Airport, the Belize Municipal Airstrip and the airstrips at Caye Chapel, San Pedro Ambergris Caye and Melinda in St. Creek District.

Marijuana barons in Belize are worried about the recent successes of the DEA in penetrating their intelligence circle, frustrating their flow of shipments and blocking the flow of unlaundered funds coming from banks in Grand Cayman. But their main concern is

the threat to future business inherent in the plan to spray the land from the air. The Minister of Home Affairs is the embodiment of that threat.

But the marijuana barons are not the only ones concerned. The new UDP government is said to have become greatly alarmed at the size and scope of the illegal drug trade in Belize, the private wealth it has concentrated in the hands of a few drug barons, and the efforts these barons have been making to influence government action, the legal profession and the course of justice in Belize. The "Ganja Lobby" has grown to include some of the city's lawyers and some of the country's politicians.

The Belize Government is alarmed for another reason too. Senator Paula Hawkins, Republican Congresswoman of the State of Florida, has already introduced legislation which singles out Bolivia for an U.S. aid embargo. Another Bill, sponsored by Senator Lawton Chiles, Democrat Congressman from

Florida, sets out drug eradication performance goals for Bolivia, Brazil, Jamaica and Peru. Belize, which is fourth on the list of marijuana exporters, may be next, and Government would prefer to conduct its own house-cleaning rather than be pressed by the U.S. into doing so.

One thing seems certain. The Belize Government and the drug barons who make their millions by defying the law, are moving towards a confrontation. It remains to be seen whether the moves will include murder or the threats of murder. But judging from the recent mutilations in Orange Walk of one alien and his 15 year old companion, the drug barons of Belize don't seem to flinch at murder:

CSO: 3298/633

# LIVESTOCK ASSOCIATION IN ROW WITH GOVERNMENT OVER IMPORTS

Belize City THE BELIZE TIMES in English 21 Apr 85 pp 1, 12

[Text]

The Belize Livestock Association (BLPA) is up in arms against the government's policy that prohibits the importation of cattle. The Association called a press conference on April 12 and expressed the view that a confrontation seems to be developing between the BLPA and the Ministry of Natural Resources.

The Association's Executive told the press conference that they have met twice with Minister of Natural Resources Dean Lindo and nothing has been achieved. They said also that they had appealed to the Prime Minister to intervene, but no reply had been received for more than a week. "We don't know where to go from here," said an officer of the Association.

"We have cattle to sell and we have people willing to buy, but we cannot do anything unless the government modifies its policy" says an officer.

The BLPA Executive presented documents to show that a Mexican concern wants to buy 15,000 head of cattle from the Association.

The BLPA is also calling for a reduction in the slaughter fee. It pays about \$100 per animal at Belize Meats Ltd., while in Cayo it costs under \$25. But government has now made it prohibitive to use the Cayo abattoir. The BLPA feels government is protecting Belize Meats Ltd.

# HARBOR CHANNEL TOO SHALLOW FOR PATROL BOATS

Belize City THE REPORTER in English 21 Apr 85 pp 1, 6

[Text]

Despite extensive dredging of the river's mouth to create a navegable channel for Belize's two patrol boats, the Dangriga and the Punta Gorda, the bar channel is still only five feet deep, and this is too shallow for the new boats.

"But this has not held up our operations" Lt. Comdr. L.R. Roberts of the Maritime Wing told the Reporter, "because we tow our boat out".

Inside the river the depth of water is eight to ten feet deep, but the trouble is at the bar, where the force of the sea meets the river current.

"It hasn't got any worse in a number of months", Commander Roberts added, "and this perhaps means that the thing has stabilized".

Belize received her two patrols boats in July last year, and the first of these, the Dangriga, has only recently been brought to berth alongside the Maritime Wing base. The other patrol boat is still sitting on the dock at the Port Authority.

From his office overlooking the Belize Harbour Lt. Comdr. Roberts told this newspaper that the Maritime Wing was progressing satisfactorily. "I am satisfied with the progress we have made so far", he said. He replied to some expressions of disappointment that the patrol craft were not fast enough by pointing out that the boats were not intended to take on

gunboats, but merely as Coast Guard launches, to enforce Belize law in Belize waters.

"If you are looking for combat boats, you would have to go into an entirely different configuration", he told the Reporter.

Lieut H. Cain, the senior Belize officer at the Maritime Wing, told the Reporter the Patrol boats are comfortable and stable even in heavy swells. They are designed to carry a crew of twelve.

Already the Dangriga has been to sea several times and has been involved in one arrest at sea and one rescue operation. The boats are equipped with radar, radio equipment through which they can coordinate search and rescue missions with the BDF Air Arm, and light arms which include one medium weight machine gun.

BRIEFS

JAPANESE ENVOY--Japan's new Ambassador to Belize Mr. Takeshi Naito on Monday presented his credentials to Governor General Dame Minita Gordon in her Belmopan office. Belize and Japan established diplomatic relations in November, 1982. In presenting his credentials, the Japanese Ambassador stated that Belize and Japan are enjoying a most cordial friendship and his mission is to strengthen this relationship. The Governor General spoke of the Belize/Japan Friendship Association and she outlined ways in which Japan has assisted in Belize's development. Dame Minita expressed hope that with the appointment of Ambassador Naito, the diplomatic initiative between Belize and Japan will be intensified. Ambassador Naito has already held discussions with the Prime Minister Mr. Manuel Esquivel, Foreign Minister Mr. Dean Barrow and the Minister of Education Mr. Derek Aikman. [Text] [Belize City THE BEACON in English 20 Apr 85 p 11]

AUSTRALIAN HIGH COMMISSIONER--The third Australian high commissioner to Belize, Mr Michael (Landale), yesterday morning presented his letters of introduction to Prime Minister Mr Manuel Esquivel in his Belmopan office. [Excerpt] [Belize City Domestic Service in English 1300 GMT 26 Apr 85 FL]

CSO: 3298/636

CHILE

## PROFESSIONAL, UNIVERSITY GROUPS RENEW ELECTORAL PROCESSES

Santiago HOY in Spanish 15 Apr 85 p 11

[Text] It was an unusual atmosphere last week in union and university circles after almost 6 months of the state of siege. It was the government itself that brought up the topic of negotiations and agreements by authorizing elections, most of which had been frozen at the end of 1984.

At Universidad Catolica the race for the leadership of FEUC [Federation of Catholic University Students]--stopped in November--resumed on 9 April. With the intendant's permission, discussion among the student leaders focused on the best date to call the elections. The slate headed by Tomas Jocelyn Holt, law, specified the condition that it be a "serious and informed" process. Holt explained to HOY that this meant that elections should not be held before 20 May. However, Alfredo Burgos, current president of the FEUC, used his prerogative and set them for 24 and 25 April.

Sights are actually set this weekend on a closer date, Monday, 15 April, when the deadline to ratify candidates or present new ones expires. It was learned that there would not be any changes on Holt's slate which includes Esteban Valenzuela, journalism, and Eduardo Abarzua, psychology. The picture was not as clear for the union sector. HOY learned that the name of Arturo Fermandois, law, was shuffled in to replace Alfredo Tagle as president. Other changes were being negotiated. Independents from the Law School might also run a third candidate.

This is not the only change to keep in mind. There is also the contingent of new arrivals debuting on campus. The campaigns that should begin on 15 April will be aimed at them. Their votes could well change the results of an election in which about 10,000 students participate. It is predicted that the elections will be hard fought.

Gauge

The other front was the professional associations. On 10 April, voting began in the dentists association. They will vote until Sunday, 14 April, to elect all new leaders for the next 4 years.

That same Thursday afternoon, Minister of Interior Ricardo Garcia met with the executive board of the Federation of Professional Associations. He told

Ignacio Gonzalez, national president of the journalists, that "there will be no interference" in the union's elections. These are convoked for 24 to 26 April to elect five national directors out of a total of 10. The deadline to present candidates expires this Monday, 15 April.

Without question, the election that received the most attention last week was the one which began in the Bar Association. It is a gauge of the national situation. The professionals, grouped in four slates, are running for 10 seats of the 18 on the Directorate. They were registered on Thursday night, 11 April, in the Ahumada headquarters, a marathon event held in an atmosphere of excitement.

That was a reflection of what had been happening for weeks among the circles of lawyers. It took hours and hours of meetings and transactions to form the four slates. There were many nominations. The idea of nominating "known personalities with their own influence" did not succeed, for example, because there were disagreements about whom to add and whom to exclude.

#### Against Time

One hour before the deadline for candidates, only one slate--headed by Fabiola Letelier--had been presented. The other three were being negotiated until the last minute, virtually in the corridors of the Bar Association.

Francisco Bulnes Sanfuentes heads the so-called "official" list. It includes several current directors up for reelection like Bulnes, Sergio Gutierrez Olivos and Julio Zenteno. It also incorporates others like Luis Valentin Ferrada, Jose Miguel Barros and Manuel Montt with the idea--HOY was told--of "offering a slate not connected to the government but with greater independence." Another source called it "cautious and calming."

The third group nominated is headed by Patricio Aylwin and Jaime Castillo Velasco. It includes names like Hector Correa Letelier, former president of the Chamber of Deputies, Juan Agustin Figueroa and Hernan Montealegre. The fourth slate is headed by Julio Stuardo and includes lawyers like Luis Herrera, Eduardo Loyola, Gustavo Villalobos and Marcial Mora.

It is expected that almost 3,000 professionals will vote between 23 April and 30 April to elect the new directorate which, in turn, will choose the president and vice president for the next 2 years. The last partial election of the directorate in April 1983 resulted in the presidency of Sergio Gutierrez Olivos. His resignation led to Jorge Guzman Dinator who had to be replaced last March by Patricio Figueroa for health reasons.

All the slates present 10 candidates to prevent what happened in 1983 when the winning opposition slate which won 58 percent compared to 39 percent for the official slate only filled six seats because it did not have any more candidates. Therefore, despite the support, it did not manage to change the directorate which had a broad official majority because of the posts that were not up for election then.

These are the ones that will be elected at the end of April. An opposition victory would mean a change in the trend of the directorate and, in turn, the presidency.

Meanwhile, other associations prepare for elections. The 15,000 associated engineers will vote at the beginning of June for candidates nominated until this Monday, 15 April. These include the current president, Eduardo Arriagada, who will run for reelection. If deadlines are met, June will bring many changes. Elections are planned then for the associations of auditors, accountants and some of the members of the board of the Medical Association.

7717

CSO: 3348/618

CHILE

# ASMAR HEAD SAYS NATION HAS WARSHIP CONSTRUCTION CAPABILITY

Santiago EL MERCURIO in Spanish 22 Apr 85 pp C-1, C-4

[Article by Gabriel Gonzalez Segovia, special correspondent: "Chile Can Construct Warships"]

[Text] Valparaiso--Rear Adm Luis Lara Marshall, director of ASMAR [Naval Docks and Yards], said: "We are completely qualified to construct warships."

This information was given in this port where at 1130 hours today the floating dock "Valparaiso III" will be inaugurated.

As to the future possibility of manufacturing units to enlarge the national fleet, the naval chief explained that perhaps in some areas "specific training will be necessary but that training is completely feasible within the project." Speaking in general terms, he stated: "We are always analyzing projects. There are always possibilities." He explained that there is nothing concrete yet.

ASMAR has shipyards in Talcahuano, Valparaiso and Punta Arenas. The main yard is located in the first port named and "is capable of constructing every type of warship with the tonnage necessary for the Chilean Navy. This is specified by the institution," he revealed.

## Another Barge

Rear Admiral Lara reported that a third Batral-type barge is being constructed in Talcahuano. It will be named "Chacabuco" and will be a twin of the "Maipo" and the "Rancagua" which are already functioning in the navy.

The construction of that unit will be finished by the beginning of next year.

Barges of this type have the capacity to transport troops and amphibious vehicles, including tanks and armored cars. They are 80 meters long and 13 meters wide. They displace 1,409 tons and have a maximum velocity of 16 knots. They have installations for a crew of 50 officers and sailors.

The top leader of ASMAR also stated that a fishing boat with storage capacity of 400 cubic meters is being constructed.

He stated: "A project to construct an icebreaker is under study. It has not yet become a concrete project."

#### Official Reception

Adm Jose T. Merino Castro, commander in chief of the navy and a member of the Government Junta, will preside over the inauguration of the floating dock "Valparaiso III" today. It was constructed in the ASMAR Talcahuano yard by order of the binational enterprise SOCIBER.

The ceremony will take place at 1130 hours next to Site 4 of the port district where the floating dock has been moored since last Friday night.

The Spanish ambassador to Chile, Miguel Solano Aza, navy, regional and provincial authorities and special guests will be present.

The gigantic steel mass cost \$14 million contributed equally by the partners, ASMAR of Chile and Bazan Shipyards of Spain. It was designed for overhauling and repairing every type of ship up to a maximum capacity of 36,000 tons DWT.

"Valparaiso III" was christened on 8 October 1983 in Talcahuano. During its construction, the new steel shop at ASMAR was put into service. Its high technology made it possible to reduce time and facilitate the work.

To illustrate the magnitude of the work, they used--among other elements--4,000 tons of steel and 80,000 liters of paint for a painted surface of 100,000 square meters and 30,000 meters of electric cable and 2,000 of pipes.

The technical characteristics of the dock are as follows: maximum lift capacity, 10,000 tons; pontoon length, 151.7 meters; platform length, 167.1 meters; outside beam, 32.1 meters; inside beam, 26.1 meters; maximum usable draft, 4 meters; maximum feasible draft, 9.7 meters; maximum draft of the ship to be overhauled, 5.6 meters; dead weight, 24,000 tons; maximum displacement, 30,500 tons; two cranes, one per side, 15 tons each; and lift time, 2 hours.

Some 24 ballasts facilitate maneuvers for overhauling and launching the ships under repair.

The accommodations for its crew of 30 men are on the safety deck on both sides where there are also storerooms and services.

7717

CSO: 3348/626

CHILE

# FIRST ALFALFAL HYDROELECTRIC PLANT CONTRACT AWARDED

Santiago LA NACION in Spanish 20 Apr 85 p 7

[Text] CHILECTRA [Chilean Electric Company, Inc.] awarded the first contract for 1 billion pesos to start the construction work for the Alfalfal Hydroelectric Powerplant in Cajon del Maipo.

The work was awarded to the national firm Eulogio Gordo. It includes the improvement, expansion and asphaltting of 23 kilometers of mountain road and the opening of seven other kilometers and construction of 10 bridges. The contract lasts 9 months and 620 people will be employed.

The company must invest 2 billion pesos this year, according to the basic work program for the construction of that powerplant. The other billion is allocated to geological and geotechnical prospecting and precision topography and engineering.

The award to build access roads to the area where the new powerplant will be located is part of about 20 different contracts that will be executed. The total is estimated at some \$200 million and will employ some 3,500 people.

The enterprise reported that the selection of the construction firm was the result of bidding. Nine specialized firms of the country participated; they had participated first in a prequalification selection.

The company must put the new Alfalfal powerplant with its 140,000 kilowatts of power into service by April 1990. The project began last year. Projects will be constructed for: infrastructure; harnessing of the Colorado and Olivares rivers, tributaries of the Maipo; a compensation tank to regulate the amount of water; 22 kilometers of tunnel to transport the water to the machine house which will have two turbines of 70,000 kilowatts each and electromechanical equipment; and an electrical substation and 50 kilometers of 220-volt transmission line that will carry the energy to the capital.

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CSO: 3348/626

CHILE

## INACH VESSEL REPORTS ON SCIENTIFIC STUDIES RESULTS

Santiago EL MERCURIO in Spanish 16 Apr 85 p C-5

[Excerpt] Some of the tasks carried out by the 11th Scientific Expedition organized by INACH [Chilean Antarctic Institute] include a study of the systems of exploitation of krill in the Antarctic Region and geological, oceanographic and micronutrient studies in the Strait of Bransfield sector.

The main ship in this expedition was the "Alcazar." It landed in Puerto Montt, ending a cruise of more than 7,000 miles in the southern ocean.

In 2 months, 19 research projects were carried out, 14 for national entities and 5 for international ones.

The expedition work had two stages. The first was called "Geological Cruise" and focused on krill. Large masses of the species were detected through 14 acoustical transects in Chile's southern sea zone. They established 13 oceanographic stations in seven other areas to expand research on different levels.

### Current Program

INACH carried out the second stage of the international program called "Sibex" or Second International Biological Experiment during this scientific expedition.

This had the following objectives:

To establish the magnitude and location of krill;

The seasonal and annual production of krill by area;

Existing supply of krill;

Seasonal and annual reproduction of krill by area;

Catching fish for the krill fisheries; and

Ecology of deep-sea fish.

Various scientific disciplines were involved in this task including hydro-acoustical techniques which are valuable for physical and chemical oceanography. They made it possible to learn biological aspects of the krill such as its spawning, food system and variations that the zooplankton experience during the day and night and at different depths. Also the existence of other fish that occur with krill at different stages of growth was studied.

Other studies of this mission involved a census of seven species of birds associated with krill and a study of the crab-catching seal, main predator of this resource.

There were 14 scientists from Universidad Austral, Universidad Catolica in Valparaiso, Universidad de Concepcion, Universidad de Valparaiso, the Fishing Promotion Institute and INACH participating in the Chilean stage.

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CSO: 3348/618

CHILE

BRIEFS

MINING INFORMATION CENTER CREATED--The Ministry of Mines will receive a credit for \$1,213,300 from the Banco Exterior of Spain. This will be used to create a "National Center for Geological Mining Information." This credit is authorized by Decree No. 287 of the Ministry of Finance promulgated yesterday. According to this decree, \$1,000,041 will be invested in the purchase of equipment and services and \$172,050 will be allocated for expenditures in the country. Amortization of the credit will be in six equal semiannual payments starting on the date of completion of the project which will take a maximum of 24 months. The annual interest rate will be 11.55 percent. The money from this credit will be transferred to the National Geology and Mining Service which will be responsible for the project. [Text] [Santiago EL MERCURIO in Spanish 14 Apr 85 p C-3] 7717

MINISTRY OF SEA POSTPONED--The president of the republic, Gen Augusto Pinochet, said that the project to create the Ministry of the Sea will not be carried out this year. The necessary funds are not available at this time. [Excerpt] [Santiago EL MERCURIO in Spanish 13 Apr 85 p C-3] 7717

SOVIET SAILOR TO HOSPITAL--Talcahuano--At 0015 hours yesterday the Soviet ship "Aleksey Stakhanov" landed by necessity in San Vicente. A crewman on the ship identified as Oleg Verbitsky was taken to the Hospital Higuera with an injury that required hospitalization. After evacuating the crewman, the Soviet ship left for the high seas at 0950 hours. [Text] [Santiago TERCERA DE LA HORA in Spanish 18 Apr 85 p 10] 7717

FLOATING DOCK IN PLACE--Valparaiso--The floating dock "Valparaiso III" that reached this port early last night from Talcahuano can overhaul and repair between 30 and 35 ships per year. This naval unit, one of the most modern of its type in South America, will be located 210 meters north of Site 8 of the port district and 230 meters from the coast with the prow toward land across from the traditional Turry Clock and Senoret Street that goes down to the sea. It was towed from Talcahuano to Valparaiso by three deep-sea tugs beginning at noon this past Tuesday. There were problems since winds of more than 25 knots cut the cables that connected the "Albatros" and the "Ultramar" in the convoy, leaving only the "Empremar II" to do the work. [By Gabriel Gonzalez Segovia] [Excerpt] [Santiago EL MERCURIO in Spanish 20 Apr 85 p C-13] 7717

COLOMBIA

FRG PRESSES FOR ELIMINATION OF DOUBLE TAXES ON INVESTMENTS

Bogota EL SIGLO in Spanish 17 Apr 85 p 10

[Article by Lucy Diaz]

[Excerpts] The FRG repeated to Colombia that both governments should sign an agreement that eliminates double taxation on foreign investments.

The German ambassador to our country, Georg Joachim Schlain, recalled that a treaty was signed between the FRG and Colombia in 1965 on development and mutual protection of capital investments. This agreement was ratified by the German Parliament in 1967 but Colombia has never taken that step.

The diplomat pointed out: "There is no general agreement between Colombia and the FRG to prevent double taxation on revenue and assets." He emphasized that this agreement would increase the flow of capital from his country to ours.

The ambassador indicated that the only agreement on this is the agreement that prevents double taxation on revenue and capital of maritime and air navigation enterprises signed in September 1965.

Colombian investments in the FRG now total more than 8 million marks. Offices of the National Federation of Coffee Growers, Avianca and the Grancolombiana Merchant Fleet, among others, operate there.

Interests in Conversion

The ambassador indicated: "The German economy is interested in the Colombian market as well as the possibilities it offers for investments." He pointed out that Colombia will have an important role at the beginning of June when it becomes the most important country visited by the Federal Association of German Industry, based in Colombia, during its Latin American tour.

The delegation of industrialists includes banking and trade representatives. It will be headed by the new president of the association, Hans Joachim Langmann.

According to the ambassador, the objective of the trip is to advance direct talks with the Colombian Government and the Colombian economic sector in order

to study conditions and possibilities of cooperation at the level of investments, licenses, transfer of technology and trade.

German investments in the different technical cooperation programs advanced in Colombia since 1960 reach 14 billion pesos. They are aimed at the industrial, financial and technical sectors.

Breaking down this investment, half has been directed toward sociopolitical projects, aid to development through private entities and scholarships and training of experts.

The other half has been allocated to government-to-government activities through institutions like Sena, INRAVISION [National Institute of Radio and Television] and TELECOM [National Enterprise for Telecommunications], according to the German ambassador.

#### Trade

As to trade between the two countries, the German ambassador indicated the following:

Colombian coffee constitutes the most solid base of the trade exchange. The FRG is the primary buyer of Colombian coffee today. In 1984, sales totaled about 53 million, 35 percent of the total coffee exported by Colombia.

In the development of Colombian exports with its two main clients, the FRG replaced the United States as main purchaser in 1983.

Other exports to that market show interesting figures: banana, \$10.5 million; flowers, \$7 million; coffee extract, \$5.6 million; black leaf tobacco, about \$3 million; etc.

As to the trade balance with the FRG, Colombia recorded an average figure of 262 million in the first 9 months. This large surplus in Colombia's favor is basically due to the large and steady coffee exports to that European country.

7717

CSO: 3348/623

COLOMBIA

CONFISCATIONS OF ILLEGAL ARMS INDICATE GROWING PROBLEM

Bogota EL TIEMPO in Spanish 16 Apr 85 p 7-A

[Article by Edgar Torres Arias: "No One Knows Where They Are Coming from or Where They Are Going"]

[Text] At 11 am on 27 December 1984, an anonymous message alerted officers of the Customs Special Investigations Division in Bogota about the entrance of a large, sophisticated shipment of arms.

Hours later, at the Olaya Herrera Airport in Medellin, Customs found 2,238 cartridges for 5.56-caliber arms, 40 magazines for small rifles and submachine guns, 15 loaders and 17 canvas bandoliers.

This was the last seizure by a patrol of the Medellin Customs Rearguard that month and the last in 1984. The latest list of items seized in those 12 months revealed that more than 20,000 cartridges for every type of weapon and 3,000 parts had entered the country illegally.

They also showed that some 400 sticks of dynamite and grenades had been confiscated by the customs authorities in other places.

Investigators consulted by EL TIEMPO explained that the weapons have been camouflaged in suitcases, furniture and merchandise. The large number of articles that enters the country daily facilitates the operations of the networks that supply the black market for weapons throughout the world.

Even though there are no precise dates, the authorities feel that the markets of large drug traffic Mafias, increased vandalism and subversion and large smuggling operations have increased arms traffic since the beginning of the 1970's.

Ports and Contingencies

The majority of the seizures took place in international airports and ports. However, Customs felt that a large number of arms enters the country through strategic points along the Pacific and Atlantic coasts, at clandestine airports and landing strips.

The arms seizures occasionally occur accidentally, at other times because the network is discovered and abandons the merchandise. On some occasions it comes about after careful search of 100 or more containers or 3,000 or 4,000 boxes filled with merchandise.

The investigators explained: "The identity of the operation promoters--who ships the arms and who receives them--remains secret. Actually, any country could serve as shipper and any import firm as a shipping cover."

A few months ago, an auctioneer accidentally acquired eight Rocket missiles brought into the country at the Bogota Airport. They were auctioned off by Banco Popular.

No one was aware of the contents of one of the 20 boxes held by airport customs labeled "Equipment for use in large electrical motor plants."

So far in 1985, authorities have seized more than 30 weapons including rifles, submachine guns and shotguns, 3,207 9-caliber cartridges and about 200 explosives, in addition to 4,009 parts for sophisticated weapons.

In the opinion of the investigators, most of the arms shipments enter camouflaged in freight of up to 30,000 or 40,000 kilos of miscellaneous merchandise. The shortage of officials and, in other cases, bribes and intimidation allow the arms shipments to get past security.

The investigators stated: "A customs agency will always allege it does not know the contents of the boxes and will express its surprise at the discovery of weapons. Every type of airline, company and entity is being used for the clandestine transportation of innumerable shipments of arms."

7717

CSO: 3348/623

COLOMBIA

# ELECTRICITY GENERATION PROJECTIONS

Bogota EL ESPECTADOR in Spanish 17 Apr 85 p 13-A

[Text] According to the annual report of Interconexion Electrica, S.A.--ISA-- the effective installed capacity in the country by the end of 1984 was about 5,648 MW.

With the changes made in the Expansion Plan of the Colombian Interconnected System, it is estimated that it will reach a total of 13,622 MW with the projects that should begin operations between 1985 and 1997, a total of 7,974 MW.

| Centrales<br>(1)      | Clase<br>(2) | Entidad<br>Ejecutora | Capacidad<br>instalada<br>(MW) | Fecha     | Localización<br>(Depto.) |
|-----------------------|--------------|----------------------|--------------------------------|-----------|--------------------------|
| 1)                    | 2)           | 3)                   | 4)                             | 5)        | 6)                       |
| Tasajero              | T (c)        | ICEL                 | 150.0                          | Feb. 1985 | N. Santander             |
| Termozipa V           | T (c)        | ISA - EEEB           | 66.0                           | Mar. 1985 | C/marca.                 |
| Salvajina             | H            | CVC                  | 270.0                          | Jun. 1985 | Cauca                    |
| El Paraiso - La Guaca | H            | EEEB                 | 600.0                          | Jun. 1985 | C/marca.                 |
| Guadalupe IV          | H            | EEPPM                | 213.0                          | Jun. 1985 | Antioquia                |
| Calderas              | H            | ISA                  | 18.0                           | Mar. 1986 | Antioquia                |
| Termoguajira II       | T (c)        | CORELCA              | 170.0                          | Jul. 1986 | Guajira                  |
| Betania               | H            | ICEL - ISA           | 500.0                          | Jul. 1986 | Huila                    |
| San Carlos II         | H            | ISA                  | 620.0                          | Sep. 1986 | Antioquia                |
| Jaguas                | H            | ISA                  | 170.0                          | Oct. 1986 | Antioquia                |
| Playas                | H            | EEPPM                | 200.0                          | Abr. 1987 | Antioquia                |
| Rio Grande II         | H            | EEPPM                | 322.5                          | Jun. 1990 | Antioquia                |
| Guavio                | H            | EEEB - ISA           | 1000.0                         | Oct. 1990 | C/marca                  |
| Calima III            | H            | CVC                  | 240.0                          | Abr. 1993 | V. del Cauca             |
| Miel I                | H            | CHEC                 | 384.0                          | Oct. 1993 | Caldas                   |
| Urrá I y II (A. Sinú) | H            | CCA. - ISA           | 1200.0                         | Ene. 1994 | Córdoba                  |
| Cañafisto             | H            | ISA                  | 1500.0                         | Ene. 1996 | Antioquia                |
| Miel II               | H            | ICEL - CHEC          | 351.0                          | Ene. 1997 | Caldas                   |

1. Date for Termoamaga powerplant (150 MW) is pending continual revisions of the expansion plan based on the evolution of demand and progress in programming the projects.
2. H = Hydraulic powerplant; T(c) = Coal thermal powerplant

Key:

- |                     |                            |
|---------------------|----------------------------|
| 1. Powerplants      | 4. Installed capacity (MW) |
| 2. Class            | 5. Date                    |
| 3. Executing entity | 6. Location (Dept.)        |

Of the planned projects, 4,299 MW are under construction and 3,675 MW in design. In 1985 and 1986, 2,777 MW will go into operation.

The planned cost of the projects of the 1985-1997 expansion plan is about \$7.4 billion (in December 1983). This covers the generation projects and the necessary transmission for connection to the interconnection network. (Costs do not include escalation or financial expenses.) About half of those costs is for projects under construction and the rest is for projects in design.

The average cost for the projects is \$926 per kilowatt. Some projects are economical like San Carlos at \$500 per kilowatt, one of the best costs internationally, whose first stage of 620 MW began operations in January 1984.

7717

CSO: 3348/623

COLOMBIA

BRIEFS

ARMED FORCES COMMANDER ILL--Vice Adm Tito Garcia Motta was appointed commander of the Military Forces. Gen Gilberto Franco Vasquez was appointed commander of the Air Force. The head of the Military Forces, Gen Rafael Obdulio Forero, is again under medical treatment after suffering a heart attack and the head of the Air Force, Gen Augusto Moreno, was detached on a mission to the United States. [Text] [Bogota EL TIEMPO in Spanish 13 April 85 p 2-A] 7717

CSO: 3348/623

CUBA

## ONLY 20 OF NATION'S 143 SUGAR PROCESSING PLANTS PROFITABLE

Havana TRABAJADORES in Spanish 23 Mar 85 p 1

[Excerpts] Of the 143 agroindustrial complexes in the country, only 20 managed to yield profits in 1984. Although this figure is higher than in previous years, it shows how far we have to go to achieve economic efficiency in this vital industry.

In the province of Ciego de Avila, six agroindustrial centers (CAI) were profitable; in Havana there were five such centers; in Matanzas, three—in addition to the Jose Antonio Echeverria combine, which includes the complex by the same name—in Villa Clara there were three profit-yielding centers; and Sancti Spiritus, Camaguey and Holguin had one CAI each in such a desirable position.

It is noteworthy that provinces such as Las Tunas, Granma, Santiago de Cuba, Cienfuegos and Pinar del Rio did not have a single profitable complex, especially considering that among these provinces there are a total of 43 sugar processing plants.

In fact, there are still shortfalls in economic activity. There is much more unnecessary spending in the sugarcane sector than in the sugar industry; in the agricultural part there is a lack of control over wages and a lack of population on the plantations, among other causes.

With regard to the population, the national average is only 70 percent, which means that a large portion of land is consuming labor, fertilizer and irrigation merely to produce grass. Moreover, the poor yield makes the harvest that much more expensive, and makes it necessary to replant the field before the necessary economic lifespan.

The low productivity of machinery, the lack of accounting controls in the districts, the inefficient control of inventories, the lack of wage discipline during the repair period, and the poor organization of the labor force during this stage, are also elements that have had an adverse impact on the economic efficiency that our principal industry requires.

During the first half of 1984, a total of 77 CAIs yielded favorable economic balances, out of 123 that stood a real chance of earning profits. A year

earlier, only 5 CAIs had achieved the necessary efficiency in that 6-month period to be considered profitable.

The above makes it clear that the second half of the year, when repair work has a significant influence, was generally more inefficient than the first half. Therefore, it is necessary to take steps to eliminate once and for all the factors that hinder profitability during those 6 months.

8926

CSO: 3248/346

CUBA

# CUBANA DE AVIACION COMPLETES 1984 WITH 'FAVORABLE RESULTS'

Havana TRABAJADORES in Spanish 27 Mar 85 p 1

[Article by Regla Zulueta]

[Excerpts] Havana—The workers of Cubana de Aviacion generated a value of 166.7 million pesos in 1984, with a productivity of 33,157 pesos, reported Manuel Cespedes to the press. Cespedes is an alternate member of the Central Committee and vice-minister of transportation.

At the meeting held at the Jose Marti International Airport in this city, he revealed that through the month of February, 85.6 percent of the itineraries of national and foreign departing flights were completed.

These favorable results are due to the efforts workers have made to improve the quality of service to the public, the organizational measures taken since September 1984 to solve the material problems that have plagued the firm's management, and the aid provided by the other agencies that operate in the air terminals.

In 1964 Cubana de Aviacion had 18 aircraft with 950 seats, and it transported 432,000 passengers. By 1984, its fleet had grown to 38 aircraft with a capacity of 3,369, and it moved 1.8 million passengers.

It should be noted as well that the distances were short back then, while now the airline travels to Madrid, Paris, Berlin, Prague, Mexico City, Panama, Lima, Montreal, Managua, Jamaica, FRG, Angola and Mozambique, among other countries. Often there are several flights a week to these destinations.

As of June of this year, weekly flights to Brussels are expected to begin.

Argimiro Ojeda, director of the Jose Marti International Airport in Rancho Boyeros, stated that there is a collectivist spirit among workers there in an effort to solve problems that arise so that departing flights can be completed.

He indicated that the determining factors in national flights are technical problems and weather conditions, which sometimes prevent plans from being carried out.

He stressed that at present back-up crews work near the terminal to ensure the prompt replacement of pilots, pursers and stewardesses.

He noted that no commercial airline can work without reserves, and among the principal measures taken is to provide the necessary means to replace the crews when some difficulty arises.

8926

CSO: 3248/346

DOMINICA

BRIEFS

AGRICULTURAL PROJECT--Dominica is expected to receive U.S. 4 million dollars from two financial institutions, the Organisation of American States (OAS) said today. Due to OAS assistance in the formulation of the project in south-eastern Dominica, the International Fund for Agricultural Development (IFAD) and the Caribbean Development Bank (CDB) are expected to invest in the effort, an OAS release said. The scheme, said to be the largest agricultural project proposed in Dominica, will benefit close to 25 percent of the country's population. Some 2,000 families will be settled on 9,000 acres in and around three former estates that were recently acquired by the government for land distribution. The project includes agricultural, livestock and fisheries development, marketing, small scale agro-industries, farmers organizations, women's programmes, feeder roads, rural credit, and project administration. Complementary financing for housing and community facilities is being explored through bilateral channels, the OAS said. The OAS has been providing technical assistance to Dominica through its Department of Social Affairs since 1980. In the last 2 years, emphasis has been placed on the problems of the small farmer and the rural poor. [Text] [Bridgetown CANA in English 1537 GMT 2 May 85 FL]

CSO: 6298/637

GRENADA

BLAIZE REPORTS ON ECONOMIC GAINS TO PARLIAMENT

Positive Growth

FL011731 Bridgetown CANA in English 2326 GMT 30 Apr 85

[Text] St. Georges, April 30--A strong performance by the Grenada economy in the second half of 1984 eased the island out of its negative growth position, according to Prime Minister Herbert Blaize.

Blaize said the economy performed sluggishly part of the year, largely because of uncertainties in connection with the December 3 elections in which his centrist New National Party (NNP) won 14 of the 15 seats to return the island to democratic government after four years of Marxist revolutionary rule. Last year the economy grew by one per cent.

He said that tourism was the only sector which had strong positive growth--of 18 per cent--as a result of the strength of the U.S. dollar, to which the east Caribbean currency is tied.

Blaize said that in the first half of the year conditions were depressed, particularly in the construction industry and in wholesale and retail trade.

However, Blaize said there was a strong upturn in the economy in the second half of 1984 as the construction of the international airport in the south of the island resumed, coupled with work on other major projects including the reconstruction of roads.

In order to ensure a quick turn-around, he noted, the interim administration had introduced in the second half of the year a number of economic measures aimed specifically at private sector growth and development, as well as promoting and raising the level of confidence in the economy on the part of investors.

A conscious decision was taken (by the interim administration) to limit the role of government as the main engine of economic development to that of providing basic support for infrastructure and services, he said. The measures taken ranged from divestment of state-owned enterprises to the provision of a package of incentive measures to attract private investors.

Production in agriculture and manufacturing, he said, experienced major swings in 1984 in some of the main economic production units but within the framework of a general downward trend.

While physical production in the agricultural sector showed an overall growth of some 18 per cent over the previous year, there was an eight per cent decline in earnings due mainly to sharp price falls from the chief export crops of cocoa and bananas on the international market.

The prime minister also said that the rate of growth in the industrial and manufacturing sector was negative last year, with the average value of industrial production falling by almost 11 per cent when compared with figures for the previous year.

Positive growth rates were recorded only in the production of flour, wheat, bread and poultry feed.

On public finances, Blaize said there was an overall budget deficit after payments of interest charges on principal of some 27.4 million dollars (one EC dollar--37 cents U.S.) in 1984 which was financed mainly by the U.S. Agency for International Development (USAID).

This overall deficit is made up of a current account deficit of 18 million dollars and a capital deficit of 9.4 dollars [as received]. This, however, was less than 1983 and reflects both stricter revenue expenditure and a decline in capital expenditure, Blaize remarked.

Total expenditure rose in 1984 to 182.7 million dollars which was 6.3 per cent over the figure for the previous year, and government's recurrent revenue increased from 81 million dollars to 87.3 million dollars in 1984.

Blaize noted that the public sector investment programme declined from 92 million dollars in 1983 to 77.4 million dollars, and that external finance accounted for 95 per cent of works undertaken in the country in 1984.

He added that actual expenditure for 1984 was 21.7 per cent less than was budgeted for, due largely to problems such as the prolonged delays in project implementation, financial difficulties, and inadequate number of technical personnel.

The prime minister stressed that expenditure and infrastructural projects accounted for 68 per cent of the total capital expenditure budget, of which the construction of the international airport, the single largest investment project for the year, made up nearly three-quarters of the sectoral budget.

He said that agriculture, industry and tourism together accounted for 14 per cent of total capital expenditure in 1984, in relation to investment in the main sectors of the economy.

On prices, Blaize indicated that because of international trends in the major currencies and the strength of the U.S. dollar to which the Eastern Caribbean

dollar is tied, there was an average annual increase of 12.6 per cent in the retail price index in 1984.

Additionally, he said there was a downward price movement in many food items helped by the decision of the interim administration to lower the stamp duty from 20 to 15 per cent, as well as the mark-up on which the government-operated Marketing and National Importing Board (MNIB) was allowed to retain items which it had a monopoly on.

In this connection, he announced that cement recorded the greatest decrease in prices for the year, dropping from 18.24 EC dollars to 11.73 dollars per bag in February.

Blaize also said that in terms of wages, the general wage settlements in both the public and private sector averaged around 13.1 per cent in 1984, ranging from 15 per cent in the private sector to 11.25 per cent in the public sector. Such settlements ran one-and-a-half times above the average price level indicating a growth in the real wages of unionized workers of some four per cent. This was almost two per cent below what occurred in 1983, the prime minister remarked.

On unemployment, Blaize spoke of little improvement in this area in 1984 over the previous year as employment both in tourism and manufacturing remained limited, and with the airport project providing the bulk of new jobs for Grenadians in 1984.

In some cases, especially in the garment industry, he said there were large retrenchments as regional trading difficulties worsened, with Trinidad and Tobago implementing measures to protect its own industry.

Blaize indicated that the government estimates the unemployment level to be around 13,000, which is about 30 per cent of the labour force.

#### Loan Burden

FL011908 Bridgetown CANA in English 1713 GMT 1 May 85

[Text] St. Georges, May 1--It is costing the Grenada Government nearly 3 million dollars (one East Caribbean dollar--37 cents U.S.) monthly to service its loans, Prime Minister Herbert Blaize has told parliament here. And these payments, he said, are putting pressure on the government's financial position.

Considering the Eastern Caribbean island's financial predicament, Blaize held out little hope for an early improvement in the situation: Given...the limited revenue capacity of the country, the debt service problem is likely to remain with us for some time until we have been able to reduce it considerably.

According to Blaize, who also holds the finance portfolio, Grenada spent an average 2.5 million dollars monthly last January-April servicing loans.

He said one of the problems the government faced was the quick maturity of some loans.

In the lengthy presentation to parliament, Blaize said the government is still required to find a minimum of 10 million dollars monthly to meet its payroll and other non-deferrable obligations.

The prime minister also indicated that in one move to reduce expenditure, the government intended to take a serious look at the island's membership in international and regional institutions, which is costing Grenada 8.7 million dollars. This comprises arrears of 4.9 million dollars and recurrent payments of 3.8 million dollars.

We intend to review and rationalize our membership in these institutions with a view to weeding out the bodies from which maximum benefits are not derived, Blaize said.

Grenada belongs to several organisations, including the United Nations, the Nonaligned Movement, the Caribbean Community (Caricom), and the Organisation of American States (OAS).

Recently, Grenada's Foreign and Legal Affairs Minister Ben Jones said that he was trying to understand the true nature of the Nonaligned Movement, so as to advise government on whether or not to remain a member.

Blaize's centrist party took power in general elections last December that returned Grenada to Westminster-style democracy after nearly five years of Marxist revolutionary rule. One of its challenges is strengthening the economy, which grew by a mere one per cent last year after the negative growth of 1983.

Blaize said a team of international consultants will start reviewing the island's fiscal system this month, with a view to helping the government reform it. The project is being backed by the United States Agency for International Development (USAID).

Blaize described the state of public finances here as untenable and unsustainable and said that a number of studies conducted by consultants from the International Monetary Fund (IMF) and USAID had underscored an urgent need for fiscal reform to make the economy viable.

Some consultants complained that Grenada's tax system was regressive, stifling economic development, Blaize said.

#### Reduction in Bank Debt

FL061456 Bridgetown CANA in English 1836 GMT 4 May 85

[Text] St. Georges, May 4--The Grenada Government was able to significantly reduce its indebtedness to the local commercial banking sector during 1984, according to Prime Minister Herbert Blaize.

The immediate effect of this action was to raise the liquidity position of the banking sector and free up the prolonged credit squeeze experienced during 1982 and 1983, he told parliament.

Government debts to the banking sector stood at 6.8 million dollars (one EC dollar; 37 cents U.S.) at the end of 1984. The comparative figure for 1983 was not given.

Blaize, who is also the minister of finance, said net borrowings by government from the banking sector were down 15 per cent over 1983, and this helped to make more credit available to the private sector.

Commercial banks operating here ended 1984 with net positive foreign assets of 24.1 million dollars, compared with a 6.1 million dollar deficit the previous year.

Blaize said the prime lending rate of commercial banks was increased from 12.5 to 16 per cent as a means of increasing incentives to depositors.

One of the objectives of this measure was to attract more resources from foreign investors into the system. This objective, however, did not materialize, he said.

Blaize said the banks failed to take advantage of this opportunity to increase their lending rates and, as such, the prime rate remained at 10.5 per cent at the end of last December.

Although commercial banks welcomed this flexibility of increasing their spread in conjunction with increased liquidity, potential borrowers showed a great deal of caution, since there was a large amount of uncertainty about the outcome of the December 1984 elections, he said.

The poll to return Grenada to Westminster parliamentary democracy after four years of non-elected Marxist rule, was won by Blaize's centrist New National Party (NNP) which captured 14 of the 15 seats.

Said Blaize: An analysis of the sectoral distribution of banks' loan portfolio indicates that during 1984 loans continued to be heavily skewed towards the distributive sectors of the economy. In contrast, loans to the productive sector--agriculture and manufacturing--varied little from 1983 with three per cent for agriculture and 7.8 per cent for manufacturing, he added.

CSO: 3298/638

GRENADA

## COOPERATIVE SYSTEM URGED AS CHOICE BETWEEN CAPITALISM, SOCIALISM

St Georges THE GRENADIAN VOICE in English 13 Apr 85 p 7

[Article by C. A. Martineau]

[Text]

THE Chamber of Commerce has organised a series of interesting discussions to find a satisfactory programme for Grenada's economic development. Documentary films, shown to introduce these discussions, have presented the case, as though countries have to choose between socialism (state control) and Capitalism (free enterprise).

I don't think that it is so simple. There are countries that have been successful in choosing a mixture of capitalist and state enterprise.

For Grenada I want to suggest

that there is a third way - co-operatives. This has been done with great success in places like Sweden. Grenada has an opportunity to be a model for countries in the developing world.

Our main exports are in agriculture. Already the marketing of three of these crops is done by societies, set up by statute, but co-operatively organised. They are cocoa, bananas and nutmegs. As yet to be considered are Livestock (including poultry) Fishing and vegetable societies.

In financing we have co-operative credit unions,

The agricultural Bank, before it became the Grenada Development Bank, made special provisions for Cooperative societies by giving the concession of a lower rate of interest. There is a choice to consider in the Commercial sector - profit sharing schemes which will eventually involve the workers in decision making as cooperative enterprises.

We all know that under Capitalism private ownership is respected whereas under Socialism the state tends to reduce private ownership in favour of state control.

What is peculiar about cooperatives? It is a system that merges the conflicting interests of private ownership and collective action on a voluntary basis. "The pri-

mary aim of a cooperative institution is the improvement of the economic position of its members, but through the means that it employs and the qualities which it demands of its members and develop in them, it achieves a higher purpose

The goal of cooperation is to make men and women - men and women with a

sense of both individual and joint responsibility so that

they may rise individually to a full personal life and collectively to a full social goal".

There are many who think today that you cannot mix business and christianity. It is possible the cooperative way.

Over the years there has been a lot of agitation to secure adult franchise and eventual political democracy.

But political democracy does not go far enough. In cooperatives we

find that there is economic democracy also. Power does not remain concentrated in the hands of a few.

The philosophy of cooperation is the application of Christian principles into business practice and to make it possible for people to pursue their economic goals without exploiting others. Industry and honesty are rewarded.

CSO: 3298/638

GRENADA

FOREIGN MINISTER HIT FOR MAINTAINING PRG STAFFERS ABROAD

St Georges THE GRENADIAN VOICE in English 13 Apr 85 p 12

[Article by Lloyd Noel]

[Excerpts] Continuing from where I left off last week Bro. Ben [Ben Jones, minister of external and legal affairs], let us look at the fact that the Registry in St. George's is in a chaotic condition to say the least.

You are also responsible for Foreign Affairs, are you going to encourage our Foreign friends and tourists to come into a situation to either invest or holiday, when their persons and properties cannot be guaranteed protection under the Law?

Ask the dozens of virtual complainants from Lance Aux Epines, Grand Anse and elsewhere--whose houses have been broken into, properties stolen, culprits detected and charges made, and then nothing more.

And talking about Foreign Affairs, what is the position of our Missions and Embassies overseas? A couple from Washington met me in the Registry two or three weeks ago and were lamenting the same question to me. According to them, they live in Washington and in close touch with the situation, the head of our Embassy in Washington was changed and no more. So that whatever is said or done through that Embassy goes straight back to the former head of that mission before the IAC.

I gather the same situation exists in our other Missions and Embassies in New York, Ottawa and London, where the same people who were spouting all brands of socialist revolution eighteen months ago, are today pretending to be the greatest supporters of Parliamentary Democracy, and the saddest thing is that they are getting away with their pretence, and no doubt doing immeasurable damage to our country's prestige abroad.

Surely, it is accepted practice worldwide, that once a Government changes, then Civil Servants or Career Diplomats--or whoever are identifiable as having held their posts as a direct result of their political affiliations--these are all changed with the change of Government, for the very good and laudable reason, that their loyalty and allegiance--being geared to a different political philosophy or ideology--would be at variance with the new leaders, and therefore they must be replaced.

How long does one need to identify those persons and make the changes?

As my two concerned questioners were pointing out, the same people seem to be in the driving seats and only the conductors have been changed, and the chaos and hypocrisy goes on as before.

How, Bro. Ben, do you fall prey to such obvious delusions? And why aren't you seeking or accepting the advice of others who have had first hand dealings with those chameleons who even pretend to change colours faster than their lizard counterparts?

The telling and unpopular decisions have to be made early in the game, and then time taken to judge and assess results. Our Legal and Foreign Affairs may seem oceans apart, but in the existing circumstances they have a very direct bearing on each other, because nothing--or no other department of State can provide the level of stability and confidence that the Foreign Investor or Tourist needs, as can the department responsible for Law and Order and Justice to one and all.

So, Bro. Ben, the time is NOW. Yesterday is already TOO late, and tomorrow may never come.

CSO: 3298/639

GRENADA

PAPER CALLS ON POLICE COMMISSIONER FOR ACTION ON CRIME

St Georges THE GRENADIAN VOICE in English 20 Apr 85 p 4

[Editorial: "A Question of Readiness--Two More Years!"]

[Text] Rear Admiral Hedges was only the latest in a long line of American officials who have given us the now familiar spiel--"It was made clear from the beginning that we would withdraw our military personnel as soon as things settled down on the island," "The Grenada Police Force has received more training than most other Police Forces in the region and we are confident that they will be able to handle the security needs of the island," "We will be keeping watch at all times and be prepared to halt and, if necessary, reverse the withdrawal process," "The situation is stable enough for withdrawal to be safe." Enough already!

Well guys, if we are all that safe, how come we don't feel it? If the police are that well trained and ready, how come we haven't noticed it?

In an interview with the Commissioner of Police last week we were pleased to hear from him that his new Crime Squad was doing so well. We were enthralled with his plan to introduce a 999 crime report system and we were at one with him when he said that while the press had a duty to report news it also has a responsibility not to sensationalise crime and cause panic in the society.

To deal with the last first, let us simply say that sensationalism is not our metier--we happily leave that to the sensationalists and try to rise above tawdry journalism. We accept the duty to bring the news to the people and we have to tell it as it is. And how it is, Commander Sir, is that your police, like your 999 system, just "ain't ready yet!"

Sure, your Crime Squad has done some good work and, while we would not like to say exactly that it is "too little, too late," when you compare--no, contrast--their successes with the incidence of crime in the country you have got to admit that it is not enough and not only are your men too often not on time, they too often do not arrive at all. And as to your 999 system--while you are about it--in fact very urgently--get your 2244 system working first. In our last six tries the officer answering was not able to transfer us to the C.I.D.

We don't have to tell people that there is a lot of crime in the country, Commissioner. They already know it! What we are doing is calling for a more serious attack on it. We are calling on your service to imbue confidence in the people by responding to "ALL" their calls and let them see that crime and criminals are being seriously dealt with, that the drug problem is being actively pursued, that rampant traffic violations are being addressed, that obscene language in the streets and minor crimes (misdemeanours?) are being handled (have you, for example, heard of or noticed the freedom or abandon with which men and boys openly urinate on the sides of the street?). And on top of all this there is the need to ferret out all the arms that are still about.

In our present circumstances the police service does not need to "have" a small crime squad--it needs to "be" a crime squad and a special group needs to be trained to handle the serious drug problems.

We have tried to feel with you, the government and the American authorities that you've got to "throw your men in the water and let them swim." What we fear is that they will simply be "at sea!" In any event, you don't throw the guys you want to learn to swim in the water and then walk away--they just might drown!

What we are really saying to you Commissioner is that we want you to face up to reality and not be carried away by pride, unfounded hope and misplaced confidence. We want you to join us and the majority of the Grenadian people in saying to all concerned that your men just aren't ready yet and that the total withdrawal of CPF and American military personnel, in the time frame set out, can be "too much, too soon!"

It is neither panic nor paranosia that makes people concerned about the impending withdrawal. It is the recognition that democracy is a very fragile thing which is often used, by miscreants, to defeat itself. It is the knowledge that because of that system (God protect it) large numbers of the miscreants who should properly be behind bars, or exiled to their beloved Cuba or Russia, are at large openly attempting to stir up trouble and privately plotting to see what they could do to "turn back" the real democratisation. It is also the realisation that not only could these people's commitment and their loss of face and power make them foolhardy enough to start something they cannot finish, but that they have the hidden guns to do it with and cause a lot of harm before they are stopped.

For all of these reasons we return to a proposal we made earlier. Let the CPF return home. Hand over responsibility for security and all else to the police with their new "wet behind the ears" SSU--but while they find their feet and try their wings let the Americans withdraw to no further than Calivigny to be available for consultation and as a case of need.

And in language that he will recognise and understand let us say to President Reagan--not "four more years" but two more years. Let us be safe instead of sorry.

CSO: 3298/639

GRENADA

# MINISTER CHIDES ELECTRICAL WORKERS FOR FOCUS ON IDEOLOGY

St Georges THE GRENADIAN VOICE in English 13 Apr 85 p 3

[Text]

"SOME government employees are putting ideology before the proper performance of their duties and some will have to be moved aside." So said Dr. Keith Mitchell, Minister of Communications and Works as he spoke with employees of the Grenada Electricity Services (GRENLEC) at the Darbeau Power Plant last week.

The Minister was meeting the staff of GRENLEC for the second time in three months and in his welcoming remarks as he chaired the meeting Raymond Lewis wondered

whether the Minister had returned so soon to congratulate or to lambaste them. He did some of both in urging the workers to give of their best on the job without bringing politics into it and support whatever party they wish at elections.

Mitchell said that the NNP government had been given a mandate to run the country but on the basis of the massive problems inherited they cannot believe that there were administrations in control for the past

20 years. Since all the utilities were allowed to deteriorate to an alarming degree.

"The only way we can remedy this" said the Minister "is by worker co-operation and government policy is to be implemented whether you like it or not," but every day Cabinet members comment on the wrong attitude of some workers in their Ministry".

By way of example the minister said that some road workers complain of victimisation when they arrive at work at 9.30 and are

sent back home. But, regardless of the political cost he had instructed the road officers to be firm about people giving performance for the remuneration they receive.

Mitchell called for a needs survey in the department. He already had this from water and telephone departments and it was necessary for planning and for obtaining funds which, he said, are available for proper proposals.

Mitchell said that an efficient Electricity Service is one of the major priorities of the government and he believed that emphasis must be

placed on training at all levels. He was pleased to see the plan for the computerisation of the entire system.

A lively discussion period followed the Minister's address and Company Manager C.B. Francis called for unity among the workers as was needed in the entire country. He said that a Tariff study was being undertaken and the three most important goals of the company must be (1) the plant going 24 hours a day (2) an equitable rate and (3) training and a reorientation of perspectives to give customer satisfaction.

CSO: 3298/638

GRENADA

BANANA FARMERS DISRUPT SOCIETY'S ANNUAL MEETING

St Georges THE GRENADIAN VOICE in English 13 Apr 85 p 1

[Text]

THE Grenada Banana Co-operative Society's Annual General Meeting Wednesday at Seamount broke up in chaos as angry farmers protested the absence of the Society's financial statement.

The GBCS had called the Meeting to elect officers and to present various reports. Sir. William Branch, Chairman of the Board, made the opening remarks and was about to introduce the Manager of the Banana Society, Mr. Anthony Isaac to give the Board's report when chaos erupted

as farmers called for the financial statement and for an agenda by which they would be guided for the procedures of the meeting. This the Board could not provide. Farmers were also angry when told that the Minister of Agriculture, Mr. George Brizan, was unable to attend the meeting and would be represented by his Parliamentary Secretary, Mr. Felix Alexander.

Both the Chairman and the Manager appealed to the farmers to allow the meeting to proceed but to no

avail. Explanations were provided for the absence of the financial statement. The failure to produce the statement was due to the auditors not having completed the auditing of the Banana Society's books.

This election of Board Members by the farmers comes after ten years since the Gairy administration seized control of the Board and appointed its members. The Chairman called off the meeting and said the Board will report to the Gov-

ernment the wishes of the farmers. Other members of the Board who were present were Arthur Branch, Paul Francis, R.M. Bhola, Jack Alexander, Norris Marshall and Ramsey Rush.

CSO: 3298/638

GRENADA

BRIEFS

TUC OFFICERS--Basil Harford was re-elected President of the Grenada Trade Union Council at its first regular convention held at Otway's House on March 30. Others elected to serve the TUC Management were: Anslem Debourg--1st Vice-President, Cosmos Campbell--2nd Vice-President; Claris Charles--Secretary/Treasurer, Denis Thomas--Asst. Secretary/Treasurer. [Text] [St Georges THE GRENADIAN VOICE in English 13 Apr 85 p 8]

'RAP SESSIONS' AT UTILITIES--Communications and Works Minister Keith Mitchell has initiated a monthly "rap" session with senior personnel from the major departments under his control and this has immediately begun to pay dividends. At the first meeting held on Tuesday the problem of shortage of running water at Point Salines Airport was solved by discussion between representatives from the Airport and from the road and water departments. Mitchell told GRENADIAN VOICE: "The discussions were very useful and it was clear that this kind of interaction will ameliorate problems created in the past by the work of one department impinging on that of another." The Minister said that he was also establishing a central procurement section in his Ministry to co-ordinate the obtaining and supplying of materials to the various departments. He was convinced, he said, that this will improve efficiency as well as keep better control of costs. [Text] [St Georges THE GRENADIAN VOICE in English 13 Apr 85 p 9]

RADIO STAFFING PROBLEM--St Georges, April 24--The state-owned Radio Grenada was today forced for the fourth consecutive day to cut its hours of broadcasting by four hours in the face of a shortage of announcers, station sources said. The sources said that at least two announcers reported sick. The sources told CANA that there is growing uneasiness between some staffers and management. Radio Grenada normally broadcasts daily from 6 AM to 1 PM and from 4 PM to 10 PM but the station from Sunday reduced its morning hours to 9 AM. However, officials say the station would definitely carry a planned live broadcast of the budget speech to be presented in parliament Friday by Prime Minister and Minister of Finance Herbert Blaize. [Text] [Bridgetown CANA in English 2312 GMT 24 Apr 85 FL]

CSO: 3298/639

GUATEMALA

#### RIGHTIST ALLIANCE ANNOUNCES CANDIDATES

Guatemala City PRENSA LIBRE in Spanish 14 Apr 85 p 4

[Exerpts] The political campaign to promote the presidential candidacy of Mario Sandoval Alarcon was kicked off yesterday in an event that was attended by the deputy candidates who head the Rightist Alliance slate (National Liberation Movement, Democratic Institutional Party, MEC and FDP [expansions unknown]).

The event was held at the Casa de la Campana, located on Quinta Avenida in Zone 9 at about 1100 hours. It began shortly after the arrival of Mario Sandoval Alarcon, who was greeted with many demonstrations of jubilation and a hail of confetti.

When the list of deputy candidates who head the slates of the quadruple alliance was read and the candidates themselves were introduced, they were greeted with applause, cheers and expressions of joy by most of those present, who are members of the four political groups that make up the rightist coalition.

Some leaders of the MLN locals in Solola, Izabal, El Progreso and Baja Verapaz, however, expressed their unhappiness with the designations. They protested with words and gestures, because they do not agree with the selection of the candidates.

They even indicated that they were ready to resign from the party to which they have belonged for many years, because they want to win the elections, and do not want to vote for candidates of another party. They noted that they have had differences with that party in the past, and have even been subject to aggression by that party.

The incident was resolved when the "protesters" were taken to a room and MLN leaders tried to convince them of the need to form alliances to strengthen the right and win the elections for the benefit of Guatemala. They explained that this involves a sacrifice for MLN members in the name of the strengthening of the alliance.

## Candidates

The Rightist Alliance slates are headed by candidates Otto Rene Fernandez, Alta Verapaz; Ruben Dario Morales Veliz, Baja Verapaz; Sostenes Milian, Chimaltenango; Obdulio Chinchilla Vega, Chiquimula; Edgar Francisco Gudiel Lemus, El Progreso; Dr Mario Chicas Rendon, Escuintla; Guillermo Pellecer Robles, El Peten; Dr Hipolito Dardon Letona, El Quique; Jaime De la Pena, municipalities of Guatemala; Octavio Herrera, Huehuetenango; Elio Canalle, Izabal; Jose Raul Sandoval Portillo, Jalapa; Ruth Chicas Rendon de Sosa, Jutiapa; Prof Miguel Forbes, Retalhuleu; Marco Antonio Rojas De Yapan, Santa Rosa; Prof Mauro Marroquin, Solola; Luis Felipe Monroy, Suchitepequez; Miguel Angel Ponciano Castillo, San Marcos; and Cesar Jordan, Zacapa.

The national slate is headed by Dr Hector Aragon Quinonez, and Juan Carlos Simonns is at the top of the slate for the metropolitan district.

Candidates for Quetzaltenango, Sacatepequez and Totonicapan have not yet been named.

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CS0: 3248/342

GUATEMALA

SECOND TRIMESTER COFFEE EXPORTS REPORTED

Guatemala City LA RAZON in Spanish 9 Apr 85 p 16

[Text] More than \$100 million in Guatemalan coffee exports were reported for the January-March quarter that was just completed. This figure includes the total fulfillment of the quota assigned by the International Coffee Organization (OIC), as well as sales to non-traditional markets.

The results can be attributed to the productive capacity of the coffee sector, which during the period in question fulfilled its OIC quota by exporting 616,000 gold quintals for a value of \$82.5 million. At the same time, during the same quarter, 523,000 gold quintals of coffee was exported to non-OIC countries, for a value of \$35.5 million. Overall sales totaled 1,139,000 gold quintals, for a total of \$118 million.

The positive trend noted during this second quarter of the 1984-85 coffee year is a continuation of the movement begun in the first quarter, the October-December 1984 period. During those months, overall exports totaled 934,000 quintals, valued at \$103 million.

The National Association of Coffee (ANACAFE) and the export sector have managed to streamline the procedures in the withholding system for distributing the domestic quota. Thus, maximum benefit has been obtained from the export stamps.

Other measures have been taken under the coffee policy to keep the coffee sector as dynamic as possible, including the decision by monetary authorities to place 100 percent of the income from sales to non-traditional markets on the parallel market, which has led to constant increases in exports to non-OIC countries.

Great Potential, 3.3 Million Quintals Produced

Because of the positive export results, the coffee sector is becoming a key factor in financing the country's economy, as the economy goes through one of its most difficult moments. This would not be possible, however, without the noteworthy efforts of the coffee producing sector, which harvested an estimated 3.3 million quintals during the 1983-84 coffee year.

To achieve their production goals, coffee growers received technical assistance from ANACAFE and also benefited from a series of policy measures that enabled them to overcome the difficulties posed by the unfavorable conditions on the world market.

It should be noted that coffee is still Guatemala's principal product, having generated more foreign exchange than any other export during the first two quarters of the coffee year. A total of \$82.5 million entered the country directly, while \$35.5 million went to the Bank of Guatemala; coffee revenues also helped indirectly through the authorized parallel market. This \$118 million comes on top of the \$103 million that was earned during the first quarter. It is clear, therefore, that the \$221 million brought in by the coffee sector this year is the largest share of the foreign exchange that the national economy so urgently needs.

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CSO: 3248/342

GUATEMALA

BRIEFS

VENEZUELAN CREDITS FOR INDE--The national Institute of Electrification (INDE) has received a \$14 million line of credit from the Venezuelan Investment Fund (FIV) for the expansion of its power transmission networks. This was reported by Gen Oscar Sandoval Torres, the INDE controller. He indicated that the funds will be used to build several electricity lines to several towns on the country's southern coast. The official stressed the importance of the loan, stating that INDE now has the capacity to produce the energy that will be transmitted to the rural area under a variety of plans designed to promote the socioeconomic development of the population. Regarding the Venezuelan loan, the official noted that a 230-kilowatt transmission line will be built between the departments of Escuintla and Retalhuleu to connect several towns in those departments. [Text] [Guatemala City PRENSA LIBRE in Spanish 4 Apr 85 p 2] 8926

\$850 MILLION IN U.S. BANKS--The amount of capital that Guatemalans have deposited in U.S. banks in the past 3 years totals \$850 million, and this aggravates the country's economic plight, stated Economy Minister Leonel Hernandez Cardona yesterday. Hernandez Cardona, during an interview yesterday morning, expressed his concern about the flight of capital, which "is hampering the economic recovery." He reported that the figures cited were provided by CEPAD and by the United States Federal Reserve Bank. He stated that deposits in other banks located in places like the Bahamas were not reflected in the report. He called upon the private sector to make a positive contribution to Guatemala's financial and economic recovery, an effort which the government is supporting, he stressed. [Text] [Guatemala City PRENSA LIBRE in Spanish 19 Apr 85 p 13] 8926

CSO: 3248/342

GUYANA

## PPP, OTHER PARTY ACTIVITIES, POLICY VIEWS REPORTED

### PPP Statement on 'Thuggery'

Georgetown MIRROR in English 24 Mar 85 p 1

[Text]

The PPP has condemned the ruling PNC party for its continued use of police-authoritarian methods aimed at silencing criticisms against it. In a statement, the Party declared:—

PNC forces have on two occasions recently resorted to open violent thuggery to disrupt PPP public meetings, first at Cove and John and just two days ago at Bachelors Adventure. Although official complaints have been made, and the ring leaders of these attacks identified, no actions have been taken to bring the culprits to justice. Indeed, we understand that the man behind the Cove and John violence, was decorated, instead of being punished.

The PNC also used its thugs to disrupt the Guyana Council of Churches' Consultation Meeting preceding its Annual General Meeting. The PNC wrath seems to have been aroused by the Working Paper "The Role of the Churches in the Search for a Solution to the National Crisis".

The PPP does not agree with some of the premises of the working paper. It is incorrect to consider Nationalisation per se as the reason for the collapse of the productive sector. It is also incorrect to consider the creation of a state sector and the implementation of the party paramountcy doctrine by the PNC as foundations of Socialism (co-operative

or otherwise) in Guyana. Our views on these questions are well known and we will debate them further with those who state otherwise.

However, the Working Paper is most correct to recognise that a deep social, economic and political crisis exists in the country and that the PNC bears serious responsibility for the origins and further deepening of the general crisis. The PNC itself has been forced to admit this as it did in the state-owned and PNC-controlled Daily Chronicle of March 16, 1982 where in reference to non-profitable projects it stated: "...these programmes, most of them drawn up by government, have helped to plunge the economy into its deepest post world-war recession.... Collectively however the national economy is in shambles. And this is no exaggeration".

The PNC cannot hope to solve the severe crisis by authoritarian methods of stifling opposition views. In a plural society such as ours, the rights of organisations to express their opinions must be respected. We are guaranteed the right of assembly, but, in fact, this is being denied by the use of PNC thugs to prevent meetings from being held.

This is the fourth occasion when PPP's public address equipment have been seized by PNC thugs. Other constitutional and democratic rights of the Party

are denied, such as the holding of public meetings at Linden and in the Rupununi, and the granting of licences for the importation of newsprint and printing equipment.

The public address equipment of the PPP must be returned. And we will render the new Commissioner of Police every support to bring the guilty to justice. PNC thuggery must be stopped!

## PPP Protest of PNC Actions

Georgetown MIRROR in English 31 Mar 85 p 1

[Text] Following the raid by PNC goons and theft of \$12,000 worth in public address equipment at Bachelor's Adventure on March 18, Opposition Leader Cheddi Jagan has submitted to Police Commissioner Balram Ragubir a long list of similar acts of thuggery directed against the People's Progressive Party.

The list has also been dispatched to the UN Human Rights Commission in Geneva, Guyana Human Rights Association, the Ombudsman, and to President Burnham.

Dr. Jagan pointed out that the Bachelor's Adventure raid is the latest of a large number of such incidents of blatant interference with the freedom of assembly, of speech and of movement in Guyana. These have been done at the whims of state officials and through at times, the violent intervention of organised bodies of PNC hirelings, with no attempt by the police to maintain law and order.

He recalled that representations have been made with the former Commissioner and other senior police officers about the earlier violations, but these provoked little response.

The apathy of the police when it comes to taking any action against henchmen of the ruling party, or any action which appears to assist the PPP, has been carefully outlined by Dr. Jagan with a number of concrete examples.

The former Guyanese Premier and Parliamentary Opposition Leader warned that the continuing discriminatory police behaviour must cease or the situation will worsen into a police state.

In the latest incident on the East Coast, PNC goons swooped down on a PPP meeting and carted away in a government-owned tractor-drawn trailer loud-speaking equipment valued some \$12,000. Police at the scene failed to take prompt action, and when they did they were intimidated by PNC elements who appeared to be armed. The police quit the scene, and to date the stolen articles have not been recovered. No one, either has been charged.

The following other incidents of PNC thuggery have been cited:

--1975, at Nootenzuil, ECD, PNC activists broke up a PPP meeting at gun-point, seized the loud-speaking equipment and made off. Police on duty did nothing.

--1980, Alexander Village, EBD, uniformed and plainclothes policemen intercepted a PPP vehicle after a public meeting and at gun-point beat up 23 party activists. Public address facilities were stolen while the vehicle was in police custody. Commissioner said it was unnecessary to take action.

--1983, Bartica, electricity was deliberately cut off during PPP meetings. PNC thugs stole two loud-speakers which were never recovered.

--String of events on Essequibo Coast where PPP meetings disrupted at the instigation of known PNC activists, and events elsewhere when police arrested PPP defenders of meetings rather than the PNC thugs who had gone to smash the meetings.

Meanwhile a Freedom House spokesman told MIRROR that letters of protests have been pouring into headquarters from party groups and individuals urging the PPP to campaign for respect for its rights. The letters are critical of the ruling party for undermining possibilities that might exist for national unity and cooperation.

#### PPP, PNC, WPA Differences

Georgetown MIRROR in English 24 Mar 85 p 3

[Text] PPP believes in scientific socialism (Marxism-Leninism); it never wavered from this position.

PNC, when in opposition, was democratic socialist, in 1970, it became co-operative socialist; in 1974, it talked about national socialism; in 1975-76, it claimed that its ideas were based on Marx, Engels and Lenin; in 1978, PNC leader L.F.S. Burnham said he was a Marxist, a Co-operative socialist and a Christian; now, the PNC doesn't refer to Marxism, but only to co-operativism.

Friedrich Engels, in his book "Socialism: Utopian and Scientific" praised the founders of co-operative socialism for their humanitarian qualities, but condemned them for their utopian (wishful thinking) ideas of bringing about socialism through co-operatives--all classes co-operating together.

Engels said that society was divided into classes (exploited and exploiter, slave owners and slaves, landlords and tenants, capitalists and workers), and socialism could only come about through class struggle (not co-operation) between the exploiter and the exploited.

No co-operative socialist state was ever established in history. Engels was right.

WPA: In its 1973 political programme, Towards A Revolutionary Socialist Guyana, the WPA stated that it was Marxist-Leninist, that imperialism was the enemy of the Guyanese people; the PNC was the instrument of imperialism; and the Guyanese revolution must have a socialist and anti-imperialist focus.

After the US invasion of Grenada, the WPA set up a Committee to review its programme. It was admitted to the Socialist International which is social democratic, anti-Marxist-Leninist and anti-communist (social democrats have been in power in many countries, like Britain and West Germany, but have never established a socialist society).

In trying to revise its programme, the WPA is moving away from the position of Dr. Walter Rodney, who at a lecture at New York University in 1975 came out in strong defence of Marxism-Leninism. His speech was published by the

WPA in a booklet for a Seminar called to honour him on the first anniversary of his assassination.

The PPP republished his speech in a pamphlet, "Yes to Marxism," which also contains an article by Dr. Cheddi Jagan. This pamphlet can be obtained at Michael Forde Bookshop, 41, Robb Street, Georgetown, Guyana.

PPP is different from the PNC. WPA and PNC have some similarities; they both have an eclectic ideological position (an eclectic is a person borrowing freely from various sources, not exclusive in opinion).

PPP is a member of the World Communist Movement; WPA is a member of the Socialist International; PNC applied for membership of Socialist International, but was rejected.

#### Discussion of Socialism

Georgetown MIRROR in English 24 Mar 85 p 4

[Text] The Critchlow Labour College has made an important step to promote a national dialogue on the way forward for Guyana with its three-part Symposium which began on Wednesday last, and will conclude tomorrow evening.

The sponsors, most prominent of whom is Critchlow Principal T. Anson Sancho, must have thought the theme "Socialist Guyana: The Way Forward and Upward" would be a mind-teaser. But the first thing all panelists agreed on was that Guyana is not socialist, and that the theme was a misnomer!

The panelists were drawn from the People's Progressive Party, People's National Congress, Working People's Alliance, and the Consultative Association of Guyanese Industries. The first three have publicly pronounced in favour of the Socialist Option for Guyana, but as last Wednesday's debate revealed, they differ on issues such as strategy and tactics, philosophical definition of concepts, emphasis and tempo.

The WPA's Eusi Kwayana, after an analysis of the state of rut in the society, stated that Guyana is in no position at this time to go forward to socialism but can and should go towards a democratic republic with the economy in the hands of the people. In this kind of Republic those out of government need not feel oppressed and there must be the promotion of greater freedom and the free development of the individual.

Kwayana who presented a paper, contended that power in Guyana is not held legitimately, and social relations do not measure up to what it should be in a democratic society. He underlined the need for involvement of the masses, an end to racism and victimisation, for trade union freedom, and power to the people at all levels through fair and free elections.

The PPP's Cheddi Jagan, Feroze Mohamed and Clement Rohee cleared up misconceptions about 'democracy', insisting that Guyana needs a revolutionary democratic, as distinct from bourgeois democratic, state form which would lay

the basis for a transition to socialism. Dr. Jagan stressed that most third world countries saddled with petty bourgeois bureaucratic-capitalist rule are forced on the pro-capitalist path and eventually end up with repressive military rule.

Taking up this point Feroze Mohamed advocated leadership role of the Marxist-Leninist Party, the type that the PPP is, and the path of socialist orientation. Emphasis during this path must be placed also on involvement of the masses, the working class ideology of scientific socialism, on the redistribution of incomes and raising the standard of living of the people.

PNC representatives Kenneth Denny and Patrick Denny did not venture into the topic, and unfortunately got bogged down in countering charges of government's failures and inadequacies in dealing with the crisis. They both, however, wished a socialist course for Guyana.

The Symposium was blacked out by the government's press and radio, a serious indictment of PNC's claim that it wants people's involvement and constructive dialogue.

#### Jagan's Views

Georgetown MIRROR in English 31 Mar 85 p 1

[Text]

'Unity and Struggle' or 'Alliance and Struggle'. These are the watch-words used by Guyana's Marxist leader Cheddi Jagan when he was asked to prescribe cures for the country's ailment at the Critchlow Symposium, held under the theme 'Socialist Guyana: The Way Forward and Upward'.

Dr. Jagan, sharing the popular consensus that lack of democracy is at the root of the crisis and malaise, said the class struggle with the vanguard PPP leading and guiding it, is the key instrument not only to remove the source of the crisis but to take Guyana forward and upward along the road of socialist orientation.

The PPP Leader shared the platform with representatives of the Working People's Alliance and the People's National Congress. But the government stifled reportage of the Symposium in the state press and blacked it out of the airwaves, gleefully hopeful that the Guyanese masses would not benefit from the objective

analyses of the present Guyana situation.

However, a Freedom House spokesman told Mirror that Dr. Jagan's Paper would be available in booklet form which would make easy reading by the Guyanese people who are eager to know what course Guyana should take in order to overcome the present crisis.

Dr. Jagan answered this question in the most direct manner when he said, 'Socialism as a goal holds the only prospect for a secure future for the Guyanese people.'

To arrive at this goal through several stages (revolutionary-democratic and socialist-oriented) it is necessary to dismantle the narrow petty-bourgeois reactionary-bureaucratic state structure and establish a revolutionary, anti-imperialist and anti-feudal state of the working people.

A cardinal principle, however, is not only is it impossible to build socialism without democracy. Equally impossible it is

to build socialism without class struggle and the active participation of the class-conscious masses.

The class struggle, according to Dr. Jagan, in effect must isolate backward, reactionary, racist and anti-working class forces and unite progressive and revolutionary forces.

Explaining this in practical terms, Dr. Jagan stated that the class struggle must elevate to a national and patriotic level alliance with the government against imperialist and IMF diktat, while at the same time activate and intensify opposition to the bureaucratic state capitalist system over which the PNC presides.

Can the PNC go towards socialism? It can advance along this course, Dr. Jagan contended, only by an intensification of the class struggle in all its forms — political, economic and theoretical/ideological.

The PNC can advance towards socialism only if the minority revolutionary-democratic tendency in its leader-

ship becomes the majority tendency, and the Party is transformed into a Marxist-Leninist party or the revolutionary democrats in it work in close co-operation with the Marxist PPP and other revolutionaries," he argued.

#### PPP Ideas on Political Solution

Georgetown MIRROR in English 31 Mar 85 p 3

[Text] The PPP has been repeatedly stating that there can be no solution to the social and economic crisis, without a solution to the political crisis.

The Party sees a political solution based firstly on democracy, anti-imperialism and socialist-orientation, and a broad based government; and secondly, on a National Patriotic Front Government, of all left and democratic forces.

The formula for such a government was set out on page 30 of its booklet "For a National Patriotic Front Government" in 197 [as published] as follows:

"The Constitution should provide for an Executive President, a Prime Minister and a National Assembly elected every five years...

The President shall be elected by the people as in the United States and France or by the members of the National Assembly. He shall have the right to send messages and proposals to, and to address, the National Assembly, and to exercise the right of veto. The National Assembly will have the right to override the veto by a 2/3 majority vote, after which the measure would automatically become law.

The Prime Minister will be drawn from the party or parties which have majority support in the National Assembly. He will preside over a Cabinet or Council of Ministers drawn from each party (which is revolutionary and agrees to a socialist-oriented programme) in proportion to its strength in the National Assembly.

Whichever Party wins the election should not oppose the candidature for the Presidency from the other major party."

In order to make the National Assembly and Cabinet as broad-based as possible they should include (in addition to elected members from political parties, as nominated members) representatives of social organisations--the trade union movement, the farmers' organisations, religious and professional bodies.

Georgetown MIRROR in English 31 Mar 85 pp 1, 4

[Text]

After a careful examination of the current situation and with due regard to the decision made in 1982 at the 21st Congress of the People's Progressive Party to hold Congress triennially the Central Committee has decided to convene the 22nd Congress between August 2-5, 1985 at the Annandale Government School, East Coast, Demerara. In its statement issued over the week-end, the Party said:

All-round preparations are underway under the general supervision of a Special Congress Committee to ensure the success of the Congress, the highest decision-making body of the Party. Apart from the hundreds of local delegates and observers from groups all over the country, there will also be at this Congress representatives from overseas fraternal parties.

The main tasks of the Congress are to objectively assess the qualitative and quantitative changes within the Party, the country and internationally which took place since the last Congress, held under the slogan of "Strengthen the Party, Defend the masses and Liberate Guyana." Of great significance, not only to the Party but the country as a whole, would be the wide-ranging discussions and final adoption by Congress of the main line of action that would be the basis of the Party's work over the next three years.

The main document to be presented to Congress is the Central Committee Report to be delivered by Party General Secretary, Cheddi Jagan. This document will deal comprehensively with the work of the Party, its strategy and tactics in the present situation, and the local and international scene.

At the last Congress, on the international situation, the CC Report pointed to the strengthening of the socialist community and the upsurge in the national

liberation, peace, revolutionary and democratic forces in the developing countries and the developed capitalist nations. However, since the last Congress new developments have taken place.

Imperialism, especially United States imperialism, under the Ronald Reagan administration and the dominance of the military-industrial complex over US politics, has grown more aggressive and adventuristic.

International tensions have increased with the deployment of US missiles in Western Europe and the threat of starting a new spiral in the arms race with the "Star Wars" programme, aimed at militarising space and to break the existing strategic military balance on earth. In our region, the hawkish US administration invaded Revolutionary Grenada after the internal crisis and continues to support counter-revolutionary efforts aimed at toppling the revolutionary democratic state of Nicaragua. On the question of peace and development there have been signs of hope for averting a nuclear holocaust and a lessening of tension with the start of talks between the USA and USSR in Geneva.

In Guyana, the economic, political and social crisis continues to rage and has been made worse by the crisis in the capitalist world and the undemocratic rule and acts of omission and commission by the PNC party and government. Despite the anti-imperialist positions of the ruling party and increased ties with socialist countries, there is still no comprehensive alternative put forward by the PNC to take Guyana out of the present mess.

The Party is heartened at the fact that since the last Congress there has been a steady movement towards working class and racial unity, which has broken PNC's hegemony over the TUC. This is to the credit of the PPP which has patiently and persis-

tently worked towards this unity. The Party recognises too that its proposals for a National Patriotic Front and Government based on democracy, anti-imperialism and socialist-orientation have taken deep roots and are winning over to its side ever new sections of the working class, peasantry, intelligentsia and patriotic bourgeois.

The Party once again occupies the centre stage of Guyana's politics. Life itself has placed a tremendous responsibility upon it to play a dynamic role in seeing Guyana through the current chaos and onwards to the road of social progress.

The upcoming Congress, in this context, is an important event, not only for the Party but for the country as a whole. All eyes are on the Party which pledges to continue to play a vanguard role in the context of the on-going class struggles in the country.

## Conservative Party Discord

Georgetown MIRROR in English 24 Mar 85 p 1

[Text]

Confusion, discord and wrangling within the dwindling ranks of the so-called Toronto-based Conservative Party of Guyana (CPG) has resulted in a virtual coup in the leadership, with party leader, S. Lakhan and four of his lieutenants facing trial, with him being among ten members expelled.

The names of the four who were booted out with the "leader" have been given as R. Parsram, L. Thalcharchandrade, K. Moonasar and M. Muneshwar. The names of the others are not immediately known.

Someone identifying himself as Sukhoo has now assumed the leadership post.

The CPG was identified in last year's North American intelligence "sting operation" when some of its members, including Lakhan, were caught handling guns for shipment to Guyana for the purpose of carrying out terrorist activities. They had conspired with elements of the notorious Mafia, and even felt sure at one stage that they were doing business with the CIA with the purpose of carrying out their treacherous designs in Guyana. However, they were nabbed and placed on trial — the second phase of which is now going on in Canada.

Inside Guyana, the PNC felt sure that the CPG had planned the assassination of the political leadership of both the PNC and PPP, and to eventually set up in Guyana a pro-American, pro-mafia capitalist dictatorship.

Elements of the CPG have since also called for the physical intervention of the Reagan government, Grenada-style in Guyana.

CSO: 3298/640

GUYANA

# PAPERS CITE PRESSURE ON TUC, NOTE OTHER UNION ACTIVITIES

## PPP Organ's Charge

Georgetown MIRROR in English 24 Mar 85 p 1

[Text] A well orchestrated scheme to oust TUC President George Daniels from his post as President of the Public Service Union is now unfolding. Daniels himself has so far protested against death threats, police harassment and a PNC slander campaign.

The PNC is mustering its forces to oust Daniels. The MIRROR is in receipt of a copy of a letter signed by General Manager of the Mahaica/Mahaicony Abary Agricultural Development Authority, which ordered the release of one Reuben Khan, an MMA employee to be relieved of duties from March 15 to May 30 to assist in the campaign of Cde. Allan Munroe for the Presidency of the Guyana Public Service Union.

The letter was addressed to Robert Williams, Executive Chairman of the Guyana Fisheries Ltd. who requested the release of Khan.

Meanwhile two Education Ministry employees, Hewley Milton Robertson and Ederle Patricia Man-Son-Hing, represented by Attorney-at-Law, Rex McKay, have filed a suit on behalf of themselves and other Education Ministry employees seeking PSU membership.

They are also seeking court orders to:

- direct the PSU to accept their applications for membership;
- restraining the PSU from preparing the electoral list before they become full PSU members;
- stop the elections until all applications for membership are considered and determined.

They are seeking damages in excess of \$1,500, for breach of their rights and costs.

Daniels has become the target of the ruling party since last year when militant unions broke the 20-year monopoly the PNC had over the Trades Union

Congress. Daniels, as President of the TUC, is seen as a threat to the ruling party. His removal as PSU President is calculated to considerably weaken his positions in the TUC.

The main objectives of the PNC is to regain full control over the TUC which in past years has been condemned for its servile attitude and bowing to officialdom. The ruling party, accustomed to dealing with a toothless poodle which passes off as organised labour, is becoming more nervous in having a TUC which is committed to the cause of the working class.

#### CATHOLIC STANDARD Report

Georgetown CATHOLIC STANDARD in English 31 Mar 85 pp 1, 2

[Text] The ruling party has stepped up its campaign to unseat George Daniels as President of the Public Service Union and instal its own nominee.

Elections were due to be held on May 27, 1985, but a court injunction has been obtained restraining the Union from preparing and producing the list of members eligible to vote until certain applications have been considered and determined.

Since Daniels created a major upset for the PNC at the last TUC elections by defeating its candidate Jean Persico, the party has been active in trying to regain control over the TUC, which it had exercised for many years.

At these elections many of the PNC sponsored candidates, including Minister Kenneth Denny, the Organising Secretary, had also been defeated.

The PNC has now set up a campaign committee to promote its candidates for the PSU elections. Posters of its presidential candidate have been stuck up in Government offices and activists have been relieved of their duties to join the campaign.

State vehicles have been put at the service of the organisers and speakers, and workers are being given time off to listen to the campaign speeches.

Meanwhile, requests have been made for a large number of the Union's membership registration forms by Ministers and other officials.

The Ministry of Co-ops, for instance, with 16 employees, have asked for 300, and the Office of the President for 1,000.

George Daniels, for his part, has been visiting the country areas in order to give the TUC's position on matters which he complains the national media will not publish, and he has been enthusiastically received.

In Berbice he was harassed by the authorities last Feb. causing the TUC Executive on his return to pass a resolution deploring this action.

Permission had been granted for the use of the New Amsterdam Town Hall for a TUC symposium, but had been withdrawn at the last moment.

As the meeting moved to the Union Hall, Daniels was called out by the police for security checks.

The explanation given was that he was suspected of having contraband in his car.

At a largely attended meeting of bauxite workers in Linden, held soon afterwards, the action of the authorities was condemned and pledges of solidarity were given to the TUC President.

Now an attempt is being made to register 349 employees of the Ministry of Education in time for them to vote at the PSU elections, and an action by two employees of the Ministry has been brought in Court for this purpose.

The Union was given till April 15 to file a reply, but in the meantime a successful application has been made for an interim injunction restraining the PSU from holding elections before the applications were dealt with.

Because of the change in the TUC leadership, the workers' May Day Parade this year should be somewhat different in composition, as contingents of mine-workers and sugar workers who do not normally attend are expected to take part.

President Burnham and Dr. Jagan are among those invited to address the concluding rally.

#### Daniels' Position

Georgetown MIRROR in English 31 Mar 85 p 4

[Text] While the campaign to oust George Daniels as President of the Guyana Public Service Union (PSU) is in full swing there exists the possibility that the elections fixed for May 27, 1985 may not be held. In fact the fear is expressed that the elections may be put off until after general elections.

Last week the high court granted an ex parte interim injunction to two employees of the Education Ministry restraining the PSU from holding elections for the Executive Council until all applications for membership are considered and determined.

This new dimension to the upcoming PSU elections was added when two employees of the Education Ministry, represented by attorney-at-law Rex McKay, filed a suit against the union alleging difficulties in obtaining application forms to join the PSU. They fear that this may cause them and others who wish to join the union, not to be able to exercise their franchise in the election.

As a result of the writ the PSU is to appear in Judge Rudolph Harper Chambers on April 9 to put its side of the matter. Apart from the question as to why there is this hustle to get public servants to join the PSU at this particular time, it is understood that when the Education Ministry requested 349 application forms for non-members, it was found that quite a number of them

were already members. It is further understood that another agency with about 200 employees requested 1,000 application forms. The question is asked: Why this demand for so many forms at this time?

To most the answer may be very clear. The MIRROR last week asked the PSU President, George Daniels, the current President of the Trades Union Congress, what chances he stands to beat his opponent Allan Munroe for the PSU presidency? Said Daniels, "This is not a fight against Daniels but against the Trade Union Movement. They want to control the TUC."

Daniels expressed the view that other unions are threatened with similar moves once they show a determination not to bow to the wishes of the ruling party, of which he is still a strong supporter.

"I am a supporter of the PNC and have always been, but I am also President of the TUC and President of my own union, the GPSU, and as such my first concern is the welfare and well-being of the workers of our country," he said recently.

His supporters feel he stands a big chance of defeating his opponent but with the new developments the elections may not be held this year. The reason, they feel, is that should the other side lose, this will affect the PNC position at the level of general elections.

Daniels has more than 20 years' experience in the trade union movement, a credit which is not shared by Allan Munroe who until recently was Permanent Secretary in the Education Ministry. Daniels started off in the Union's clerical section in 1965 and took over its chairmanship in 1970. The following year he entered the General Council. (Munroe became a member of the Council in 1981.) Between 1975-76 Daniels was Deputy General Secretary and General Secretary between 1977-81. In 1981 he was elected President of the PSU and the Caribbean Public Services Association. He became an Executive Member of the TUC in 1979, Vice-President in 1982 and President in 1984.

Daniels is on secondment to the Union from the Agriculture Ministry. It is feared that another ploy to defeat him would be to make his job in the Ministry redundant. This would make him ineligible to stand for election.

There is growing concern in the labour movement over the pressures exerted on the PSU and Daniels. Since the PNC control over the TUC was broken last year these moves to regain control were envisaged.

#### Government-Union Talks

Georgetown GUYANA CHRONICLE in English 1 Apr 85 p 8

[Text] Minister of Manpower and Co-operatives, Cde Kenneth Denny is expected to hold talks with the Guyana Trades Union Congress and the three unions representing workers in the sugar industry on Thursday.

The unions are the Guyana Agricultural and General Workers' Union, the National Association of Agricultural, Commercial and Industrial Employees and the Guyana Field Foremen and Supervisors' Union.

It was learnt that the discussions will centre around the Annual Production Incentive which led to a recent strike in the sugar industry.

The President of the TUC, Cde George Daniels is expected to head the TUC team to the meeting.

#### Teachers Union Officers

Georgetown GUYANA CHRONICLE in English 8 Apr 85 p 8

[Text] The President of the Guyana Teachers' Union (GTU), Cde. Jean Persico has been returned to serve another two-year term. She will preside over the Annual Delegates' Conference of the organisation which opens tomorrow.

The General Secretary, Cde. Richard Persico, had been earlier returned unopposed.

Other persons returned to office in last week's elections are Ancel Hazel, first vice-president; Cde. Mahadeo Singh, second vice-president; Cde. Samuel Archer, regional vice-president for Berbice, Cde. John Deweever, regional vice-president for Demerara, and Cde. Rupert Osbourne, regional vice-president for Essequibo.

Cde. Dhanpaul Tiwari was returned as Treasurer.

More than 150 teachers from several parts of the country will meet at the GTU Hall tomorrow at 10:00 hrs. to begin their four-day conference.

On Wednesday, Vice-President Hamilton Green is expected to address the official opening session of the conference.

#### Green at GTU Meeting

Georgetown GUYANA CHRONICLE in English 10 Apr 85 p 1

[Text] Vice-President Cde. Hamilton Green has been invited to formally declare open the 101st annual conference of the Guyana Teachers Union (GTU) this morning.

Yesterday was the second day of the conference and delegates discussed the General Secretary's report and other reports from various committees of the Union.

At today's session GTU President Jean Persico will deliver the Presidential Address.

A resolution of loyalty to the Government is also expected to be tabled at this session.

Tomorrow is the Women's Session and the GTU's National Sports Committee will hold its deliberations concurrently.

Minister in the Ministry of Education, Cde Yvonne Harewood-Benn has been invited to address the women and Chairman of the National Sports Development Council, Cde Ken De Abreau will speak to the sports officials on "the role of the sports administrator."--(GNA).

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GUYANA

# PNC PARTY STRUCTURE BEING RESHAPED IN REGION SIX

Georgetown NEW NATION in English 31 Mar 85 p 2

[Text] A plan for the reorganisation of the Regional Party structure in Region Six is now being looked at in keeping with current policy in having persons placed in positions where they are specialised to maximise the use of their ability, skills and experience.

Regional Supervisor Cde Santon Lambert told NEW NATION that the new structure, when implemented, would see greater cohesion and linkages with the Party Secretariat where similar organisational changes are being undertaken.

This would also allow for greater participation by the membership within the Party organisation and within the Regional structure for the general efficiency of the system, he said.

According to the proposed structure the Regional Supervisor will be responsible for Party Administration and Finance.

Cde Isaac Chowritmootoo is identified to head Education and Reorientation; Cde Ranga Raidu Appadu--Mobilisation, outreach work is to be done by Member of Parliament Cde Rhyburn Primo, Projects will be supervised by Cde Joseph Cox, Member of Parliament Cde Milton Armogan will be responsible for Production, and Cde Winston Samuels, Agriculture and Security.

Cde Vibert Welch, Sub-Regional Supervisor will now have responsibility for the Crabwood Creek area to No. 43 Village. Cde Maureen Nedd who was recently promoted to Senior Co-ordinator will be responsible for the communities between Bengal and Adventure. Cde Herman Parks who was also promoted to Senior Co-ordinator will have responsibility for the Hogstye/Port Mourant area while Cde Keith Williams, Sub-Regional Supervisor will be responsible for the Rose Hall Town/Canje area.

Cde Brenda Johnson, Sub-Regional Supervisor will have responsibility for the Mount Sinai/Vryman's Erven area.

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GUYANA

PAPER REFUTES REPORT ALLEGING BUILDUP OF CUBAN ARMS HERE

Georgetown SUNDAY CHRONICLE in English 7 Apr 85 p 4

[Unsigned "Comment": "More Mischief Afoot"]

[Text]

WE HAVE condemned before and we wish to condemn, once again, the continuing vilification of our beloved land, and the seemingly well-orchestrated international campaign of disinformation being carried out by some foreigners many of whom have their quislings in Guyana.

Together, they have on numerous occasions been guilty of distorting the realities of life in Guyana and of wantonly and maliciously spreading mischief.

Last week, the Guyana Chronicle commented on a report written by one Hugh O'Shaughnessy and headed "Violence Threatens Guyana."

Since then another mischievous report published in the Trinidad Guardian, picked up and transmitted by the Caribbean News Agency and credited to a "Suriname-based American Missionary", Rev. Geoff Donnan, has been brought to our attention and it makes us wonder whether the well-orchestrated international campaign is intended merely to bespoil the name of our country or whether it goes beyond that, possibly with the intention of laying the groundwork for external armed intervention in Guyana's internal affairs.

We remember only too well that early last year — in the wake of the US armed invasion and occupation of Grenada — one overseas newspaper said in its editorial, "Guyana is ripe for the plucking."

In the recent report, Donnan, the Suriname-based American missionary was reported as saying that there is a build-up of military strength in Guyana and that this poses a more serious threat to peace in the Caribbean than Grenada when it was ruled by the People's Revolutionary Government (headed by the late Maurice Bishop).

Donnan, said to be from the little-known Caribbean Christian Ministries, was also quoted as saying that Cuba had built 10 air-bases for jets on Guyanese soil and had made extensions to 86 smaller ones for military purposes.

"The threat is far worse in Guyana than it was in Grenada. The once-peaceful Caribbean is now being militarised," he was quoted as saying.

And, as though all these untruths were not enough to cause him a bout of asphyxia, he said that compared with Cuban workers (he said "600 Cuban soldier-workers") who were in Grenada, there are "several thousands" in Guyana in addition to personnel from Bulgaria, the Soviet Union, the Democratic People's Republic of Korea, Libya, and the Palestine Liberation Organisation (PLO).

Brazil, he said, had become concerned about the stockpiling of ammunition in Guyana's interior and had stepped up security in its border region with Guyana.

Interestingly enough, Donnan gave no source for his information. It all seems, however, very much akin to the campaign of disinformation which preceded the invasion of Grenada.

We all know the utterances of Donnan and those of his ilk to be utterly untrue. But as a nation we can ill-afford to be complacent, and to dismiss these utterances on the basis of the ridiculous nature. At all cost we must not be found napping, mistaking the tree for the forest.

In short, we need to understand the deeper significance of their remarks and their hidden motives. We need to be externally vigilant and guard against the machinations of those who would wish to place us in bondage and see us jump to their every whim and fancy.

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GUYANA

## CONTROVERSY OVER COUNCIL OF CHURCHES DOCUMENT CONTINUES

### GCC 'Untruths'

Georgetown NEW NATION in English 31 Mar 85 p 3

[Text]

When some one tells an untruth that person must tell another untruth to support the first, and so it goes until the previous untruth is exposed.

Elements within the Guyana Council of Churches produced a document which, inter alia, called for the overthrow of the Guyana Government. That document sought to lay blame for some of the economic ills on nationalisation.

Since then, many affiliates of the Guyana Council of Churches have dissociated themselves from the obnoxious document which comprised untruths and half-truths.

But to support the offending document the conniving elements within the Guyana Council of Churches have come up with further untruths, chief among them being the statement that members of the House of Israel are automatic members of the People's National Congress.

Through the rag that would publish anything that attacks the PNC and Guyana Government (this explains the number of libel suits it faces) the rebel GCC members contended that

Bishop Randolph George was prevented from entering his Church's property by House of Israel members and other PNC supporters.

The next untruth is that the state-owned media are PNC-controlled, and that they have slandered Bishop George by reporting, factually, on his departure for the United States and for stating that the purpose of the visit was not known (at that time).

The untruth continued with the statement that the PNC did not try to find out the purpose of Bishop George's visit and published the forementioned in the Guyana Chronicle.

The truth is that the PNC is not in the least interested in the comings and goings of Bishop George. The Guyana Chronicle has reporters whose duty is to keep the nation informed of developments in the country. And talking about finding out, it was a member of the Guyana Council of Churches that refused to grant an interview to a reporter from the Chronicle, contending that the Chronicle distorts facts.

(A.H.)

## Complaint on Bishop Story

Georgetown CATHOLIC STANDARD in English 31 Mar 85 p 3

[Text]

THE GUYANA Chronicle has ignored a request by Anglican Church officials that it correct the erroneous impression given concerning Bishop George's recent visit to the USA.

Rev. D.H. Goodrich, Dean and Vicar General and Mr. H.O.E. Barker, Administrative Secretary, wrote to the paper on Mar. 18 last pointing out that the article headed, "GCC's Bishop George flies to the US" gave an erroneous impression.

The article conveyed the impression that the Bishop had gone to the United States as part of a plan to topple the Guyana Govern-

ment after the GCC's AGM had been prevented by Government supporters from taking place.

The officials pointed out that the Bishop's trip had been planned many months before and was in response to an invitation from the Bishop of Long Island to speak about the training of Amerindian priests.

"The news item would perhaps not have conveyed the impression which it did, if your reporter had made any attempt to ascertain the position either from the Vicar General or from the Diocesan Office", the letter stated.

## CHRONICLE Response

Georgetown GUYANA CHRONICLE in English 3 Apr 85 p 4

[Editorial: "Come Straight Bishop George"]

[Text]

THE Guyana Chronicle of March 16, carried a report headed 'G.C.C.'s Bishop George flies to U.S.' Bishop George, who has now returned after a sojourn abroad, alleges that the report is "libellous" and "damaging". He said so in a circular letter which he directed to be read in all Anglican churches on Palm Sunday.

What did the Chronicle report say? It was a straightforward, five-paragraph statement. It merely reported that the Bishop had left Guyana on his way to the United States; that he was likely to be away for seven days; that he was an executive member of the G.C.C. and had been featuring prominently in the controversy over a G.C.C. document which, among other things, called for the bringing down of the Government; and that the purpose of the Bishop's visit which began two days after the postponement of the Annual General Meeting of the G.C.C. was not yet known.

The Bishop has not in his letter faulted any single statement in the Chronicle report. He takes refuge in speaking of "insinuations". Surely the public would have expected something a little more specific than this convenient refuge from the need for particularity?

If an example of an insinuation is desired, it can be found in the Bishop's statement that "there is a strong connecting link between the spreading of blatant lies through the media and the spate of violent crime being perpetrated throughout the length and breadth of the country."

The suggestion of this transparent non-sequitur is that violent crime in the society is directly due to the alleged spreading of blatant lies through the media; that the Government controls the media; and that it is therefore the Government which is directly responsible for violent crime in the society.

It is surely difficult to imagine a more irresponsible statement from so seemingly responsible a quarter. It is also untrue.

The Bishop suggests that there has been misrepresentation, and he speaks of "utter abuse of the media by those who have complete control of it". What does he mean? The "Catholic Standard", the "Mirror", "Dayclean", "Open Word", regularly and vigorously attack the Government.

They are all part of the media. It is clearly inaccurate for the Bishop to suggest that the media is under the complete control of the Government. And in doing so, he is obviously

guilty of the misrepresentation he would attribute to others.

Certainly, the media is not under the kind of undivided control which the Bishop single-handedly wields over the Church as a vehicle for conveying his political messages to the laity.

The Bishop's letter was constructed with care. He says that his visit was for the purpose of fulfilling "a speaking engagement in the United States", and that it provided him with an opportunity of talking of "the Allan Knight Training Centre".

We take the Bishop's word for that. If he knew of orchestrated telegrams sent to Guyana by foreign Church bodies while he was abroad, he did not have to say. If he knew who caused them to be sent and on what representation, again he did not have to say. He was careful to say he spoke on one subject. He was equally careful not to say that that was the only matter on which he was active abroad.

The Bishop expresses surprise that his visit was allegedly "seen by the local media as part of a sinister plot to overthrow the Government". It is a pity he did not take the opportunity to deal in his circular letter with the reference in the G.C.C.'s working paper to "the identification of the Churches with those who are excluded from an abundant life in their struggles to bring down the mighty from their thrones."

The Committee of Concerned Christians have objected to that document; and they have themselves published it in extenso so as to give

the public an opportunity to make their own interpretation of it.

It would have been helpful if the Bishop had offered his own interpretation of this remarkable document on this worrying point.

Instead, the Bishop says, "the Church dramatically reminds us at this time that through the sacrifice which Christ offered upon the cross we are able to be incorporated into Him in the Sacrament of Holy Baptism, to be set free from the bondage of Satan and be born again."

But why can't the Bishop speak more clearly? What does he mean? How are people to interpret his language in the light of the G.C.C. working paper? Is he saying the same thing? If not in what way is he different?

Help the people to understand you Bishop. Come straight. After all, it is you who object to alleged insinuations. So speak a little more plainly. Tell us precisely what you have in mind. And in all of this, remember that the hierarchy is not the laity. Never was; as anyone will soon discover who seeks to disturb the traditional harmony and mutual respect existing between religion and State in this wonderful country of ours.

We wonder whether it was this lack of clarity that caused some members of the Anglican clergy not to read that section of the Bishop's letter which spoke about the likelihood of members of the Church being "called upon to 'fight' with beasts of Ephesus," using the same 'weapons' as St. Paul. We just wonder!

#### Concerned Christians' Letter

Georgetown GUYANA CHRONICLE in English 3 Apr 85 pp 1, 8

[Text] The "Committee of Concerned Christians" has written the World Council of Churches and a number of overseas Church groups setting the records straight about the local controversy over a Guyana Council of Churches working paper calling for the bringing down of the Guyana Government.

The WCC and the overseas groups had cabled President Forbes Burnham accusing the Guyana Government of harassing the GCC and the Catholic Standard.

The overseas group also included the National Council of the Churches in the USA, the Continuation Committee of the Caribbean Conference of Churches, the British Council of Churches and the Manitou Conference United Church of Canada.

"Christians in Guyana are disturbed over the disinformation and misrepresentation which led to your cable to President Burnham..." the Committee of Concerned Christians wrote.

The Committee added: "It is easy for the position to be misrepresented in view of the fact that, as Bishop Randolph George admitted in Canada in October 1981, "he was elected Bishop unanimously at a 1980 Synod where most of the delegates were members of the ruling Party." (See Share newspaper of Canada, October 17, 1981, front page).

Disinformation would have it that a Christian who votes for the Bishop is acting as a Christian but, if he opposes the Bishop's politics, he is acting as a member of the ruling Party.

Prior to the meetings in question, the GCC had issued a working paper "to stimulate interest among Christians to attend" the meetings for the purpose of discussing a programme of action designed to achieve what the working paper referred to as "a solution of the national crisis," which solution was significantly linked to a reference in the paper to "struggles to bring down the mighty from their thrones."

The working paper, in effect, sought to mobilise political action to bring down the Government. It also invited Christians to attend the meetings for the purpose of discussing the working paper.

"Members of the Christian community, inevitably including some members of the PNC, sought to attend the meetings pursuant to the GCC's invitation but were excluded by the GCC's authorities who also refused to allow the working paper to be discussed.

"Religions of all kinds have flourished under the present Government in this multi-religious country, and religious bodies are free to engage in any other activities, including political activities, if they wish.

"However, where the hierarchy of the Churches elects to engage in political activity overtly expressed to be designed to bring down the Government, members of the Churches would naturally wish to make sure that the GCC is faithfully representing their general thinking." (GNA)

#### Another Attack on GCC

Georgetown SUNDAY CHRONICLE in English 7 Apr 85 p 9

[Text] The controversy sparked off by the Guyana Council of Churches' (GCCs') working paper continues to boil and the Guyana United Apostolic Mystical Council has joined in rejecting the document.

Reacting sharply, the Council, in a statement issued through its General Secretary Michael Goodman, said the document was prepared by some persons "posing as clergymen, acting unilaterally with their own political interest in view, while trying to make it appear that they are representing the Christian community in Guyana."

The Council expressed disgust "at the attitude of the GCCs' hierarchy, who with the support of a few destabilisers in the Guyanese society, are being manipulated by external forces opposed to socialism..."

"These few persons," the Council said, "are bent on creating confusion and chaos in our now peaceful Guyana."

The controversy has been alive ever since the release of the "Working Paper," with several members and non-members of the GCC dissociating themselves from the document which, among other things, calls for the bringing down of the Guyana Government.

And, as a result of what has been described as a disinformation campaign, a few overseas church groups have sent cables to President Forbes Burnham accusing the Guyana Government of harassing the GCC and the Catholic Standard.

Meanwhile, the "Committee of Concerned Christians" has written these overseas groups setting the records straight and pointing out that Christians in Guyana are "disturbed" over the "disinformation and misrepresentation" which led to their cables to President Burnham.

In its letter, signed by four priests--Rev. O. Wharton, Rev. Father Gilbert Harris, Rev. Hewley Hinds and Rev. Llewellyn Fraser--the Committee of Concerned Christians stressed that religions of all kinds have flourished under the present government in this multi-religious country..." (GNA)

CSO: 3298/642

GUYANA

PNC GENERAL SECRETARY LECTURES CADRES ON IDEOLOGY

Georgetown NEW NATION in English 31 Mar 85 p 2

[Article by Desmond Francis]

[Text] A useful and stimulating one-week seminar was recently conducted for Party cadres of Regions Five and Six in New Amsterdam. The eight days were brimful of interest where participants were lectured on important matters of national significance.

The premier event of the seminar was a lecture by General Secretary of the People's National Congress Cde Ranji Chandisingh on the "Ideology of the Party and its vanguard role."

That address set the tone for a very successful and educational seminar. At the conclusion many felt that similar, education programmes should be more regular to give Party cadres the opportunity to learn more on matters that are not too clear to them. Other useful and inspiring addresses were given by Government Ministers, Senior Party functionaries and Heads of corporations.

Some of the topics discussed and examined by the participants were Regionalism and Mass Participation; Communication; and Programme Planning, Implementation and Evaluation. 'The Mass Media and its role in National Development and for the Task Ahead' was one of the crucial areas of discussion.

In addition to Cde Chandisingh lecturers at the seminar included Assistant General Secretary Cde Urmia Johnson, Cdes Kenneth Denny, Patrick Denny, Robert Corbin, Stanley Hamilton, Terry Holder, Adam Harris, Courtney Gibson, Percy Haynes, Robert Williams, Dr. Una Paul and T.A. Earle.

With what they have learnt, the Party cadres would be better able to disseminate those ideas pertaining to national development and to the development of the People's National Congress.

What is important for cadres to understand is the role they have to play in the execution of their duties. Each will have to be a dedicated worker who can relate to people and who has an interest in improving the environment in which he lives. Each should also exhibit self-respect, self-discipline and behaviour in keeping with the Socialist ideal at all times and apply their skills and expertise to develop people, animal and crop.

GUYANA

# MINISTRY OF INFORMATION STARTS MEDIA 'CADET' TRAINING

Georgetown SUNDAY CHRONICLE in English 31 Mar 85 p 1

[Text] A Communication Cadet programme for the local media with emphasis on the development of technical skills, professional attitudes and relevant ideological training, will shortly be launched by the Ministry of Information.

The programme will seek to attract adequately qualified and motivated persons, including university graduates and serving media workers with a potential for further development.

Applicants should have the minimum qualifications for admission to the University of Guyana--passes in four subjects at the GCE or CXC examinations.

The short term objective of the programme is the filling of vacancies within the media with qualified recruits whose skills and attitudes have been developed to prepare them for careers in the media.

Applications should be sent to the Manager, Central Services Unit, Ministry of Information, 18, Brickdam, Georgetown before April 15.

The processing of applications will be followed by a series of tests and interviews and final selection for the programme will be made by May 15.

Those selected for the programme will start a six-month training programme in June. They will be exposed to ideological orientation, development education sessions, formal academic courses, work experience attachments and technical skills development.

A stipend of \$600 per month will be paid during the period of training.

Upon successful completion of the programme, participants would be eligible for appointment to the staff of one of the media agencies. (GNA)

CSO: 3298/643

GUYANA

#### FOURTH PEACE COMMITTEE BRANCH ESTABLISHED, IN LINDEN

Georgetown GUYANA CHRONICLE in English 1 Apr 85 pp 4-5

[Text] Linden--The Guyana Committee for Solidarity and Peace (GCSP) has launched its branch at Linden, Region 10--its fourth in Guyana.

Chairman for the Region 10 branch is PNC Sub-Regional Supervisor Stephen Innis with Hugh Brittlebank as first Vice-Chairman, Terry Rozario as secretary and Remington Williams as treasurer.

Delivering the keynote address at the launching ceremony held at the Linden Mayor and Town Council hall senior Vice-Chairman for the GCSP Cde Basdeo Bhaggan stressed the need for global stability and peace.

He said that some of the developed countries can do much more to bring about a climate of world peace, and called on nations worldwide to redirect their natural resources away from promoting war and towards the pursuit of national development.

The GCSP vice-chairman also called for the sensitising of Guyanese about the wanton destruction and wastage of both human and material resources that takes place in countries plagued by war.

He said that the sensitising of Guyanese along such lines will stimulate the type of consciousness necessary for peace and will give support to Guyana remaining a country of peace and stability.

"Our concern for peace globally must arise out of a concern for peace personally, domestically, and regionally," he stated.

And Organising Secretary of the GCSP, Cde Lennox Caesar who installed the officers urged them to display a high standard of discipline.

He said the committee's work will be successful only if its members strive to make discipline their watchword.

Among those attending the launching ceremony were regional chairman for Region Ten, Cde Patricia Daniel and representatives from a number of government and private agencies, and organisations in Linden.

Other branches of the GCSP have already been established in regions Two, Five and Six. (GNA)

CSO: 3298/643

GUYANA

#### BRIEFS

**WPA PAIR ON ARMS CHARGES**--Two members of the Working People's Alliance (WPA), Tacuma Ogunseye of Pike Street and Gladys Younge of Regent Street have been charged with unlawful possession of ammunition. They pleaded not guilty to the charge before Principal Magistrate Desmond Burch-Smith yesterday and were placed on \$750 bail each. The Court was told that Ogunseye and Younge were found, last Friday, in possession of 50 rounds of .32 bullets and 68 rounds of .38 bullets. The case is for a report on March 3. [Text] [Georgetown GUYANA CHRONICLE in English 3 Apr 85 p 3]

**IIC SIGNING**--In its bid to boost capital flows to the local manufacturing sector, the Guyana Government has acceded to the agreement for the establishment of the Inter-American Investment Corporation (IIC). Finance Minister Carl Greenidge and President of the Inter-American Development Bank (IDB) Ortiz Mena signed the agreement in Vienna last Wednesday. The IIC which is likely to become operational by October, this year, aims at promoting the economic development of member states of the IDB by encouraging the establishment, expansion and organisation of private enterprises. In keeping with the agreement, small and medium-scale firms of member countries will be given preferential access to IIC resources. Guyanese firms should be able to borrow investment capital providing they satisfy all the relevant criteria. Once all the authorised stock is fully paid up, the IIC should have some \$200-million (US) at its disposal. (GNA) [Text] [Georgetown GUYANA CHRONICLE in English 3 Apr 85 p 1]

**CHURCH VISITORS**--A bishop and three missionaries from overseas are expected here today for the opening of the 70th Annual Session of the Guyana Conference of the African Methodist Episcopal Zion Church. The session will be held at the Alleyne's A.M.E. Zion Church, Regent Street, Georgetown. Those arriving are Right Rev. Charles H. Foggie, Presiding Bishop, his wife, Madaline S. Foggie, Missionary Supervisor, Mrs Marjorie T. Walton, Deputy Missionary Supervisor and Rev. Cynthia Enid Willis, Host Pastor and Presiding Elder. Chairman will be the Rev. Joseph Jordan. [Text] [Georgetown GUYANA CHRONICLE in English 10 Apr 85 p 3]

**NEW PERMANENT SECRETARIES**--Six new Permanent Secretaries were yesterday sworn in at a simple ceremony at the Presidential Complex, New Garden Street. Those sworn in were Cdes Joseph David Simmons, and Hubert Orin Stanislaus Thompson, Secretary and Deputy Secretary to the Treasury,

respectively, Deryck Milton Alexander Bernard, Permanent Secretary, Office of the Prime Minister, Sydney Yorrick Munroe, Permanent Secretary, Ministry of Information, and Rupert Nathaniel Daniels and Raywatram Singh, Deputy Permanent Secretaries, Ministry of Education. The Oath of Office was administered by Cde. W.S. Murray, C.C.H., Head of the Presidential Secretariat. [Text] [Georgetown GUYANA CHRONICLE in English 10 Apr 85 p 5]

PNC GENERAL COUNCIL--The second quarterly General Council meeting of the People's National Congress will be held from May 9 to May 12 at the Sophia auditorium. The meeting was originally scheduled for this month. General Council is the second highest forum of the Party between Congresses and with the Sixth Biennial Congress scheduled for August this meeting will undoubtedly be the last before that major event in the life of the Party. [Text] [Georgetown NEW NATION in English 7 Apr 85 p 2]

DEATH OF HOYTE'S CHILDREN--Georgetown, Wed. (CANA)--The two teenaged children of Guyana Prime Minister Desmond Hoyte were among three people killed when their motor car crashed into an unlighted tractor-drawn trailer on the Linden Soesdyke Highway, about 25 miles south of Georgetown last night, police confirmed today. Dead are Maxine and Amanda Hoyte, as well as their aunt, Gwendolene De Freitas. Hoyte's wife Joyce, who was also in the vehicle, is now in critical condition in the intensive care unit of the Government-run Georgetown Hospital. The driver of the Hoytes' vehicle, Sydney McIntosh was also injured and is hospitalised. The deaths threw a damper on today's countrywide May Day celebrations. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 2 May 85 p 1]

CSO: 3298/644

JAMAICA

GOVERNMENT TALKS WITH PNP ON LOCAL GOVERNMENT CHANGES IN DEADLOCK

Report on Discussions

Kingston THE DAILY GLEANER in English 25 Apr 85 pp 1, 3

[Text]

**I**NFORMAL DISCUSSIONS AIMED AT "trying to arrive at some sort of understanding" on Government's proposal to reduce the number of electoral divisions from 278 to under 150, have been taking place between Government and People's National Party representatives on the Electoral Advisory Committee.

The informal discussions have been taking place over the past four days.

Top-level sources within the ruling Jamaica Labour Party and the PNP disclosed yesterday that both sides had indicated at yesterday's meeting of the Electoral Advisory Committee, that they were "having discussions with a view to achieving some degree of understanding." However, none of the members of the committee belonging to either the Government or the PNP would comment on the matter last night. And, when contacted about the matter, the Chairman of the Committee, Prof. Gladstone Mills, responded with a brief, "No comment."

However, the sources said, the two sides to the discussion had been "working tirelessly to iron out a number of knotty points, and they as much as indicated this during yesterday's meeting of the Committee." In conveying information on their activities to the meeting, it was learnt that the representatives indicated that while they felt some progress had been made, they wished to continue to meet informally, in their efforts to arrive at an understanding and eventually, at consensus.

It was learnt that considerable "give and take" has been taking place in the informal discussions between the two sides. The sources disclosed that, while the proposal in Ministry Paper No. 10 provided for the cutting of the number of electoral divisions from 278 to a figure "somewhere between 120 and 150", it was not unlikely that when, finally, a decision was arrived at, "the upper range could rise above the 150." The

sources said that in their discussions, the two sides "were treating the proposal in Ministry Paper No. 10 as 'a proposal' and not as a finite decision."

On Friday last, the PNP called on Prime Minister Edward Seaga to withdraw the proposal to cut the number of electoral divisions from 278 to under 150. It expressed "grave concern" about the effect which the reduction would have on Local Government representation and said that what the Government proposed was illegal.

Government representatives on the Committee are the Minister of Youth and Community Development, Mr. Errol Anderson, and the Minister of State in the Ministry of Industry and Commerce, Mr. Karl Samuda; and PNP representatives are Dr. Paul Robertson, General Secretary, and Miss Portia Simpson, a vice-president.

### PNP Stand

Kingston THE DAILY GLEANER in English 26 Apr 85 p 1

[Text]

Informal talks between the Government and PNP representatives on the impasse over Local Government changes were reported to have deadlocked yesterday.

At issue is the question of when and how should the Government's proposal to reduce the number of Parish Council electoral divisions from 278 to between 120 and 150, be put into effect.

The informal discussions have been taking place between Government and PNP representatives on the Electoral Advisory Committee.

Sources close to the Committee indicated yesterday that in the latest development at the talks, PNP representatives were insisting that Parish Council elections be held in June, and that there should be no reduction in the number of seats before those elections take place.

The PNP has also taken the position that any change in the system affecting Local Government, whether it involved reduction of seats or the other provisions set out in Ministry Paper No. 10, should be the subject of national debate before implementation. Such debate, said the PNP, could not be held between now and June, as there was not sufficient time for this to take place.

According to the sources, while Government representatives have been arguing these questions with the PNP representatives, the latter have been becoming adamant on the question of holding elections before any cut in the number of electoral divisions.

"It appears that these talks are now deadlocked," said the sources.

Meanwhile, attempts last night to contact the Committee representatives on both sides, proved fruitless.

The PNP spokesman for Local Government, Mr. Ralph Brown, is to deliver a broadcast on Sunday on the proposal contained in Ministry Paper No. 10.

## PNP Criticism From Patterson

Kingston THE DAILY GLEANER in English 25 Apr 85 p 3

[Text]

People's National Party Chairman, Mr. P.J. Patterson has chided some of the national leaders and organisations for their "conspicuous silence" on the recent economic measures and the proposed changes in the Local Government Law, stating that they have now become "expert diplomats" it is impossible to discern their position.

Mr. Patterson said it was incumbent on the leaders and organisations to speak out on issues which were of concern irrespective of the political implications. He said members of the private sector, particularly, were exposing themselves to a very serious risk of mortal damage to their reputation by remaining quiet on issues that were of serious concern to its members. They were not being asked to endorse the Party's position, he stated.

Mr. Patterson's criticisms came as he addressed a meeting of representatives of the clergy, private sector, agriculture and trade unions at the Pegasus Hotel yesterday. The meeting was called by the Party to discuss "the collapse of the economy and the threat to democracy".

He repeated the Party's concern and criticisms about the effects of the economic measures and the proposed changes in Local Government, stating that Mr. Seaga's unilateral action had created a furore. Unless withdrawn, it could compromise the integrity of the independent members of the Electoral Advisory Committee, the Senate and even the Governor General, having regard to his role in the appointment of the members of the Committee.

Mr. Patterson said Mr. Seaga's speech on April 12 raised grave concerns about the continuation of democracy, pointing out that the economic and political measures announced, struck "cruel blows" at every sector of the economy. The result of the Government's measures would be high levels of closures in the manufacturing sectors leading to higher levels of unemployment, higher levels of foreign exchange demand for consumer goods, lower levels of government revenues and greater social and economic problems.

"Whatever may be his grand design, about which the nation has every reason to be increasingly concerned...we as a nation and you as institutional leaders cannot permit this to happen. The nation as a whole must resist the effects of these

disastrous policies", Mr. Patterson said. According to him, Mr. Seaga just had to face the fact that the present economic model could not work and was inapplicable to Jamaica. Mr. Seaga saying that he was not going to change the policies "one inch", was condemning the country to go along a path which led to national suicide, the Party Chairman stated. He said he would hope that institutional leadership would share that abhorrence.

The Party Chairman pointed out that in the 1970s when various institutions felt concerned about the state of things, they spoke out loudly, clearly and frequently; "and whether it made us happy as a government, that did not prevent them from discharging their civic duties and national responsibilities as they saw fit."

Mr. Patterson said: "At the present time there is a conspicuous silence from certain leaders and certain organisations, and they have now become such expert diplomats that it is virtually impossible to discern what they are saying, if anything. I want to say particularly to the private sector, that they are exposing themselves to a very serious risk of mortal damage to their reputation by remaining quiet on issues that are of serious concern to their members. We are not asking you to endorse the PNP; what we are asking is that on issues which are of concern, you speak out irrespective of whether it has political implications or not." If de-regulation was hurting them, they must come out and say how and why it was doing so because "many of the same people who will say we must be protected by licences for our particular imports and industries are the same people who will turn around and say licencing system must be dismantled", he said.

Responding to a comment from the floor that the refusal to speak out could probably be due to fear, Mr. Patterson said, "we are in very serious danger at the present time that fear will drive us to meek and willing submission." Dictatorship, he said, was a creeping and insidious process. "If people are not prepared to speak out and to take positive action and to suffer the consequences of it, then they will have no one else to blame when they find they are no longer able to speak." According to him, if the voices were to be heard in unison it would bring desired results.

## Glasspole Remarks

Kingston THE DAILY GLEANER in English 25 Apr 85 p 1

[Text]

The recent actions taken and announced by the Government concerning Local Government and Parish Councils were not only the business of politicians but everybody's.

"Study them and when you understand them let your voices be heard... you must have a lively, knowledgeable and vigorous public opinion, if not Government will ride rough-shod over you."

So said Governor General Sir Florizel Glasspole while addressing Secretary's Day luncheon of the Montego Bay Chapter of the Jamaica Professional Secretaries Association at the Wyndham Rosehall Hotel yesterday.

In appealing to the nation "to let your voices be heard" on the issues, Sir Florizel said that he would be caught "keeping malice with the truth" if he said that Local Government was operating efficiently. "But you don't dismantle something because of its weakness," he added.

"You pay taxes and if you did not even pay taxes you still have the right

to be heard," Sir Florizel emphasized.

Continuing, the Governor General said "Do as I say. It will take you some time to get to the nitty gritty of the situation, but you must study them."

"As Governor General, I am the head of the state, and if I see that things are going off the rail it is my responsibility to say to somebody that look, things are going off the rail."

The Governor General noted that in light of the representations made to him concerning Local Government, it would be impolitic to express his view now but added "one day I will." He requested the understanding of the nation on his position.

Regretfully, Sir Florizel said, the country was forced to accept a one-party Parliament and Senate in 1983, when the People's National Party refused to contest the then elections.

Describing the situation which immediately followed the boycott as "distasteful and dangerous" the Governor General said "I could smell from a mile the dangers coming."

## Carl Stone Comment

Kingston THE DAILY GLEANER in English 24 Apr 85 p 8

[Article by Carl Stone: "A 'Three-Card' Game"]

[Text]

Shortly after the KSAC was dissolved by the Seaga government, there was much speculation about the future of Local Government.

I recall hearing Don Robotham of the WPJ telling Public Eye host Ronnie Thwaites that

KSAC was just the first of the casualties to come and that some World Bank loan agreement he had got hold of had slated both the KSAC and the Parish Councils for extinction.

Thwaites in his usual investigative style got hold of both the Local Government Minister and the Permanent Secretary both of whom I recall denied Robotham's allegations.

Don Robotham's expose has turned out to be dead accurate and the comforting words from officialdom have turned out to be a three-card trick designed to give us symbolic assurances while preparing the knife to murder Local Government.

Some two years ago the KSAC asked for a budget of \$80 million to run the Council's affairs. The KSAC, I am told, was given the paltry sum of \$57 million or about 71% of what it needed. What they got did not

allow them to more than cover wages and salaries and provide essential services. It was woefully inadequate.

## Inadequate

With an inadequate financial provision the level of services provided by the KSAC turned out to be embarrassingly inadequate and inefficient.

Having failed to give the KSAC Council the tools to do the job, the Seaga government proceeded to dissolve the Council on the grounds that the KSAC was not performing and that its services would be better carried out by Central Government agencies.

Now the KSAC may well have been inefficient but if the funds are not provided how could anyone have expected an adequate performance?

If Robotham is right (and I am inclined to trust his prognostications on this issue over and above anything the government spokesmen say), the fate of Local Government was sealed based on external pressures to cut public spending.

Now if you reduce public spending by taking away the functions of Local Government (roads, water supplies, poor relief, public health etc. etc.) how and by what kind of deliverance magic can the Seaga government and its apologists be promising us more efficient services?

## Sheer nonsense

Mr. Seaga's point about duplication is sheer nonsense. Sure Local Government handles subject matter areas that are handled in Central Government (roads, health etc.) but Local Government's load of responsibility for administering those services is distinct and separate from those traditionally handled by Central government.

While there may be room for dealing with a better rationalisation of resources available to both Central and Local Government which could justify closer co-ordination of services or collaborative efforts, there is absolutely no rational case that can be made to dissolve Local

Government on the grounds that its functional areas are already being carried out by Central Government.

Having taken away virtually all of the major functions of Local Government (roads, water supplies, poor relief, public health etc. etc.) is there really any need for Parish Councilors to perform the traditional decision-making tasks that have been the responsibility of Local Government over the years? What administrative functions will be left for a Parish Council to perform? Virtually none.

## Political functions

To continue electing Councilors would therefore amount to selecting public officials whose functions would have to shift from administration to politics. In the new order where traditional Local Government services are taken over by Central Government the Councilors would probably function as the communication channels between Central Government and the people in the communities.

Now the idea of paying Local Government officials full-time salaries for mainly political functions is an entirely new concept and ought to have been made explicit by anyone introducing the issue.

But would the people in the communities be better off in terms of representation with 278 part-time Councilors who Mr. Seaga and presumably the World Bank have liberated from administrative chores than with 120 full-time representatives? Frankly, it seems to me 120 or 150 representatives are absurdly inadequate and that a better job representing community interests would be achieved by retaining the present number of Councilors who would now be able to devote more time to community representation since there will be no committee meetings to attend.

## Without warning

Of course, a disgruntled JLP Councilor tells me that the reason for the 120 paid Councilors as against the 278 is that the JLP leader recognised that after amputating the powers of Local Government with-

out even a warning or a discussion inside his party, the JLP would have been hard put to find candidates to run against the PNP and the WPJ in most parishes. Full-time salaries was therefore the sweetener put in the drink to entice enough persons to come forward to represent the party which has strangled Local Government without even bothering to discuss the matter inside the party. Indeed, the KSAC dissolution is typical of the way in which these matters were handled. Mrs. Yap, the then Mayor, heard about it like everyone else on the news.

The JLP clearly had a problem and I suspect that my informant is probably right in pinpointing the real reason for the alteration in Local Government representation.

All of this I find quite disturbing because all the fuss being made about the Local Government elections is like so much worry after the horse has gone through the gate.

Quite apart from the contempt shown for Parliament by announcing as fact and policy a matter that can only come within the Prime Minister's power after legislative change and the breach of faith involved in reinserting political party control over electoral matters without any prior consultation and agreement with the PNP, the simple fact is that the Seaga government has wiped out Local Government and the whole issue of Local government elections cannot be discussed without reference to that fact.

## Electoral arrangement

Of course it may be restored on a reformed and re-organised basis when a new government takes over. I am sure the public would like to hear from both the PNP and the WPJ on that issue.

Frankly what the PNP should do is accept the new electoral arrangement under protest to allow elections to be held without delay and go to the people with some proposals for Local government reform.

The deeper issue of course is that IMF-World Bank pressures are forcing the government to cut services to the people and Local government has been a casualty of this. The Government might as well admit this reality

rather than carry on the absurd pretence of promising better services by centralising Local Government functions when Central Government already has inadequate funds to man the services for which it is responsible.

#### John Hearne Comment

Kingston THE DAILY GLEANER in English 26 Apr 85 p 8

[Article by John Hearne: "Mr Seaga's Kiss of Life"]

[Text]

The Local Government issue has been such a gift to the PNP that one can only express astonishment at Mr. Seaga's generosity in offering it to them.

True, he was already under heavy attack by his political opponents for the economic crisis through which we are struggling so painfully. But these attacks were not concerted; and his economic remedies, bitter as they are, do have some influential defenders.

At least there are enough knowledgeable people who, while criticising details of Mr. Seaga's economic policies, have given them broad, if reluctant, support as being the only options left open to us.

#### Convincing defender

Mr. Seaga himself, of course, when justifying the measures he is taking to turn our economy around is his own most convincing defender. He speaks with an authority and confidence that none of his critics can match.

The PNP have helped him materially by not having any clear alternatives for us to consider. The PNP spokesman have articulated the general sense of distress at how slowly we are recovering — and have even said that we are not showing

any signs of recovery at all. It is their right to say so; and, indeed, if they didn't say so they would not be doing their business.

But they have been less than clear as to what they would do that would improve our bleak economic prospects in the slightest.

#### Business record

An acquaintance of mine, who has had a long and successful record in business, said to me the other day that if Mr. Manley were asked to form a government tomorrow, the first Cabinet appointment he should make was Mr. Seaga as Minister of Finance.

(Please Note: My acquaintance was making a joke. Jamaican readers tend to consider every observation reported to them as being meant literally. My acquaintance who suggested Mr. Seaga as Mr. Manley's Minister of Finance knows that this would not be possible.)

All the same, the remark made to me in jest has a measure of seriousness underneath it. It is difficult to see what a PNP Government would do, if it took office next week; that would be different from what Mr. Seaga is doing. It might lessen the squeeze on credit a little; it might keep a few more public service jobs going; it might try to devalue the Jamaican dollar a few cents to a fixed rate against the American dollar; it might try to get a few deals with the Communist bloc; it might fire a few expatriate experts and refuse to grant an incentive or two to foreign investors.

But, in the very short run, a PNP government would be facing the same set of economic problems that are making life so difficult for the present JLP Government — and for the ordinary citizen. And there is no evidence that a new PNP Government would have any solutions to present that would make better sense than what Mr. Seaga is obliging us to accept.

### Efficient programme

So — given the fact that Mr. Seaga has come up with what is, as yet, the most efficient possible programme for a reasonably prosperous Jamaica — why did Mr. Seaga give the PNP a cause for which they could fight with a fair certainty of popular support?

For Mr. Seaga to suddenly declare — as an aside during a broadcast — that he was going to change the form of Local Government to save us fifty million dollars per year does not make sense. There are so many other ways in which he could have introduced his proposal. And almost every other way would have left him smelling like a rose on legal, constitutional and parliamentary grounds.

The manner in which he announced his intentions for the future of Local Government makes sense only if we accept Carl Stone's analysis in Wednesday's *Gleaner*: that Mr. Seaga is about to wipe out, or already has effectively wiped out, Local Government as an administrative arm in public affairs.

If this is the intention of Mr. Seaga's government then he has brought more trouble than he will save on the debatable issue of reduced Local Government responsibilities being a lesser drain on the public purse.

What is more, he has made it

certain that we will be put to greater public spending than we can afford if the PNP ever again forms a government in Jamaica. For if the PNP ever gets in again, it would be obliged to pass legislation changing Mr. Seaga's proposed restructuring of Local Government and to either restore the present system or to propose something that would be new simply for the sake of being new.

As this column has argued before, there is a good case for a reformation of our inherited and inefficient Local Government structure.

### Amendment needed

To attempt to reform it as Mr. Seaga proposes — in a society already so tense, polarised and economically scared as ours is — is either a folly I cannot explain, or suggest a design on the part of a central government to entrench itself as a body virtually impervious to shifts and changes in the moods of the electorate.

The time is ripe for an amendment to our Constitution. Amendments may already be on us that have not even properly passed through Parliament and referendum.

We may be in the process of having our established practices of elections and parliamentary power so radically altered in parliament's favour as to make many of our freedoms only formal declarations on paper.

The arbitrary proposals for the reduction in the number of Local Government seats and the taking over of so many Local Government responsibilities could be the beginning of something far more disagreeable than we can predict at the moment.

It is ironical that Mr. Seaga should have given the kiss of life to the PNP just at the moment when it was plainly gasping for a clear, popular easily understood issue on which it could survive as a vigorous alternative.

JAMAICA

## GOVERNMENT POLICIES SPARK 3 DAYS OF DEMONSTRATIONS

### Rural Activity

Kingston THE DAILY GLEANER in English 17 Apr 85 pp 1, 3

[Text] There were several demonstrations in rural areas yesterday in protest against Government's announced changes to Parish Councils and new tax measures.

Police were on the alert last night in Western Jamaica for any "sinister moves."

Reports to the GLEANER were that demonstrations took place in Hanover, Trelawny, St. Mary and Manchester but the police confirmed incidents only in the last three parishes. In most cases the demonstrators gathered outside Parish Council buildings and carried placards protesting against the proposed cuts in Parish Council divisions from 275 to between 120 and 150 for the forthcoming Local Government Elections.

According to the Police Information Centre (PIC) "There were reported cases of roadblocks in Carey Park and Hague in Trelawny; Mile Gully and Knockpatrick in Manchester. There were also reports of demonstrations by citizens in front of the parish council building in Port Maria in St. Mary and Mandeville, Manchester."

The Police said the reason for the demonstrations and the road blockages or who arranged them were not known. However, PIC said, "the Police quickly cleared the roadblocks and the demonstrators dispersed without incident."

The GLEANER also had reports of several persons going to the square in Hopewell, Hanover, and demonstrating. No details were available regarding the demonstration in Port Maria but a GLEANER correspondent there said that the demonstration took place early in the morning and involved the blocking of the road.

Reports out of Mandeville said that the demonstration there took the form of a march to the Council office. The demonstrators carried placards protesting a rumoured increase in the price of gasoline.

The report from the GLEANER's correspondent in Mandeville last night said:

At about 1 o'clock today PNP activists led by Mr. Dean Peart and others led a peaceful march/demonstration into Mandeville. The demonstrators carried placards protesting what they said was a proposed gas price increase which would take a gallon of gasoline to \$14.50; and the high cost of living in general. Some of the placards read "Shame on the high cost of living" and "We can't take it any more." The demonstrators then marched downtown to the Manchester Parish Council and then dispersed.

Earlier this morning the roads to George's Valley and New Port were blocked. The Kendal road was blocked last night. One or two roadblocks were reported from other areas. The situation was calm this evening.

And the GLEANER Western Bureau yesterday reported:

Since the announcement by Prime Minister Edward Seaga of the cut in Parish Council seats, in addition to the new taxation, there have been reports of various forms of planned opposition to the move in areas of western Jamaica.

Several buildings in major shopping areas of western parishes have been defaced with graffiti opposing the move. The situation however took a more serious turn today when a number of roads in Trelawny were blocked with boulders and trees. There were reports of a utility pole being set on fire near to Hague showground in that parish.

In light of this new twist the police High Command in Area One has alerted all its men to be on the look out for "any sinister" move within the region.

Police sources told the GLEANER that top level discussions were held among senior officers as the police prepared to combat any attempt that could create further disturbances.

From all indications the move by the government has been receiving mounting opposition and criticism in the west. From as early as Saturday morning graffiti denouncing the plans to cut the number of Parish Council seats began appearing on buildings.

Reports to the Bureau were that in Hopewell, Hanover, the buildings on the main street were defaced with anti-government slogans.

Some read "Leave Parish Council alone," "There must be no cut in Parish Council seats," and "Our democracy is under threat." There are reports of similar graffiti on walls in Trelawny, Westmoreland and Lucea.

However reports of the blocking of the roads in the west were confined to Trelawny. The police official told the GLEANER that there were no concrete evidence as to what might have sparked off the blocking of the roads.

The areas affected were Carey Park, Clarks Town, Hague and Perth Town. Up to midday (Tuesday) police were working hard to clear the blocked roads.

There was no physical confrontation, the police said, as those who were responsible did not stay on the scene.

### Spread to New Parishes

Kingston THE DAILY GLEANER in English 18 Apr 85 p 1

[Text]

Fresh protest demonstrations were staged yesterday in two more parishes, bringing to six the number of parishes which have had small anti-Government demonstrations since Tuesday.

The parishes which had demonstrations yesterday were Westmoreland and St. Andrew. There were also roadblocks in several parts of Manchester yesterday which, along with Trelawny, Hanover and St. Mary, had demonstrations on Tuesday.

The demonstrations yesterday, like those on Tuesday, were against the Government's announced changes in Local Government and against its economic policies.

The roadblocks were most widespread in Manchester from where a *Gleaner* Correspondent reported that police and residents of the Spur Tree area outside of Mandeville were seen early yesterday morning clearing burnt trees and other obstacles used to block the road overnight. Roadblocks were put up along several other roads in the parish where anti-Government slogans were also painted in the road.

The Police Information Centre (PIC) yesterday confirmed that there had been roadblocks in Manchester and St. Andrew and a police spokesman in Westmoreland told the

*Gleaner's* Western Bureau that a small group of placard-bearing demonstrators had gathered in front of the Parish Council offices in Savanna-la-mar, Westmoreland, but that the people had dispersed after about 10 to 15 minutes.

The Police denied reports yesterday that the protests were islandwide and appealed for calm saying they were "monitoring the situation."

The PIC said, "There have been reported cases of roadblocks in Melrose Hill, Spur Tree, sections of the Winston Jones Highway, a point on the New Green and Williamsfield main road also on the Georges Valley to May Day Road. In St. Andrew blockages were reported at the junction of the Brandon Hill main road." The PIC said that the blockages were all cleared by the police and the roadway made safe for vehicular traffic.

"Various reports that there have been islandwide roadblocks are false and only some areas in two parishes — Manchester and St. Andrew — were reported to the police where roadblocks were mounted. Other parishes have been normal. The public is asked to be calm as the police is closely monitoring the situation," PIC said.

### Escalation of Protests

Kingston THE DAILY GLEANER in English 19 Apr 85 pp 1, 3

[Text]

Demonstrations in a series being staged since Tuesday in protest against proposed changes in Local Government and Government's economic policy escalated yesterday.

Demonstrations were staged in four additional parishes — St. James, Portland, St. Thomas and St. Catherine — bringing to 10 the number of

parishes which have had demonstrations since Tuesday. There were also demonstrations in Hanover and Trelawny where demonstrations were previously staged.

The biggest demonstrations were in St. James and St. Thomas. An attempt by PNP activists to get support for a demonstration in St. Ann's Bay failed.

There were also reports yesterday

from the *Gleaner's* correspondent in Morant Bay of pro-government demonstrators taking to the streets with placards asking the whereabouts of PNP leader Michael Manley.

On Tuesday and Wednesday there were demonstrations in which some roads were blocked and people carried placards with anti-government slogans denouncing the proposed cuts in the number of Local Government divisions from 278 to between

120 and 150, and against the high cost of living and rumoured increase in the price of gasoline. On Tuesday demonstrations were staged in Hanover, Trelawny, Manchester and St. Mary. On Wednesday, the protests were in Westmoreland and St. Andrew and again in Manchester.

Roadblocks were also set up in Kingston and Trelawny between late Wednesday night and early yesterday

morning but police and soldiers using heavy duty equipment cleared the blocked roads in the pre-dawn and early hours of the morning.

Some citizens out early yesterday morning in parts of downtown Kingston saw the roadblocks before they were cleared. The roadblocks had no effect on traffic. Up to mid-morning yesterday the security forces were continuing to clear the sidewalks of major roads and side streets of old cars, tree trunks and other obstacles which could be used in blocking the road. Many of these obstacles had been used in roadblocks during the

mid-January demonstrations against the increased price of gasoline and had simply been removed to the sides of major roadways or dragged down little-used side roads.

The demonstrations in St. Thomas appeared to be the most extensive of those staged so far and caused the most inconvenience. The main road leading into Morant Bay, the parish capital, was blocked. The demonstrators used old cars, boulders, drums, boxes and garbage to block the roads and broke bottles in the streets. The biggest roadblocks were at Duhaney Pen near the Goodyear factory, one mile out of Morant Bay,

where scores of citizens manned the roadblocks. On the main road into the town protesters reportedly smashed JPS transformers which were by the side of the road, and took rolls of wire for JPS repair work and stretched the wire across the road. The roadblocks were cleared by the police by mid-day and a small group of protesters, led by the PNP constituency caretaker for East St. Thomas, Mr. W. W. Higgins, then went to the Parish Council building in the Morant Bay Square. The JLP supporters were later out on the street carrying placards in support of the Government.

Attendance at many schools in St. Thomas was adversely affected as a result of the demonstrations yesterday with many students arriving late because buses could not pass the roadblocks and other students on afternoon shifts being kept at home as news of the demonstrations spread.

In Portland the road was blocked at Black Hill and Orange Bay near Hope Bay. The *Gleaner's* correspondent said PNP supporters used power saws to cut down an old cotton tree which had become a landmark in the area.

The blockage resulted in vehicles having to be diverted through Skibo, an additional 12 miles. There was also a roadblock at Lennox where a coconut tree was cut down onto a bridge. This was cleared in about an hour by JLP supporters who assisted the police. Police were placed on the alert yesterday evening for any demonstrations which might take place in the next 24 hours, the correspondent reported.

On events in the tourist capital, Montego Bay, and in the west, the *Gleaner's* Western Bureau filed this report:

As anti-government demonstrations continued in sections of western Jamaica yesterday, some 300 people took to the streets of the north coast city of Montego Bay protesting against the proposed cut in Parish Council seats. The police were heckled and jeered.

The blocking of roads which began on Tuesday morning also continued yesterday in areas of Hanover, Trelawny and St. James. Reports out of Trelawny said that some utility poles in upper Trelawny were cut down by angry demonstrators. Up to late yesterday evening JPS workmen were reported to be carrying out work on the poles.

Montego Bay, which was unaffected by the roadblocks up to Wednesday, came in for its turn from as early as 5 o'clock yesterday morning. Large boulders and trees were placed across the roads in areas of Mt. Salem, Salt Spring, Albion, Granville and Hart Street. Tyres were reportedly set ablaze on Hart Street but the fire was quickly put out, reports said.

While some people were blocking roads others congregated in Granville, a thickly populated area some three miles from downtown Montego Bay. The group, bearing placards with anti-government slogans, marched into the tourist resort shortly after 10 a.m. They marched along St. Clavers Avenue down to Sam Sharpe Square and then to the Williams Street bus terminus.

Riot squad police with high-powered weapons and tear gas equipment were on the scene keeping a close vigil on the demonstrators. Some senior police officers who tried to speak to the demonstrators were heckled and jeered. Expletives were

shouted at the senior officers. PNP constituency caretakers Francis Tulloch and Carl Miller participated in the march.

After a brief stop at the Williams Street terminus, the crowd, chanting PNP party slogans, marched to the Parish Council building on Union Street where they stood outside the building for about 15 minutes before they were dispersed by the police. The crowd sang "We shall overcome" interjected by outbursts of political slogans.

## Council of Churches Views

Kingston THE DAILY GLEANER in English 18 Apr 85 p 3

[Text]

The Jamaica Council of Churches has said it is disturbed at the procedure being followed in dealing with some of the affairs of the nation and has called on "those concerned ... to do everything in their power to prevent the further erosion of democracy within the country."

In a statement yesterday the JCC said:

"The Jamaica Council of Churches at its Executive Meeting held yesterday (April 16, 1985), discussed the broadcast of the Prime Minister to the nation on Friday, April 12, 1985. Questions were raised with regard to some aspects of the broadcast with special reference to the drastic reduction of representation on Parish Councils from 275 to 120.

"Parish Councillors are perceived throughout the country as the local representatives of the people. The Councillors are more aware and involved in dealing with the needs of the people within the respective communities. This is one of the outstanding contributions of voluntary service to the nation over the decades.

"All Jamaicans understand democracy in the Jamaican context as the process based on the primacy of Parliament. We are therefore disturbed at the procedure being followed in dealing with some of the affairs of the nation. This inevitably leads to a deepening sense of insecurity, not only among the rank and file, but also among those involved in the legislative process.

"The summary dissolution of the KSAC, the removal of a number of subjects for Councils, and the extra-Parliamentary announcement of the drastic reduction of Parish Council divisions: all these in addition to the reduction of the

role of Parliament points to the undermining of the democratic process and the possible emergence of a dictatorship. This will undoubtedly weaken the people's faith in the future of the nation and consequently retard the development of the country, since economic development depends so much on the people's faith in the stability of national institutions of which Parliament is the most important.

"The Jamaica Council of Churches supported the Jamaica Labour Party as Opposition Party when it insisted in the 1970s that the Electoral Commission be set up. The Jamaica Labour Party as Government should not give the impression today that the Commission is being by-passed. We therefore call upon those concerned to take note and to do everything in their power to prevent the further erosion of democracy within the country."

## Electoral Commissioners' Objections

Kingston THE DAILY GLEANER in English 18 Apr 85 p 3

[Text]

PNP objections to reform proposals affecting Local Government were strongly voiced at yesterday's meeting of the Electoral Advisory Committee, at which Government's proposal for a reduction in the number of electoral divisions to "not more than 150 and not less than 120", was the main item on the agenda.

According to reports coming out of the meeting PNP members of the Committee maintained the stand voiced by the Party earlier this week that they considered the Government's proposal to be "illegal, immoral and in contravention of the spirit of agreement that established the Committee."

The PNP members contended that no attempt should have been made to amend the powers of the Electoral Advisory Committee without consultation. Such action, they said, was totally out of keeping with the spirit of agreement which formed the basis on which the Committee was set up in the first place.

Government representatives on the Committee emphasized that Ministry Paper No. 10, announcing the proposals, provided for the Committee to arrive at its decision "within a band of not more than 150 and not less than 120 Local Government electoral divisions."

After exhaustive discussion of the total proposal embodied in, and the implications of, Ministry Paper No. 10, which set out broad proposals for the re-construction of Local Government Authorities, no decision was arrived at, during yesterday's meeting of the Committee.

Questions directed at the Chairman of the Committee, Prof. Gladstone Mills, brought a non-committal response. He confirmed that the Committee had met and that the proposal embodied in Ministry Paper No. 10 was on the agenda. "But I can say no more at this time," was his short answer.

Ministry Paper No. 10 was laid on the Table of the House on Tuesday.

CSO: 3298/645

JAMAICA

GOVERNMENT ESTABLISHES ADVISORY COUNCIL ON CRIME

Kingston THE DAILY GLEANER in English 26 Apr 85 pp 1, 3

[Excerpt] The promised Advisory Council on Crime has been established and members appointed, Minister of National Security and Justice, the Hon. Winston Spaulding, announced Wednesday afternoon.

The members appointed are Mr. Donald Rainford, former Permanent Secretary in the Ministry of National Security and Justice, as Chairman; Professor Carl Stone; Mrs. Beth Jacobs, social worker; Senator the Rev. C. S. Reid; Mr. Louis Byles, attorney-at-law and banker; and Mr. Hurlstone Whitehorne, President of the Jamaica Bar Association.

The Council will also include representatives of the Security Forces (Jamaica Constabulary Force and Jamaica Defence Force), Office of the Director of Public Prosecution, the Attorney General's Department and the Correctional Services.

Mr. Maurice Afflick, Executive Director of the Correctional Services, will head the Secretariat which will be located at the police complex at Twickenham Park, St. Catherine.

Mr. Spaulding made the announcement of the appointment of the members of the Crime Council while giving the main address at the official opening of the Police Staff College at the complex. The college is to provide higher training for senior members of the Force.

In a major presentation on crime in Parliament on December 12, Mr. Spaulding had said such a Council would be established to: (a) create greater co-ordination between agencies in the criminal justice system, (b)

direct research on the level, causes and pattern of crime in Jamaica, (c) evaluate the strategies used to deal with the incidence of crime and to recommend improvements, and (d) determine the training needs of the relevant agencies.

Mr. Spaulding said he looked forward to the effective on-going functioning of the Council under the guidance of its members. It should go a far way towards overcoming problems of research and development, he said.

Mr. Spaulding said it was structured to receive submissions from organizations and interest groups.

31 May 1985

## JAMAICA

## EEC PROVIDES FUNDS FOR NEW MEDICAL LABORATORY

Kingston THE DAILY GLEANER in English 25 Apr 85 p 3

[Text]

**An agreement under which European Economic Community assistance to the tune of \$18.3 million will be provided for the construction of a new Government Medical Laboratory, which will cost approximately J\$19.5 million, was signed yesterday between Jamaica and the European Economic Community.**

Signing on behalf of the EEC was the resident representative in Jamaica, Mr. Roger Booth; and, signing on behalf of Jamaica was Prime Minister Edward Seaga.

Under this agreement, the European Economic Community will provide a grant of J\$18.3 million for the construction and equipping of a new laboratory with the Jamaican Government putting up J\$1.19 million. The grant will be also be used for the training of staff, the re-organisation of laboratory services; the establishment of an integrated functional network of all laboratories and the supply of refrigerated vehicles.

The new lab which will replace the present one on North Street, will be re-located on Slipe Pen Road on lands near to the National Blood Bank and will be completed in three years.

Under the agreement, the Government will finance and employ consultants to design the building and will also provide the staff required for the functioning of the laboratory services.

Mr. Seaga said that the construction of a new laboratory was the most valuable of the many

projects which the EEC had supported, as it was critical in the development of a proper health service. The new laboratory, Mr. Seaga said, would put to an end, the discomfort being experienced by members of staff at the present location.

Mr. Booth said that this project was the second major project financed by the EEC in Jamaica. The first was the expansion of the rural electrification system to which the EEC had contributed some J\$10.3 million.

He said that with the new project, the total approved financing from the EEC to Jamaica under the Lome II Convention was J\$99.5 million out of an available fund of J\$104.5 million.

Also speaking was Health Minister Dr. Kenneth Baugh, who expressed his appreciation to the EEC for its assistance in the erection and equipping of a new public health laboratory.

CSO: 3298/624

31 May 1985

JAMAICA

## MINISTER: GANJA TRAFFICKING POSES THREAT TO AGRICULTURE

Kingston THE DAILY GLEANER in English 20 Apr 85 p 19

[Excerpt]

**A WARNING THAT THE PERSISTENCE OF GANJA TRAFFICKERS** could wreck Jamaica's export agricultural industry and seriously harm the country's economy and cause "grief to farmers and exporters alike, has been issued by the Minister of Agriculture, Hon. Dr. Percival Broderick.

Dr. Broderick commented on the "revolution taking place" in agriculture in Jamaica, and emphasised that the continued abuse and exploitation of "our air and sea transportation" by ganja traffickers who shipped their wares under agricultural labels, could result in Jamaica losing its place in the largest markets of the world.

He pleaded to the farmers and exporters who attended Tuesday's official opening of the new AMC Export Centre, on Spanish Town Road, Kingston, to exercise vigilance in portection of the agricultural industry.

The Minister said: "Today we have over 135 registered persons or firms dealing in the export of agricultural produce. Indeed, in February alone, the Produce Inspection Division of the Ministry of Agriculture registered 315 invoices, which meant 315 shipments (which were) examined and certified, indicating the increase in volume of exports taking place this Winter.

● "This indicates the agricultural revolution taking place. We have an opportunity never before available, to participate in the world's biggest and richest market — the United States of America. In addition to Canada and the U.K., the U.S. market holds the greatest opportunity to diversify our agriculture and take advantage of markets and technology which can put our agriculture in the 21st Century.

● "But a small word of caution: this opportunity could be jeopardised by the continued abuse and exploitation of our transportation, air and sea, of our expanded agricultural activities by our people who traffic in ganja.

● "The continued persistence of these traffickers to utilise these facilities has already started to impact on our exports. If we fail to eradicate or, at least, contain the abuse, the increase in cost for repackaging, x-ray inspectorate, delays as a result of examination of each and every shipment, the confiscation and consequent spoilage resultant on these delays, the consequential loss to exporters and farmers could be at levels beyond what could be tolerated.

● "Nothing must stand in the way of this opportunity handed to the farming sector. Agriculture has at last been given the opportunity...I am appealing to the agricultural sector to maintain its singular objective to take all of the opportunities given and never be diverted by non-productive discussions."

CSO: 3298/647

JAMAICA

SHEARER REPORTS RISE IN NONTRADITIONAL EXPORTS TO U.S.

Kingston THE DAILY GLEANER in English 20 Apr 85 pp 1, 3

[Text] Kingston, April 19 (JAMPRESS)--Deputy Prime Minister and Minister of Foreign Affairs, the Rt. Hon. Hugh Shearer, told a joint meeting of North American buyers and Jamaican exporters today that Jamaica's non-traditional exports to the United States reached US\$62.3 million in 1984.

The exports, which excluded bauxite, alumina and sugar, made an increase of 73.5 per cent over those of 1983.

The bulk of the increase, Mr. Shearer said, was due to further exports of garments totalling US\$28.4 million and more fresh and processed foods going abroad.

"But," the Deputy Prime Minister said, "although the outcome for 1984 exports to the US was on the whole satisfactory, we can see that there is far too much concentration on one or two products."

Turning to the Caribbean Basin Initiative (CBI), Mr. Shearer told them that it was no secret that Jamaica would like to see improvements in the present CBI regulations and that a number of proposals were put forward. These were the inclusion of garments and footwear in the CBI product coverage and the inclusion of some sort of derogation or waiver mechanism in the Rules of Origin similar to that of the Lome Convention with the EEC.

In Canada's case he expressed disappointment.

"The volume of exports of our non-traditional products to the Canadian market have made little real progress," he said. He explained that the annual average growth rate over the past five years has been little over five percent.

Referring to plans for developing the US and Canadian markets Mr. Shearer said "we aim to concentrate on consumer products, to widen our target market to include not only the ethnic consumers but the general consumer markets."

This will be done through store promotions as a means of taking Jamaica's image to the American consuming public.

Mr. Shearer announced that the Jamaica National Export Corporation (JNEC) is widening the scope of its services to exporters by joining the World Trade Centre Association, a world-wide network of 76 trade facilitation centres of which 21 are in the US and seven in Canada.

It was his view that developing countries should have access to markets of developed countries, to earn foreign exchange to enable them to buy the goods and services of industrialised countries to meet their development needs.

"It is against that background that I say to you, our friends from North America, that your support and collaboration in our efforts to expand our export trade can have positive implications for your own country's trade with us," he urged.

CSO: 3298/646

JAMAICA

BAUXITE PRODUCTION, EARNINGS REGISTER DECLINE

FL301710 Bridgetown CANA in English 2111 GMT 29 Apr 85

[Text] Kingston, April 29--Jamaica's first quarter bauxite production fell 42.4 per cent to 1,442,443 tonnes, compared to the same period in 1984, the Jamaica Bauxite Institute (JBI) reported.

The substantial decline in bauxite, which was anticipated, resulted primarily from the closure of Reynolds Jamaica Mines (last June) and the ending of shipments under the General Services Administration stockpile agreement with the Government of Jamaica, the JBI, a government agency that monitors the industry, said.

Reynolds closed mining operations here saying that it could get ore cheaper elsewhere, and the United States last year made no further purchase of Jamaican bauxite for its strategic minerals stockpile, which had been import support for the local industry in the previous two years.

Of the bauxite produced, 930,002 tonnes were refined into 384,891 tonnes of alumina, a 10 per cent decline on last year's first quarter output.

The decline in alumina exports resulted from recent cutbacks in smelter operating level in the U.S. and the closure by Alcoa of the Clarendon Alumina Works (in Jamaica), the JBI said.

Alcoa shut down the 800,000 tonne capacity plant in February because of the soft market, but the government has announced that it is taking over the plant on a lease basis and will give Alcoa a management contract. When it was shut down, Alcoa was running the plant at half its capacity, but the government says that production will reach 600,000 tonnes this year.

The industry here has been under pressure for the past four years because of the decline in the market for aluminium and its position as a high cost producer.

Production last year was nearly a million tonnes better than the 1983 figure, but it was achieved largely because of accelerated shipments by Reynolds before it shut down.

But despite the increase in production, low prices cut into earnings last year. Jamaica's net earning from the industry in 1984 was in the region of U.S. 200 million dollars, 30 million dollars less than the previous year.

Industry sources here forecast net earnings this year of between U.S. 130-150 million dollars.

The major earner is through the production levy which the companies pay as a percentage of the average realised prices for primary aluminium ingot. That last year brought Jamaica U.S. 120 million dollars, a million dollars less than in 1983.

The bauxite production target for this year is six million tonnes.

Officials here say that there may not be any levy earnings this year from the Alcoa plant because of the government's role in it. Additionally, there is uncertainty here over the future of the Alumina Partners (Alpart) refinery, which is owned by Kaiser, Reynolds and Atlantic Richfield.

Atlantic Richfield is disengaging from the metals business and has so far unsuccessfully attempted to sell its 27 per cent share in the 11 million tonne capacity plant.

CSO: 3298/645

31 May 1985

## JAMAICA

## JAMAICA TO BE HUB OF REGIONAL FIBER OPTIC MARINE CABLE

FL011945 Bridgetown CANA in English 1816 GMT 1 May 85

[Text] Kingston, May 1--Jamaica's state-owned International Telecommunications Company (Jamintel) is participating in an ultra-modern, 144 million dollar (U.S.) trans-Caribbean submarine cable system with terminal points in the United States, Haiti, the Dominican Republic and Colombia.

Kingston is to be hub of the new fibre optic system, according to the Minister of Public Utilities, Pearnel Charles.

Jamintel's General Manager, Trevor Minott, said the new system will replace one now linking Jamaica and the U.S. through Florida and Panama, whose designed 25-year life span will expire in 1988. The new fibre optic system will have a much greater capacity, Minott said. Many circuits will be available to users.

Minister Charles, in a weekend speech, said Jamaica will have a seven per cent share in the U.S.-Jamaica segment of the line and smaller percentages in the other segments.

Minott has said a meeting will be held in Orlando, Florida, this month to discuss the system and that was when shareholding would be refined.

The American Telecommunications Company (ATT) will be the major shareholder in the U.S.-Jamaica segment. Other companies will be involved. The system is to be in service by 1989.

The fact that Jamaica has been chosen as the hub of the system is a tribute to the competence of the Jamaicans, who will operate and maintain the equipment, and recognition by the eastern Caribbean and the United States of the stability of our country, Charles said.

The Jamaica Government has 51 per cent of the shares in Jamintel, with the British company, Cable and Wireless Limited, holding 49 per cent. Prior to the government take-over in 1971, Cable and Wireless controlled Jamaica's external telecommunications system.

Charles has also announced that Jamintel is on a 94 million Jamaica dollar (about 17 million U.S. dollar) capital development programme, including the construction of a new six story building opposite its present complex in downtown Kingston and installation of a new international telex exchange.

The investment programme will run until 1990 and should get into full gear in 1989.

The minister also announced that within a few weeks Jamintel will implement an international information service, providing customers access to data bases and application software in North America and other areas.

CSO: 3298/623

JAMAICA

## SUGAR INDUSTRY WARY OF AGRICULTURAL DIVERSIFICATION SCHEME

### Outlines of Government Plan

Kingston THE DAILY GLEANER in English 17 Apr 85 pp 1, 2, 15

[Excerpts] A Crop Diversification Programme entailing the use of 20,100 acres of land formerly in sugar, and estimated to cost J\$334.74 million over a three-year period 1985-87, is being put in place by the Government.

Bernard Lodge, Innswood, Holland, and Caymanas are the four sugar estates from which the 20,100 acres will be drawn, the breakdown being: Bernard Lodge, 10,000 acres; Innswood, 1,500; Holland, 4,100 and Caymanas 4,500.

Vegetables, rice soya beans, corn/sorghum are the crops which are to be grown in this acreage, with a small portion being devoted to aquaculture and horticulture as well as to the growing of paw paw and mangoes.

A Ministry Paper setting out the details of the proposal was presented to Parliament yesterday by the Prime Minister, Rt. Hon. Edward Seaga, who had given advance notice of it in his radio and television broadcast last Friday night.

"This proposal is a critical step in the diversification process and is triggered by the Government's decision to target the sugar industry at a level of 125,000 tons. This volume is made up of the requirements of 125,000 tons for the EEC market, which represents a guaranteed source of foreign exchange; and 100,000 tons for the local market," the Ministry Paper said.

"This decision is based on the results of the Sugar Industry Rehabilitation Study undertaken by the World Bank, which indicates the estates from which sugar can be profitably produced. It is reckoned that the volume of 225,000 tons of sugar can be supplied by Frome and Monymusk supported by private estates."

Bernard Lodge, Caymanas, Holland and Innswood were among the estates which the World Bank study showed to be unprofitable for the growing of sugar-cane and the production of sugar, the Ministry Paper stated.

However, only non-cane lands at Innswood will be utilized for the crop-diversification programme, while those lands now in sugar-cane cultivation there will continue for some years, the Paper said.

Development under the programme will take place in two phases. Phase I will be comprised of lands which are not under cultivation in sugar-cane but are owned by the estates. Phase II will comprise lands to be taken out of sugar.

Cost of the programme in U.S. money terms is \$65-million, of which U.S. \$30.36 million is the foreign-exchange component.

Capital investment over the three-year period is estimated at \$177.73-million local and \$157.02 million external, making the total of \$334.75 million expressed in Jamaican currency.

Dealing with demand and market considerations under the programme, the Ministry Paper identified the target market for the selected winter vegetables as the United States of America.

"Currently, the United States imports approximately 1.7 billion lbs of vegetables during the winter season. Of this amount, Jamaica now supplies approximately 28 million lbs or approximately 0.10 percent of United States imports for 1984/85," the Ministry Paper said.

Jamaica's proximity to the United States should enable a 9 percent market penetration. To supply a 9 percent share of the market would require 10,000 acres of land suitable for the production of vegetables.

Projected output under the programme at full development in Year 3 is: rice, 8,400 tons; winter vegetables, 84,000 tons; soya beans, 10,120 tons; corn/sorghum, 28,400 tons.

Production of mangoes and paw paw is expected to total 500 tons, while 4.5 million lbs of fish should be reaped under the aquaculture programme and 80-million tips of foliage should be produced under the horticulture programme.

According to the Ministry Paper, the programme is projected to earn J\$98 million in the first year, J\$233.5 million in the second year, and J\$347.7 million in the third year, at full production.

Under the programme, employment will be provided for 46,400 persons, compared with a figure of 2,720 persons who would be employed on similar sugar-cane acreages.

Permanent employees under the programme are put at 4,400 (as against the comparative 2,720 in sugar), and seasonal employees are put at 42,000.

Their annual earnings are projected at J\$25.3 million for the permanent employees and J\$115.5 million for the seasonal employees. This makes a total annual industry earning of J\$140.8 million.

The new foreign exchange earnings savings over the three-year period is anticipated to total approximately J\$520.5 million or U.S. \$101.08 million. The figure for 1985 is projected at U.S. \$14.76 million, with an expected increase to U.S. \$51.6 million by the end of 1987.

Of the J\$334.74 million portion of the investment cost of the programme, it is proposed that the private sector will contribute J\$271.14 million, and the Government will provide J\$63.6 million for the common infrastructure facilities required to support the programme.

Investment funds will come from a matrix of loans from the international lending agencies; from local banks, suppliers credit and investor equity, the Ministry Paper says.

#### Program's Objectives

Kingston THE DAILY GLEANER in English 19 Apr 85 pp 1, 3

[Text] Export earnings amounting to about J\$679 million are expected to come from the large-scale export agricultural development project to be established in St. Catherine, during the first three years.

By the third year of operation, the diversified crops in the project will provide employment for some 46,000 persons. Sugarcane with similar acreages will provide employment for 2,720 persons.

Projections on the earnings to come from the project and the numbers it will employ, were given by Deputy Prime Minister and Minister of Foreign Trade, the Rt. Hon. Hugh Shearer, yesterday, as he addressed a gathering of exporters and buyers of agricultural products at Denbigh showground. He said that with the loss of over \$300 million of revenue formerly earned by bauxite, "the economy has to earn more foreign exchange from other sectors including the non-traditional agricultural sector to replenish that loss and meet additional commitments."

Mr. Shearer, who was guest speaker at the occasion which was the annual Farmers' Month luncheon, hosted by the Jamaica National Export Corporation to honour exporters of agricultural products, announced that Jamaica National Export Corporation would, in July this year, be establishing an office in Mandeville to service the central region of the island "in keeping with its policy to make its services more readily available to the farmers."

He said that Government had always recognised the value of the agricultural sector, and had taken the lead under Agro 21 with the Spring Plain Project. Recently, it had announced another large programme to increase production of winter vegetables and other agricultural crops for export and crops for local consumption including rice, fish, corn and soya beans, mango, paw paw, as also expansion of horticulture. That project would be established in St. Catherine, he said and added:

"This programme will put thousands of acres of lands into productive use, earn foreign exchange, provide additional employment and involve farmers in production of new crops using new techniques.

"The programme is projected to earn J\$98.0 million in Year 1, J\$233.3 million in Year 2, and J\$347 million at full production in Year 3."

Stating that the agricultural sector was the largest of employment in the island and that as a consequence of the government's development programme, the sector now had the smallest percentage of unemployment, the Deputy Prime Minister said:

"The labour-intensive nature of winter vegetables requires an average of four persons per acre for the 25 weeks season. In the St. Catherine project, the diversified crops will provide employment for 46,000 persons in the third year, a large percentage of whom will be women. Sugarcane with similar acreages will provide employment for 2,720 persons."

He was confident, said the Deputy Prime Minister, that the Jamaica Agricultural Society would encourage farmers to take full advantage of the new opportunities for agricultural production, to share in production opportunities, to observe and put to use the new production techniques for new crops for higher productivity, and better quality production so as to meet the standards in highly competitive overseas markets where we have to earn foreign exchange.

While declaring that the emphasis was on exports, Mr. Shearer said one could not export in a vacuum. A number of important factors had to be taken into account in developing export trade. Questions such as--What market can we export to? What demand profile does the product face? What determines the prices it can charge in these markets? and What volumes can it sell in them?--all have to be addressed; and finally, how much can be produced for the markets? How does this relate to the volume sold? How do prices compare with costs? What profit margins can be achieved? Do these margins constitute an adequate return to the farmer? Can costs be lowered? and, Where can financing be found?

He said that in this area of market intelligence, the service of the JNEC and the Trade Commissioners who were attending the luncheon that day, continued to provide valuable and relevant information. Every fortnight, for example, these Trade Commissioners forwarded to the Ministry of Agriculture, a list of prices prevailing in the marketplace with indications of competition and the market penetration strategies recommended. They also provided details on changes in rules and regulations.

So far as the demand for agricultural products was concerned, said Mr. Shearer, the JNEC had that day invited to the lunch 35 of North America's leading importers of Jamaica's exports. "These members of the American and Canadian Associations of Importers of Jamaican products, will confirm that there is a huge market overseas for a range of products within our capability that we are not supplying adequately."

Opportunities for increased production and increased earnings for the farmers were not confined to the export market, he said, adding that there was an ever-increasing demand in Jamaica for agricultural products as a result of Government's deliberate policy for expansion of the agricultural sector. Expansion of the tourism sector also meant increased demand for a wide range of agricultural products. Government's import policy on consumer goods would give the agricultural sector attractive advantages to supply demand on the local market at cheaper prices than imported goods. The import substitution policy for consumer goods would also open up new opportunities for farmers to produce more food.

### Sugar Industry's Position

FL011724 Bridgetown CANA in English 1903 GMT 1 May 85

[Text] Kingston, May 1--Jamaica's 1985 sugar production has passed the half-way mark in good time and industry officials say they are optimistic the target of 210,000 long tons will be reached.

Up to last Sunday, production was 122,000 tons, nearly three thousand more than output for the comparative period during the 1983-84 crop, the Sugar Industry Authority (SIA) said.

According to the authority's chairman, Frank Downie, once favourable harvesting conditions remained the production will be met.

Statements from the SIA and the Cane Growers Association on the state of production in the industry were apparently triggered by a report last week by the official JAMPRESS News Agency that sugar production in January was 42.5 per cent below what it was the same month in 1984.

The decline, the agency said, accentuated government's plan to take 20,000 acres of lands, mainly in the parish of St Catherine, west of here, out of sugar for other crops.

Why not tell the public that the extraction of sugar this year has been the best for many a crop, averaging 10.1 tons of cane to make one ton of sugar? the All-Island Cane Farmers Association (AICFA) said in a statement.

According to the SIA, it is now taking 1.7 tons less cane than last year to produce a ton of sugar.

The SIA, which implements government's policy in the industry, said that this year's production figures so far had been achieved despite a late start to grinding in some factories because of technical and financial problems.

There were also interruptions because of pay disputes, which have now been settled.

The government has said that putting the cane lands into winter vegetables and other crops will earn more foreign exchange and cut losses, but it has

run into criticisms from both the growers association and unions representing sugar workers.

The association rejects the idea of removing prime agricultural lands already established in traditional crops for other crops which are still in the trial process, but rather endorses a plan for putting idle lands into new crops, and supplementary to cane, AICFA said.

The association said that lands under sugar cane cultivation in south central Jamaica were ploughed up last year, ostensibly for a winter vegetable project, but had remained idle. AICFA said that before any more drastic measures were taken near future of at least one more factory [as received], the final output of this year's crop should be awaited.

Some industry officials here claim that the longer term government plan is to disengage from sugar all together, though Prime Minister Edward Seaga says the plan is to produce 225,000 tons annually, the requirement for the local market and to meet the island's quota to the European Community.

Jamaica's sugar production has been in decline since the mid-1960's when output was half million tons. The 200,000 ton mark has not been reached since 1980.

The growers association said that poor production over many years was not so much the result of insufficiency of cane as the inefficient performance of the factories due to a lack of funds to effect necessary repairs.

We contend if one year's profit from the sale of imported sugar was used to properly refurbish the factories it would be a step towards recovery of the sugar industry, the association said.

CSO: 3298/646

JAMAICA

BRIEFS

MANLEY CONVALESCENCE--Kingston, April 29--The leader of Jamaica's main opposition People's National Party (PNP), Michael Manley, has been discharged from hospital, the PNP reported today. According to a statement from the PNP, Manley was released over the weekend and is now convalescing at his home. Manley entered the University Hospital here on April 4 and later had an operation to correct inflammation of the colon. [Text] [Bridgetown CANA in English 1537 GMT 29 Apr 85 FL]

SRI LANKAN LEADER'S VISIT--Sri Lankan Prime Minister Ranasinghe, accompanied by a 15-member delegation which includes his wife, arrived at the Norman Manley Airport this morning on a 5-day official visit. He was met at the airport by Prime Minister Edward Seaga and several members of the Jamaican Cabinet. The Sri Lankan prime minister inspected a guard of honor at the airport before leaving by motorcade to Kingston. [Excerpt] [Kingston Domestic Service in English 1730 GMT 26 Apr 85 FL]

COMMUNIST PAMPHLETS--I hear the Communists are at the pamphleteering business again. Adept at starting phantom organisations, they have now initiated "A Committee Towards a Better Understanding," which sends out bulletins attacking the J.L.P. and the P.N.P. which they call "tribes." They want a "non-tribal political" approach; presumably one tribe i.e. the Communist. They reveal themselves by using the same communist terminology when dealing with "workers"! Well, it is a free society! [From the "Listening Post" column, signed "The Listener"] [Text] [Kingston THE DAILY GLEANER in English 23 Apr 85 p 5]

CSO: 3298/646

MEXICO

MICHOACAN BISHOP ISSUES ALERT ON PEASANT DRUG CULTIVATION

Mexico City DOCUMENTACION E INFORMACION CATOLICA in Spanish 18-25 Apr 85 p 296

["Pastoral Letter on Drug Cultivation From the Bishop of Apatzingan"]

[Text] Editor's Note: Msgr Miguel Patino Velazquez, M.S.F., bishop of Apatzingan, concerned over the increase in marijuana plantations, has addressed a pastoral letter to his clergy and the Church laity in which he scores the cultivation of that scourge which is jeopardizing the very lives of those growing it who, deluded by financial gain, are running a serious risk. "It is my responsibility to remind our peasants in particular that God has put the land in their hands, not for cultivating death, but rather life." The document, dated 6 March 1985, reads as follows:

To the Fraternal Priests, Religious and Laity of the Diocese:

1. With great pain and grief I address the members of the Catholic diocesan family, appealing to their conscience and lofty sentiments, to make a firm, serious, Christian and human decision regarding the alarming increase in drug cultivation in our area, especially that of cannabis indica, that is, marijuana.
2. We realize the enormous sacrifices to which many peasants are subjected in order to carry out the traditional cultivation of grain and seed necessary for feeding their families, especially in view of the instable nature of those crops and the contingency of rain water. The expensive fertilizer, insufficient and not always timely credit, controlled prices of farm products and the very insecurity of land ownership are perhaps some of the reasons that our countrymen have been tempted to grow drugs, benefited by easy credit and very enticing profits which professionals in those crops offer them.
3. The campaigns being maintained by our Army and judicial authorities appear to be gradually yielding to the enormous economic power of those professionals, to the point where their presumptuousness is now challenging the very morality of the authorities and the upright conscience of our countrymen. In their desire to discover those who are guilty, the judicial authorities often violate the fundamental rights, looting, beating and forcing peaceful people to inform on those who are cultivating or trafficking in drugs, leaving a long series of suspicions, hatred and grudges among families, which in time lead to vengeance.

4. Can it be that the easy gains, even though risky, from growing marijuana have captivated the traditionally pure and honest conscience of our peasants? Would they be willing to sell their Christian and human conscience in favor of the calf of gold, reneging on their dignity, while realizing that with the excessive financial gain they are growing a product destined to enslave the human being through vice, alienation, madness and premature death? Aware of the serious risk represented by drug growing, they decide to jeopardize their very lives, those of their relatives and those of other human beings. They may be able to fill their pockets with money, but they will have to burden their consciences with all the horrors and devastation brought by drugs to those who are unfortunate enough to purchase their products. They are others now, they will be their own children in the future.

5. It is my responsibility, as pastor of the diocesan flock, to remind our peasants in particular that God has put the land in their hands, not for cultivating death, but rather life. Life is the food products that are accrued from the proper use of the land. Created in his image, "man must cooperate with the Creator in the perfection of creation and, in turn, mark the land with the spiritual feature which he himself has received....by doing their work, men discover that they are human" (Cf. "Populorum Progressio" [Progress of Peoples], 26 March 1967).

6. I wish to indicate to my peasant brothers that wealth easily procured by the immoral sale of drugs and narcotics is premature death of the noble human ideals and sentiments; it is a burial of hope, faith, justice and Christian charity.

7. That financial wealth is not always accompanied by human dignity, freedom and holiness. That the principal wealth of the people and the nation is their human beings, especially those who, by their effort, produce the food which reaches the tables of Mexicans.

8. That only by means of study, organization and discipline for production and marketing can the benefits shared by our peasants and the sovereignty of our nation be guaranteed.

9. That God blesses them in their worthy task of producing food, and watches over their security and spiritual and material benefit; but turns his eyes away from those who pervert the proper use of the land and produce what attacks human health and life.

10. In all humility, I urge the parents who have succumbed to that serious temptation to grow marijuana and poppies to become reconciled with God and with the community.

11. In this year dedicated worldwide to youth, let us say a prayer for our young people and root out all the crops that could injure their health. Let us cultivate grain and seed that will serve as food and physical strength for our youth, and let us foster their growth in virtue, truth, justice, love and peace.

Greetings and a blessing to you from your brother and pastor.

Miguel Patino Velazquez,  
Bishop of Apatzingan

Nicolas Ponce Z., Priest,  
Secretary

Apatzingan, Michoacan, 6 March 1985.

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CS0: 3248/348

MEXICO

DRUG CHIEF, SINALOA POLITICAL ESTABLISHMENT LINKS DELINEATED

Mexico City PROCESO in Spanish No 443, 29 Apr 85 pp 14-18

[Article by Elias Chavez]

[Excerpt] Culiacan, Sinaloa--A drug trafficker? He's more than that. He's a trafficker politician. We're talking about Miguel Felix Gallardo, the drug kingpin who's a fugitive from justice, a friend, partner and protege of former Governor Leopoldo Sanchez Celis.

A link, a "contact" between the underworld and the authorities, Felix Gallardo began as a Judicial Police agent in Sinaloa, later becoming part of then Governor Sanchez Celis's retinue.

Mr Antonio Rocha Cordero, who at the time was the nation's attorney general, can testify to this connection. Time and again he told President Diaz Ordaz about Sanchez Celis's links with drug traffickers. Thus, when Sanchez Celis completed his term of office, Diaz Ordaz threw him out of the country; he was later rescued by Carlos Hank Gonzalez, who brought him back to the state of Mexico as his colleague.

His accuser is Enrique Pena Batiz, the leader of the Francisco I. Madero National Political Association and former president of the Federation of People's Parties who in 1952 nominated Gen Miguel Hernandez Guzman for president. Interviewed in Culiacan, Pena Batiz recalls:

"It was under Sanchez Celis that drug trafficking came into the open in Sinaloa. No sooner had he taken office as governor than he began surrounding himself with gunmen who had appalling personal histories. One of them was Hugo Izquierdo Hebrard, a brother of Arturo and Graciela, who were among the country's major traffickers. I met him in Lecumberri Prison. He was there for killing Senator Mauro Angulo, and I was in for having been a leader of the Henriquez movement. After I got out of jail, I went back to Culiacan. One day I dropped into the El Quijote Bar, where the number two man in Sanchez Celis's government, who had been a student of mine, invited me to have a seat at his table. There was another fellow sitting there with him, and he immediately asked me:

"Don't you recognize me?"

"Yes, you're Hugo Izquierdo Hebrard," I replied.

"That's right, but here I'm known as Capt Jose Chavez," Izquierdo Hebrard told me, explaining his name change as follows:

"The governor has helped me a lot. He got me out of jail and brought me here to help with a few things. Officially I work in the Peasant Farmer Improvement Program. But since I'm still under sentence, I have to operate under a different name."

Pena Batiz continued his narrative:

"Izquierdo Hebrard was drinking brandy with a beer back. The alcohol soon got to him. He took out a brand new pistol and offered it to me. I told him that I didn't use firearms, but he insisted. He then asked me to take him back to his house, and there he began asking me about the drug traffickers here. I told him the little I knew, and then we reminisced about our time in Lecumberri. The man who had arrested me is now the warden of the Northern Penitentiary, Jesus Miyazawa; he was helped by a European assassin who went by the name of Jorge Lavin de Leon and whom the Federal Security Directorate (DFS) had made an agent. Around that time they killed Marco Antonio Lanz Galera, who thus became the first martyr of the Henriquez movement. And it was Izquierdo Hebrard, in fact, who told me that Lavin had murdered him."

There is a picture of Marco Antonio Lanz Galera in Pena Batiz's office, and our informant remarked: "One of my sons is named Marco Antonio, in memory of this battler for democracy." He continued with his story:

"When Izquierdo Hebrard told me that Lavin had killed Lanz Galera, he also offered to avenge him for me. I told him no because I thought it was a trap. Izquierdo was a brother-in-law of 'Negro Durazo,' who at the time was with the DFS. I reminded Izquierdo Hebrard of his offer the night I took him back to his house. He replied:

"You said no then, but if you want me to now, I will..."

Pena Batiz says that Izquierdo Hebrard (alias Capt Jose Chavez) was unable to remain in Sinaloa during the entire 6-year term of Sanchez Celis because "Attorney General Rocha Cordero ordered him arrested, and the Federal Judicial Police (PJF) took him away."

Pena Batiz joined the PRI in 1965 to head up, in Sinaloa, the democratization program that party leader Carlos A. Madrazo was pushing at the time. The individual most opposed to the democratization was Governor Sanchez Celis, with whom Pena Batiz had to do battle.

"After many confrontations with the governor," Pena Batiz continued, "Attorney General Rocha Cordero told me the following in December 1966: 'Your problems will soon be over. Sanchez Celis will be out. Have you ever seen a governor stay in power when he has problems with the president, with the Supreme Court, with the people and with drug trafficking?' But Sanchez Celis fell gravely ill, and that saved him. Diaz Ordaz showed him sympathy. And the political group to which belonged also interceded in his behalf. It was the group that consisted of Carlos Hank Gonzalez, Francisco Galindo Ochoa, Jose Ortiz Avila and others. Sanchez Celis was the group's hatchet man. That's why he was surrounded by gunmen. It was during his term of office that drug trafficking and the violence that has now gotten worse came out into the open in Sinaloa. It was during this time that a marijuana field belonging to the governor's brother, Pedro Luis Sanchez Celis, was discovered in Laguna de Canachi in the municipality of Culiacan. It was also around this time that Miguel Felix Gallardo got his start; Sanchez Celis later made him his partner and protege and was best man at his wedding. Not long ago, in May 1983, Felix Gallardo was best man at the wedding of Sanchez Celis's youngest son, Rodolfo, who is also a partner of the drug boss who tops the police most-wanted list. More recently, on 15 January of this year, Felix Gallardo and Rodolfo Sanchez Duarte (the groom and his best man) opened one of their many businesses in Sinaloa: the automotive firm "Crisol." The photographs have been published; I'm not lying. Around here, the drug trafficker's money has been laundered among important people. I can't say for certain that Sanchez Celis is a drug trafficker, but his links with traffickers are obvious. The police should investigate who's behind the Carrillo Quinteros and the Fonseca Carrillos, because they hardly know how to read and write."

#### PHOTO CAPTIONS

1. p 15. Former Sinaloa Governor Leopoldo Sanchez Celis (in the middle, wearing glasses) at the marriage of his son, Rodolfo Sanchez Duarte, to Theolenda Lopez Urrutia (to the left) on 29 May 1984. To the right is the best man, Miguel Angel Felix Gallardo, with his wife Maria Elvira de Felix.
2. p 15. Miguel Angel Felix Gallardo cuts the traditional ribbon on 15 January of this year at the opening of one of his businesses in Culiacan: "The Crisol Group, automotive branch." Shown with him are his partners, Patricio Estolano Kuroda and Rodolfo Sanchez Celis.

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CSO: 3248/340

MEXICO

BRIEFS

DRUG MONEY DONATIONS REJECTED--The archbishop of Hermosillo, Carlos Quintero Arce, demanded that the United States "moralize those who consume drugs, and not just criticize those who become rich from drug trafficking": and, in commenting on the multimillion profits accrued by the drug traffickers, remarked that the contrast between wealth and extreme poverty in Mexico has been aggravated by the corruption invading the society. The prelate announced that a circular letter had been disseminated among the priests of Sonora to prevent their receiving multimillion donations which might come from drug traffickers, and denied that the latter have attempted to "buy the conscience of the Church through donations." He said that ill-gotten wealth "degrades the person, is a cause of bribing authorities and upsets the family," and called upon the peasants to reject offers for them to engage in drug growing. As for the bribes received by police chiefs, he declared: "Mexico is still under the idol of wealth. Therefore, the Church proclaims a humanism that rejects all idolatry of pleasure and power. Wealth converted into an absolute is an obstacle to genuine freedom." [Excerpts] [Mexico City EXCELSIOR in Spanish 12 Apr 85 'States' section p 1] 2909

CHIHUAHUA CONASUPO COUNTRYSIDE SHORTAGES--Chihuahua, Chih., 24 April--Thousands of Indians residing in the Tarahumara high sierra are having their survival threatened by the serious problem of corn and bean shortages, these being their main, essential foods, and their insolvency preventing them from access to any type of credit. The foregoing statement was made by the manager of the CONASUPO [National Company for Basic Commodities] Distributing Agency, Inc (DICONSA), Hermilo Alvarado Ponce, who told the State Committee on Supply that the representatives of the Guarojio Supreme Council have urgently requested of the parastate agency a supply of 80 tons of corn and 30 of beans to enable them to survive during the months of May and June, which are the most critical in the area. [Text] [Mexico City LA JORNADA in Spanish 25 Apr 85 p 8] 2909

CSO; 3248/348

NICARAGUA

OPPOSITION LEADERS ON 'PEOPLE'S DEMOCRACY'

Managua LA PRENSA in Spanish 15, 16 Apr 85

[15 Apr 85 p 2]

[Text] Politicians representing the various ideologies in Nicaragua's civilian opposition, as well as the FSLN [Sandinist National Liberation Front], often come out in favor of the establishment of a democratic system in our country, which is also the desire of the Nicaraguan people.

Nevertheless, the concept of "democracy" has been given many partisan interpretations. One of them, so-called "people's democracy," is being implanted by the FSLN in Nicaragua without the people's blessing.

Fulfilling its obligation to report to its readers on what national figures have to say about issues such as this one, which has prompted great controversy over the past 5 years, LA PRENSA herewith offers the views of Mauricio Diaz (PPSC [Popular Social Christian Party]), Enrique Sotelo (PCD [Democratic Conservative Party]) and Agustin Jarquin (PSC).

[Question] In recent years we have witnessed gains by democracy in Latin America, with developments in Brazil and Argentina having the most impact because they are major countries on our continent. Do you think that there is democracy in Nicaragua?

[Mauricio Diaz, PPSC] Democratic gains in Latin America show that existing regimes must meet democratic demands. The cases of Argentina and Brazil show how support for military government erodes when the people, in tune with cultural development and the internationalization of culture, demand "civilian, antimilitarist and civilized" governments based on a legal and political system that respects the dignity of the human person and human rights, in short, based on the rule of law.

Man's struggle today must be to assert his intrinsic worth in the face of those who from a variety of ideologically justifiable angles are trying to impose "their own truth," their reasoning, their logic. We are moved when we look around the world and see how many peoples are struggling for their liberation: the Chilean people against the Pinochet dictatorship, the Eritrean people against the Ethiopian Government, the Afghans battling for self-determination and we here in Nicaragua pushing for democracy. To the PPSC, and this is my answer to your question about whether there is democracy in Nicaragua, democracy is not just an abstract concept; it is a process. Government of the people, by the people and for the people must become a true economic, political and social democracy that sees to it that these principles, these values govern national life and international relations. Therefore, as far as the PPSC is concerned, with the elections of this past 4 November we have barely begun the process of democratizing the country.

[Enrique Sotelo, PCD] There have, in fact, been appreciable gains by democracy in Latin America, and as you say, the most important ones have been in Brazil and Argentina, where we have seen military governments give way through free, honest elections to civilian governments genuinely chosen by the people.

In Nicaragua, unfortunately, the Somoza military regime has been replaced by an even more militaristic regime that has even absorbed public services that were never before militarized (such as the Fire Department and the watchmen's unions, among others). This all-embracing militarism has diverted thousands of young people and citizens of all ages from production activities, creating a true imbalance in our small country that has led to deterioration in all areas of national life: deficient public services, low agricultural output, stagnation in industry and commerce, in short, government and private-sector economic ruin.

As far as democracy in our country is concerned, we are very far from being a democracy. I need only point to the lack of press freedom and freedom of information, which is the underpinning of a true democracy, not to mention countless laws that violate the most elementary human rights. I need only point to the Emergency Tribunals, such as the ill-famed Anti-Somozist People's Tribunals, which trample not only on national legislation but also on the fundamental principles of law and justice. These tribunals have committed and are committing the most grievous injustices; I need only note that they have so far tried more than 1,000 persons and found only 7 innocent. How do you like that?

There can be no democracy in a country in which the National Constitutional Assembly, which by definition is the true repository of the people's sovereignty, relinquishes its inherent powers and rights to create a totalitarian presidential regime. Our assertion can be confirmed

by a simple reading of the General Statute of the National Assembly, the draft of which was pushed through by the Sandinists with the collaboration and support of the group of conservatives led by Dr Cordova Rivas.

[Agustin Jarquin, PSC] During the initial years of this decade we saw democracy on the rise in Latin America. In the late 1970's the militarist regimes that had imposed rightwing dictatorships on their people came to an end, and we observed an incipient democratization in Bolivia, Peru, Argentina, Uruguay, Brazil, Panama and even in Honduras and Guatemala.

Democracy is thus on the offensive, which will continue to bear fruit for the rest of this decade.

Now then, democracy means more than just the enjoyment of certain freedoms. It requires economic stability and, so to speak, an economic democracy to overcome disadvantaged conditions and to enable the underprivileged and dispossessed to climb the social ladder. Otherwise, these underprivileged, disadvantaged conditions will create tensions, as they have in the past, and destabilize these incipient democracies.

The Nicaragua of today is clearly not a democracy. Democracy is not just the existence of various parties. There were various parties under Somoza. We were a party, the PSC, though we were banned under Somoza. But there was also the Independent Liberal Party, the Socialist Party and the Conservatives.

Democracy means more than just the existence of these groups. Democracy means the chance to express oneself freely, the chance for citizens to support and vote for the groups that in their judgment best represent their interests and needs. For various reasons this is not the case in Nicaragua, because it is not a democratic system.

Nicaragua is not a dictatorship or a totalitarian system either. The ruling party is endeavoring to gradually turn Nicaragua into a closed system in which it will be predominant. It is trying to become a vanguard around which the entire society and all individuals operate.

[16 Apr 85 p 2]

[Text] [Question] The term "democracy" can be interpreted in many ways. The Sandinist Government claims to defend a "people's democracy" and supports nations with totalitarian regimes such as North Korea and East Germany, which call themselves democratic. Does your party feel that this is the sort of democracy that Nicaraguans want? How could these "democracies" be improved?

Mauricio Diaz, PPSC: As far as our party is concerned, there is only one kind of democracy. The adjectives with which the term is adorned stem from ideological interpretations that ultimately have nothing to do with the underlying issue. As a party, the FSLN is entitled to defend its concept of democracy. Unfortunately, the so-called "people's democracies" do not have accountability mechanisms in the form of periodic elections in which the people can express their will. Such mechanisms, of course, also need to be refined, especially in countries in which elections are held but in which democracy does not really exist or in which democracy applies only to one sphere (for example, an electoral democracy without economic democracy).

Thus, my party viewed its involvement in the recent election as a contribution to democratization in Nicaragua, as a starting point, not as an end in itself.

We must achieve democracy here in Nicaragua by preserving the rights that political parties have won and by making further room for pluralism. We therefore believe that a war policy does not contribute to the task of our political parties in spurring the move towards democracy.

It is up to the ruling party to take specific immediate steps to pave a smoother way towards democracy, by implementing the resolutions of the political party summit meeting, which set forth the items on a democratic agenda: the right of political parties running in an election to have proportional access to the mass media, freedom of organization and mobilization, the right to organize labor unions and labor union freedom, and periodic elections.

Enrique Sotelo, PCD: The so-called "people's democracies" are far from being true democracies. They are military, bureaucratic, totalitarian elites that in the name of the masses exert full-fledged government control over individuals and consciences. These ill-termed democracies could be improved only if their peoples were genuinely liberated and if legitimate elections were held in which respect for the will of the people was guaranteed, that is to say, elections like the ones that are held in Germany, France, Italy, England or our small, democratic neighbor Costa Rica.

Agustin Jarquin, PSC: There is just one kind of democracy. Either a system is or is not democratic. In recent years, though, certain adjectives have commonly been used to describe democracies.

We have thus heard mention of the "people's democracy," which is the system that Marxist-Leninist groups establish when they come to power. There is also talk of representative democracy, which is a genuinely democratic system in which political parties can succeed each other in power; they do this through elections in which citizens choose their representatives and their president by direct, secret ballot and in which all political groups participate on an equal footing, with none predominating over the others.

We Christian Democrats have coined the term participatory democracy because we feel that democracy means more than just staging free elections every 4, 5 or 6 years so that the people can select their highest authorities to run the country. Democracy must be ongoing and is called participatory because in addition to having democratic elections, government officials must be representative, as endorsed by the people in a secret ballot.

It is essential for the people to participate in an organized, ongoing fashion in the country's political and economic affairs through their municipalities, unions, neighborhood boards, etc.

In order for a people's democracy to be a genuine democracy, certain freedoms must exist, mainly freedom of expression, whereby people have the right to unimpeded information and to form their own judgments. Freedom of association and mobilization is also fundamental if a so-called "people's democracy" really seeks to be a genuine democracy.

[Question] If your party were in power, what measures would it take to foster what you have described as democracy and to see to it that such a democracy is backed by a true national consensus?

Mauricio Diaz, PPSC: If the PPSC had been in power, things would have been quite different. In the first place, we would have accorded dignified, decorous treatment to church authorities, the Catholic Church in particular, by respecting freedom of religion unconditionally.

Second, we would not have made the mistake of pursuing an economic policy based on dogmatism or makeshift prescriptions. The private sector would not feel threatened, and we would not have made the blunders typical of economic measures taken out of a textbook.

If the PPSC were in power, it would clearly and categorically define the areas of the economy, spell out the legal guarantees for the various forms of ownership and respect them completely.

In brief, my party would have been fully aware of Nicaragua's geopolitical location, which has given rise to a war of aggression. It would have pursued a foreign policy to keep the country equidistant from the hegemonic power centers, a policy of genuine nonalignment that would keep our country from becoming a target for outside interests, a pawn in the East-West conflict. We would have taken into account the phenomenon of social mobilization that did away with the Somoza dictatorship, using it to design a physical and social reconstruction plan based on a democracy of convergence, of unity amid diversity, a pluralism of convergence.

Enrique Sotelo, PCD: Conservative governments gave an example of respect for democracy for 30 years. Conservative presidents were elected freely, and none of them was ever reelected. The underpinning

of democracy is free elections, the election boards, an honest vote count. Nicaragua needs genuine elections, which we have not had for more than 50 years. This would bring true national unity.

Agustin Jarquin, PSC: What a party in power basically has to do is heed the demand of the Nicaraguan people for a democratic system in which the party does not usurp power or confuse its interests with those of the State or those of the homeland, in which other parties are allowed to exist, in which citizens can voice their views freely and without fear, in which citizens can organize in the groups of their choice, in which parties can compete on an equal footing in elections, in which campaigns can be run on an equal footing without one party making use of State funds to the detriment of the others, in which the Armed Forces serve the nation, not a political group. These are, in fact, commitments for all political groups that truly seek to represent the sentiments of the Nicaraguan people, and these would be our commitments.

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CSO: 3248/345

PERU

## LIMA PASSES STREET VENDOR REGULATORY ORDINANCE

### First Legal Recognition

Lima EL COMERCIO in Spanish 18 Apr 85 p A-1

[Text] The street vending trade has been recognized for the first time as a legally established economic activity and those involved in it are "workers" with rights and obligations.

This recognition stems from the Regulatory Ordinance on Street Vending in Metropolitan Lima published yesterday in the official newspaper. It defines the vendor as "a worker whose capital does not exceed two tax units per year (4.5 billion sols)."

Another municipal agreement regulates the operation of stands used to sell food, beverages and alcoholic drinks, kiosks, gambling casinos and bingo rooms, rendezvous sites and recreational equipment.

The ordinance that regulates street vending states that the vendors must have authorization or a license from the municipality in order to carry out their commercial activities. They must pay the council for use of the urban area they occupy.

The license will cost 20,000 or 10,000 sols, depending on the case. It will not be granted if it is verified that the street vendor sells in restricted zones, transfers, sells or rents the license or stand, acquires or markets stolen, adulterated or counterfeit merchandise, uses or manages more than one stand or is a wholesaler.

After learning of this municipal law, alderman Guillermo Nolasco estimated yesterday that the council will collect about 2,496,000,000 sols for licensing and use rights between May and December of this year. Half of this will go to form the so-called Municipal Assistance Fund for the Street Vendor.

The regulation on street vending includes laws to prevent the use of unauthorized public areas as well as marketing laws and health and environmental provisions. It also includes administrative and disciplinary clauses.

## Measure Said Impracticable

Lima EL COMERCIO in Spanish 19 Apr 85 p A-8

[Text] The regulation on street vending passed by the Lima Provincial Council "has a number of gaps" in the opinion of some experts and is "impracticable," according to others.

One of the researchers of the Democracy and Freedom Institute, Ivan Alonso, felt that the ordinance that regulates street vending is "impracticable" because of the way it defines the street vendor and the requirements for licenses.

Ivan Alonso indicated: "The ordinance defines the vendor as a worker whose capital is less than two tax units. However, we do not know what mechanisms will be used to detect those who do not meet that requirement."

He added that no one guarantees that the licenses will be granted to the real vendors instead of the wholesalers or those who have a labor relationship with their suppliers.

He said that the regulation has a number of gaps. For example, it does not include any law for the vendors inside the markets, 30 percent of all street vendors.

He indicated: "By aiming the laws only at street vendors in the public area and the fairgrounds, approximately 30,000 vendors are being ignored."

### Regulation Can Be Corrected

Last, he revealed that payment for the right to use urban land is nothing new since about half the vendors in districts like La Victoria have already been doing it. This payment totals more than \$1 million per year.

Populist alderman Luis Castaneda Lossio, a specialist in street vending, revealed that the bill for the regulation should have been published first in EL PERUANO in order to be enriched with contributions from the vendors, CONACO [National Confederation of Merchants], the Lima Chamber of Commerce and the district councils. He stressed: "The gaps in it would have been corrected if their opinions had been sought."

He also indicated that, before passing the regulation, a number of measures to support the vendor should have been put into practice like the installation of more fairgrounds and the promotion of cooperatives.

He indicated: "Also the regulation gives extraordinary weight to the vendors' organizations recognized by the municipality, generating the danger that the problem will be handled too politically."

7717

CSO: 3348/624

PERU

## LA JOYA HYDROELECTRIC PLANT WORK TO BEGIN IN JULY

Lima EL COMERCIO in Spanish 20 Apr 85 p A-16

[Text] Arequipa, 19 Apr--The construction of the hydroelectric powerplant in the La Joya district will begin next July. It will serve as alternate to the plant recently inaugurated.

It has been reported that the investment will total \$6.5 million. It will have a generation capacity of 10 megawatts which can be expanded if necessary.

It will be used for the development of current and future agroindustry when subsequent stages of the forgotten La Joya integral development project are finalized. The area covers 50,000 to 60,000 hectares.

The La Joya district is also one of the most important dairy centers with the highest rates of annual production per animal.

### Thermal Powerplant

The thermal powerplant that was recently inaugurated cost 600 million sols. It will generate energy only for the district capital with 4,000 people.

The new hydroelectric powerplant must be completed by the middle of 1988, according to information from Juan E. Paredes, promotion chief of ELECTROPERU [Peruvian State Electric Power Enterprise].

To finalize this project, an agreement has been signed with the leaders of the Multisectorial Committee and the Consumers Council.

It has been indicated that "there will be no problems" in financing the \$6.5 million.

La Joya will have electrical energy for its domestic needs as well as for agro-industrial development, the great future goal.

Eventually, energy will be sent to several towns and farms in the districts of San Juan, Santa Isabel and Santa Rita de Sigvas. This will alter their current nighttime appearance.

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CSO: 3348/624

PERU

BRIEFS

WEATHER WARNING STATIONS ESTABLISHED--SENAMHI [National Service for Meteorology and Hydrology] has set up six weather stations in the sierra in order to provide information on harmful climate changes for agriculture. In the next 4 years, 100 of those centers will be established. The program called "Warning systems on climatic agricultural impact" is part of the PADI [Agricultural Planning and Institutional Development] project with cooperation from the AID. According to SENAMHI, weather stations have already been established in Cajamarca, Huanuco, Huancayo, Ayacucho, Cuzco and Puno. The goal is to establish 100 in the next 4 years, all within the sierra area. The weather watch program includes research on climate data in relation to agriculture in different parts of the sierra. That information will be used to make models of agricultural weather predictions that will warn as quickly as possible if there are abnormalities that could affect the Andean crops. SENAMHI stated that the project includes training Peruvian personnel in climate-agriculture interrelationship. [Text] [Lima EL COMERCIO in Spanish 20 Apr 85 p A-8] 7717

CSO: 3348/624

ST LUCIA

COMPTON: NOT TOLD OF JOINT MILITARY EXERCISE WITH U.S.

Kingston THE DAILY GLEANER in English 17 Apr 85 p 7

[Text]

CASTRIES, April 16 (AP)

Prime Minister John Compton of St. Lucia said today his Government has not been informed about St. Lucia's supposed participation in joint military exercises with United States troops later this year, but expressed reservations about the idea.

Asked if St. Lucia would participate in the exercise if invited, Compton replied: "I don't know. I don't know what we will be invited to."

The Prime Minister was responding to questions about a report out of Grenada that the U.S. and Eastern Caribbean islands would hold joint military training exercises later this year.

The report was attributed to Rear Admiral Ralph Hughes, commander of the U.S. forces in the Caribbean, who was quoted as saying that the Eastern Caribbean contingent would be drawn from anti-terrorist units trained by the U.S. in the wake of the October 1983 U.S.-led invasion of Grenada.

According to the report, the Special Services Units (SSU) of the police forces of Antigua, Dominica, St. Lucia, St. Kitts-Nevis, Grenada and St. Vincent and the Grenadines were expected to take part in the exercises. The location of the exercises had not yet been decided, the report indicated.

However, Compton told newsmen that St. Lucia has not been informed about the

plan, and said he did not favour any regional emphasis on military.

"We've stated time and again that we are very concerned about the militarization of the Caribbean. We want it demilitarized. We don't like this emphasis on the military. Our problems are not military. They are social and economic, and I believe this is what we must look at — what economic assistance we can get to pursue our whole development in peace."

He noted that St. Lucia was part of the regional security system with Barbados and the other Organisation of Eastern Caribbean States, but said he couldn't comment any further, because so far he had seen no official invitation for St. Lucia to take part in the training exercises.

CSO: 3298/648

ST LUCIA

ECONOMIC PERFORMANCE IN 1984 CITED BY OECS BANK

FL061711 Bridgetown CANA in English 1951 GMT 4 May 85

[Text] Castries, May 4--Improved performance in St. Lucia's agricultural sector, tourism, and government saw the economy grow in real terms last year by five per cent, the Eastern Caribbean Central Bank said.

The bank, in its economic and financial review of 1984, said (text): The economy of St. Lucia is estimated to have experienced economic growth of about 5 per cent in real terms during 1984. This growth rate represents significant improvement over 1983 when the rate of growth was 2 per cent. The increase in GDP resulted primarily from increases in agricultural output, tourism and the government sector.

Banana exports, which make up about 40 per cent of total merchandise exports, increased in volume by almost 20 per cent during 1984 sustaining a rapid rate of growth but not quite equalling the 26 per cent increase during 1983. However, average unit prices in East Caribbean dollars (one EC dol; 37 cents U.S.) fell, thereby suppressing the rate of increase in banana export earnings to one of about 15 per cent. This was a substantial reduction from the 35 per cent increase in 1983.

Retail price increases reveal that the rate of inflation in 1984 was 1.2 per cent, about the same as in 1983. This low rate of inflation was primarily attributable to a fall in food prices of 0.6 per cent.

St. Lucia's trade deficit increased from 101.7 million dollars during the first nine months of 1983 to 126.8 million dollars during the same period in 1984.

Total exports fell by 8.7 per cent (9.7 million dollars) to 101.2 million dollars, and imports increased by 7.2 per cent (15.4 million dollars) to 228 million dollars.

This decrease in total exports was the result of a decline in re-exports from 20.8 million dollars to the end of September 1983 to 5.4 million dollars to the end of September 1984; domestic exports actually increased by 5.7 million dollars.

With regard to imports, food items decreased slightly, while manufactured goods continued to increase and accounted for more than 50 per cent of the increase in imports during this period.

Visitor arrivals increased from about 57,754 to 65,745 by about 15 per cent during the first nine months of 1984. The available estimate of tourism expenditure of about 116 million dollars, however, did not increase commensurately with the increase in arrivals.

The current account balance deteriorated considerably from a surplus of 2.6 million dollars in the April to September period in 1983 to a deficit estimated at about 1.3 million dollars during the corresponding period of 1984.

This reduction in the contribution which the current budget made to domestic saving in 1983 was already in evidence during the second half of the 1983-84 fiscal year, i.e. from September 1983 to March 1984.

In that latter half year, the current account of the budget turned into a deficit of 3.5 million dollars, resulting in a deficit for the whole of the budgetary year of 0.9 million dollars.

The 1984-85 budget had projected a current surplus over the whole year of 4.8 million dollars, but if the down trend in current resources available for capital spending continues, the current deficit in the 1984-85 budget year is likely to be even larger than that in the 1983-84 fiscal year.

There was an increased rate of capital expenditure--one of 12.1 million dollars as compared with 9.3 million dollars in the earlier year--thus necessitating greater reliance on domestic and external financing other than those mobilised by the budget.

The overall deficit already bears out this development. It was 0.9 million dollars in April to September 1983, but has risen to 5.4 million dollars in the same period in 1984.

In 1984, the liquidity position of the commercial banks, as indicated by the loans-to-deposits ratio, decreased by 3.7 per cent to 97.7 per cent at the end of December 1984.

This resulted from a rate of growth in loans (14.7 per cent) which was faster than that of deposits (10 per cent). The liquidity pressures of earlier years had eased significantly to 94 per cent in 1983 from 98.5 per cent in 1982.

During 1984 there was a relatively moderate rate of growth in net foreign assets of commercial banks (1.5 million dollars) of 15.2 per cent. This follows two years of increases of 78.7 per cent (4.5 million dollars) in 1983 and 80.3 per cent (2.5 million dollars) in 1982.

The public sector on a net basis continued to be a provider of resources to the banking sector. However, their net deposit position fell from 3.3 million dollars to 3 million dollars.

Net credit to central government increased by 28 per cent to 20.3 million dollars in 1984, following increases of 64 per cent and 52 per cent in 1983 and 1982 respectively, while the net position of the rest of the public sector improved from net deposit balances of 11.1 million dollars in 1982 to 19.2 million dollars at the end of 1983 and continued to improve through the end of December 1984 to a net deposit balance of 23.4 million dollars.

The net position of the non-bank financial intermediaries continued to improve in 1984 increasing by 28 per cent, although this was slower than the 54 per cent growth recorded in 1983.

Domestic credit which had increased by 2.8 per cent in 1982 and 0.4 per cent in 1983 was much more expensive in 1984, rising by 9.3 per cent to 188.3 million dollars in 1984. Credit to the private sector which totalled 240.2 million dollars at the end of 1984 grew by 14 per cent, a much faster rate than the 5.6 per cent that was recorded at the end of 1983.

This reflects substantial increases in credit to the tourism and entertaining and catering sectors, agriculture and distributive trades. Loans to the manufacturing sector however declined.

Personal loans, which account for the largest share of the increase in private sector credit, increased 17.4 per cent to 96 million dollars in comparison to a mere 2.8 per cent increase in 1983. A breakdown of personal loans indicates that expenditure on consumer durables, after having been curbed in 1983, increased significantly by 31 per cent in 1984 to 26.4 million dollars.

Private sector deposits in 1984 increased by 8.5 per cent to 214.7 million dollars, a slight decline in growth from the increase of 8.9 per cent in 1983. Though savings deposits increased by 2.6 per cent in comparison to increases of 4.9 per cent and 17.1 per cent in demand deposits and time deposits, the biggest share of total deposits continued to be held in the form of savings deposits.

It should be noted, however, that in 1984 time deposits as a proportion of total private sector deposits increased to 41.6 per cent from 39 per cent and 34 per cent in 1983 and 1982 respectively.

An examination of deposits according to ownership reveals that deposits held by individuals increased by 11 per cent in 1983 and 12 per cent in 1984. After increasing by 5.5 per cent in 1983, business deposits rose marginally, increasing by 0.7 per cent to 30.8 million dollars in 1984.

CSO: 3298/648

ST. LUCIA

COMPTON DEFENDS RECORD ON INTRA-REGIONAL TRADE

Port-of-Spain TRINIDAD GUARDIAN in English 30 Apr 85 p 15

[Text]

CASTRIES, Mon., (Cana):

PRIME MINISTER John Compton has said St. Lucia has done more than its fair share in honouring an agreement by Caribbean Community (Caricom) countries to implement measures aimed at boosting intra-regional trade.

Mr. Compton told Parliament the problems of major Caricom trading partners had resulted in a virtual cessation of trade with Jamaica and Guyana while severe restrictions had been placed on exports to Trinidad and Tobago from the Organisation of East Caribbean States (OECS).

He said the value of St. Lucia's imports from the Caricom region increased from \$48.5 million in 1983 to \$53.8 million in 1984 but the value of exports fell from \$42.3 million in 1983 to \$32.8 million last year.

SUBSTANTIAL DECLINE

"This substantial decline in our exports has created difficulties for some industries, particularly the garment industry, and resulted in the lay-offs of a number of workers," Mr. Compton said.

"It is obvious that St. Lucia has done more than her fair share in honouring the Nassau Understand-

ing and it is now time for others to reciprocate," he added.

Mr. Compton said St. Lucia's unfavourable trade balance in 1983 was only \$6.5 million, but had moved to \$20 million a year later.

"With respect to our trade with Trinidad our imports in 1983, excluding oil, totalled \$13.8 million while our exports totalled \$13.46 million," he added.

Caricom Heads of Government last July agreed at their Nassau Summit that by January 1, 1985, they would remove protectionist policies, raise tariffs on a specified list of foreign goods to protect similar products made in the common market, and in the case of the Windward and Leeward Islands, increase from 20 to 30 per cent the value added requirement for their manufactures to qualify for duty free status under the Caricom regime.

Earlier this month, Caribbean Common Market countries set June 1, 1985 as the new date for full implementation of the measures.

ST. LUCIA

GOVERNMENT SELLS ISLAND'S LARGEST HOTEL TO CLUB MED

Port-of-Spain EXPRESS in English 30 Apr 85 p 39

[Text] **CASTRIES, Monday, (CANA) — St Lucia** Prime Minister John Compton announced the sale of the island's largest hotel, the 256-room Halcyon Days, to the Paris-based Club Mediterrean, one of the world's largest resort chains.

No sale price was given, but Compton said the property, which has been closed for nearly

one year, is expected to be refurbished in June and reopened in December in time for the next winter season.

Compton described the buyers as an international concern with a very high profile and reputation.

He said the agreement for the sale was subject to the approval of Club Mediterranean's Board of Directors who are meeting in Paris this weekend, but added this was a mere formality.

Compton said government had been assured that once the resort resumed operations, it would be kept open and operate fully year round.

Said the Prime Minister: "The plan for the hotel from here on calls for a massive refurbishing programme to get underway on June 1st. This would be partly

completed by the start of the next winter season later this year, and part of the hotel would be reopened then".

Compton said the new owners would be adding 50 rooms to the hotel. One of the major attractions in Club Med resorts is its programme of games for guests. Compton said these activities did not include gambling. The company will eventually send some of its organisers here to train St Lucians to take over the games operations.

ST. LUCIA

BRIEFS

CENAC CALL FOR PROBE--Castries, Tues., (AP)--Saint Lucia's Opposition Leader, Neville Cenac accused foreign companies operating here of fraudulently exporting foreign exchange, and urged a Government investigation. Cenac, who is chairman of Parliament's Public Accounts Committee, said companies had defrauded the country of more than \$33 million during the last 18 months. He said this amounted to 30 per cent of Saint Lucia's annual revenue. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 1 May 85 p 5]

CSO: 3298/625

TRINIDAD AND TOBAGO

OPPOSITION SCORES PNM; NAR PREPARES FOR ELECTIONS

House-Seat Prediction for NAR

Port-of-Spain TRINIDAD GUARDIAN in English 29 Apr 85 p 3

[Text]

THE NATIONAL Alliance for Reconstruction (NAR) can win at least 21 seats in the national parliament in the next general elections, according to Mr. Suruj Rambachan, Deputy Political Leader of the Organisation for National Reconstruction (ONR), and Chairman of the St. Patrick County Council.

He was speaking at the ONR public meeting at Point Fortin on Friday night. Mr. Rambachan said that "careful analysis" showed that the NAR could win the seats.

He referred to a united opposition which mirrored the unity of all groups, all races, all colours, all political groupings committed to the removal of the People's National Movement Government, and the restoration of the dignity of the individual and the participative interchange between the political arm, the bureaucracy and the people in the process of national development.

UNITED SOCIETY

The NAR, he said, was always the essential idea embodied in the Statement of Principles of the ONR. The vision of a united society where every individual, no matter the colour of his skin, the texture of his hair, nor the tilt of his nose, is given the opportunity to fulfil his individual goals and achieve self-fulfilment. "This is what the ONR envisages for Trinidad and Tobago," he said. The birth of the National Alliance for Reconstruction had made the realisation of this vision a greater possibility.

Mr. Rambachan said the NAR was also a response to the call of the population for national unity, since national unity and the consequent pooling of all available talents in the country was a real necessity if national problems were to be licked.

The NAR, he said, offered that avenue where people who want to contribute nationally can do so in honour and with dignity.

Another speaker, ONR Education Officer Neville Hordatt, traced the development of democracy and democratic institutions and charged that both were now under siege in Trinidad and Tobago.

Democracy, he noted, does not

only exist by virtue of the right to vote every five years nor by virtue of the existence of more than one political party but on the spirit of free and full participation in the overall direction and determination of the future of the nation.

Another speaker, St. George East County Council Chairman Mervyn Assam pointed out that the ONR in its five years had brought about a further advancement of the process of national unity and opposition unity, especially in a country where opposition unity has not been a feature of political life and where, in the past, such opposition disunity had led to the promulgation of the PNM Government at the cost of the population of Trinidad and Tobago.

It's NAR OR BUST, said Mr. Rambachan, speaking of the federation's chances in next general elections. He pointed out that there were already ten seats held by the opposition in the national parliament and five more where the combined opposition votes would defeat the PNM.

## Warning to ONR

Port-of-Spain EXPRESS in English 29 Apr 85 p 56

[Article by Harry Partap]

[Text] **OPPOSITION** chief whip Nizam Mohammed warned his colleagues on Friday night that the opinion of the electorate was that the unity talks between the Alliance and the Organisation for National Reconstruction (ONR) had been dragging on for too long while the next General Elections were staring the nation in the face.

Said Mohammed: "Anyone who cannot take this hint from the people has no business in politics."

While Mohammed did not accuse the ONR of delaying the conclusion of unity talks, he lamented the ONR cancellation "at the last minute" of a meeting of the contact groups two weeks ago.

Said Mohammed: "This meeting was cancelled at the last minute by the ONR and up to this date it has not been reconvened."

Mohammed was addressing a public meeting at Gasparillo in south Trinidad which was called by the National Alliance. Said Mohammed: "I think the public should know that the Alliance is prepared to meet night after night in order to achieve the objective of national unity. We are committed to national unity and this is one point that we will continue to make, the unity of the opposition groups will be the demise of the PNM."

Mohammed told the large crowd that "ever since the results of the 1983 Local Government election we had been discussing with the ONR the question of national unity."

Said Mohammed: "The position of the Alliance had always been that we should have a single party, a single political leader and a single symbol."

Mohammed said the ONR had preferred to maintain a separate identity. Said he: "We have no choice but to go along with this." At a public meeting in Ma-caulay near Claxton Bay

last Thursday night, Opposition leader Basdeo Panday also committed the Alliance to "one party, one leader, one symbol and one policy." Panday told the crowd there, that no party could win an election without the machinery.

## NAR Leadership Selection

Port-of-Spain TRINIDAD GUARDIAN in English 2 May 85 p 1

[Article by Clevon Raphael]

[Text] | NATIONAL Alliance and the Organisation for National Reconstruction (ONR) will each have 500 voting delegates in an electoral college to elect the Political Leader of the National Alliance for Reconstruction (NAR).

According to Mr. Basdeo Panday, Leader of the Opposition, this has been written into the constitution of NAR which was recently agreed on by the NAR "Contact Group," and this formula will also apply to the election of other top officers of NAR.

NAR is a combination of the United Labour Front, Democratic Action Congress and the Tapia House Movement (the National Alliance) and the ONR, the country's main political parties in opposition to the ruling People's National Movement.

The 1,000 delegates will elect their leaders at an annual conference the first of which is yet to be fixed, but Mr. Panday said it was hoped this should be done by the end of June.

Mr. Panday said the constitutional formula would ensure that the leader of NAR — touted to be a party of national unity — was democratically elected.

He explained:

"Of course, it does not necessarily follow that the Political Leader of the NAR would be automatically the Prime Minister if NAR should win the next general election.

"The Political Leader of NAR must also win his or her seat in the House of Representatives in order to become Prime Minister."

Pointing out he would like to see activities within NAR move a little faster — although he recognised forging unity on a national scale would take some time — Mr. Panday disclosed that any member of NAR could be nominated to contest any post within the organisation.

### FREE AND FAIR

Why was the ONR given the same number of voting delegates when it was a single constituent NAR member compared to the National Alliance which has three units?

Mr. Panday explained:

"We thought we would make everyone feel happy and confident and remove any doubt about the

elections being free and that no side was being taken advantage of."

Meanwhile, attempts to put the final seal on the unifying process continues tonight with another meeting of the "Contact Group" at the office of Mr. Panday in Port-of-Spain.

Main item on the agenda is the allocation of seats to be contested under the aegis of the NAR, in national elections.

Comprising this group are top officers of NAR's constituent parties.

## Robinson Attack on Economy

Port-of-Spain TRINIDAD GUARDIAN in English 26 Apr 85 p 3

[Text]

CHAIRMAN of the Tobago House of Assembly, Mr A.N.R. Robinson, said yesterday that the economic ills facing this country were brought on by the elections campaign of the ruling party in 1981.

According to Mr Robinson, a \$3 billion surge in recurrent expenditure in 1982 was the consequence of electioneering for the general elections of 1981.

"Drastic tax increases in 1983 and 1984, exhaustion of \$7 billion of the long-term funds within the short period of three years, high inflation rates, depletion of foreign reserves from \$5 billion to \$2.5 billion in two years, increased recourse to foreign borrowing and progressive increase in the public debt are the bills that have been coming in since 1981 elections," he said.

"Meanwhile, the policy of revenue substitution from the energy-based industries has failed. A sharp break of public expenditure has been forced on the Government with consequent retrenchment in the public sector, a falling off in demand and contraction in the private sector."

### BASIC REASONS

Mr. Robinson's comments were made during an address to the South Trinidad Chamber of Industry and Commerce yesterday evening.

His address was entitled "Technology of Development" and he focused his attention on the claim that the political management in the country had been dysfunctional to economic development.

He said: "The subordination of economic development goals to considerations of political survival gave rise to ad hoc electoral strategies that have led to the present impasse."

The Chairman of the THA gave these basic reasons for the country's economic failure:—

- Our political directorate became elated by the sudden vast unforeseen and unimagined surge in Government revenues arising principally from increased prices in oil.

- They apprehended that this revenue bonanza might be temporary, that prices might fall again or that oil reserves might run out.

- They looked for substitutes that would ensure continued buoyancy of Government revenues

even at the expense of balanced development of the economy.

- They considered that such a level of Government revenues could only be sustained in the future by the largest scale enterprises with high and quick returns.

- Discounting oil, natural gas as a fuel and a raw material was the obvious basis for such enterprises.

He said that the country's political directorate lost sight of its original goals of diversification and full employment and locked the economy into capital intensive, high cost, high technology and heavy industry complemented by large-scale construction projects.

"The rest of the economy was being progressively reduced to the level of a vast Development and Environmental Works Division (DEWD) Programme — agriculture including, sugar, tourism, manufacturing, TELCO, WASA, BWIA, Port Authority, PTSC all were sent the way of DEWD," Mr Robinson added.

"The day when money was no problem was the day when money became the real problem."

Mr Robinson said: "The technology of development requires command, not only of the politics, but also the economics of transformation and many other factors involved in the development process. The term technology presupposes a very complex process as I have sought to show briefly in this address."

### SPECIAL CASE

"As I have previously mentioned some governments possess the know how but they do not have the will. Some have neither the know how nor the will."

"Trinidad and Tobago is a very special case. If we did not have the knowhow we certainly had knowledge. However, if you know what not to do and proceed to do exactly that, then there is an irrebuttable presumption of absence of political will."

The THA Chairman said that the road to recovery would be painful and difficult but "provided we learn from our past experience, I have hope, even confidence, we can recover and embark once more upon the path of economic, political and social progress."

## Blast at Public Prosecutor

Port-of-Spain EXPRESS in English 27 Apr 85 p 6

[Text] THERE IS a growing perception by the population that the laws of this country can be openly flouted by members and supporters of the ruling party.

Further, the law enforcement authorities are displaying an alarming unwillingness or incapacity to do anything about it.

This is the view of ANR Robinson, Chairman of the Tobago House of Assembly in

another letter to the Director of Public Prosecution (DPP) Clebert Brooks, on the Tobago Informer's "great arms hoax".

Robinson has now brought to the attention of the DPP solicitors' findings that the Informer, a Tobago fortnightly newspaper, edited by Dr Winston Murray, was neither registered nor bonded as required by law.

Brooks has been further told that the Tobago Publishing Company which publishes the Informer is not registered under the country's Company's Law.

The strongly worded letter by Robinson, dated April 24, was read into the records of the assembly at its meeting Thursday afternoon by Dr Jeff Davidson, Deputy Chairman who presided in the absence of Robinson, the Chairman.

Attached to the letter was one from solicitors J.D. Kelshall and Com-

pany who in November last year had been instructed by Robinson to check the records at the Registrar General's office in Port of Spain in connection with the Informer.

"We checked if the publishers, Tobago Publishing Company of Fargo House, Golden Grove Road, Canaan in Tobago were registered under the registration of Business Names Act (Chapter 82:85) of the laws of Trinidad and Tobago.

Our check did not reveal any such company registered under the law" reported the solicitors.

"Further, we checked with the Registrar General Department as to whether the Statutory Declaration or Bond in accordance with the Newspapers Act (Chapter 20:1) had been filed and registered but could find no trace of this having been done" said J.D. Kelshall and Company.

In his letter to the DPP, Robinson said that

"if solicitors findings are correct then the authors of the publication are in flagrant breach of several provisions of the law relating to publications in Trinidad and Tobago".

In reference to his previous complaints to the DPP, about what has come to be known as "the great arms hoax" and other matters arising out of the November Assembly elections, Robinson told Brooks that he had received no further communication

from the police authorities "who do not appear to have the slightest interest in bringing the offenders to justice".

"I have already pointed out that the matters complained of strikes at the very root of the democratic process in Trinidad and Tobago," said Robinson in his letter.

"I must let you know," he told Brooks, "that there is a growing perception by the population that the laws of this country can be openly flouted by members and supporters of the ruling party and that the law enforcement authorities are displaying an alarming unwillingness or incapacity to do anything about it".

## Hudson-Phillips Address to ONR

Port-of-Spain TRINIDAD GUARDIAN in English 1 May 85 pp 7, 9

[Address by the political leader, Mr. Karl T. Hudson-Phillips in Woodford Square on the fifth anniversary of the Organisation for National Reconstruction on April 19, 1985]

[Text]

I WISH to thank you all for coming tonight to join us in celebrating the fifth anniversary of the formation of the ONR, now a member of the National Alliance for Reconstruction.

I want to say a special word of thanks to all those who have worked so hard to make this event such a popular and resounding success.

In particular I want to thank all the artistes who have come forward to perform for us and to demonstrate the excellent talent which we have in Trinidad and Tobago.

This really shows what we, the people of Trinidad and Tobago, can do if we all come together and join hands in the interests of the nation.

### THE TOPIC

I have chosen as the theme for my short address to you this evening the topic "Where do we go from here." The Deputy Political Leader, Suruj Rambachan, has given an outline on where we came from, what we stand for and what in our modest way we have been able to achieve at considerable odds.

I am sure you will agree that underlying all he has said is the single basic fact that it is to the ONR the credit must be given for the upsurge in national unity founded in the principles which we hold so dear — the politics of conscience.

We can justly take pride in saying that over the past five years we have done more than any other group to foster the ideals of national unity, racial harmony, religious tolerance and national pride.

This we have done in the face of propaganda which has been both vicious and bitter. We have shaken the foundations of the old order and started turning the eyes of our people in a new and hopeful direction.

As we look towards the future, we have to focus on the internal and external situation of our nation. Internally, the country is now beset by considerable problems, the major of them is the Government which has been in power too long and which has lost all political will and direction.

### REVIVED

It has also lost all credibility and moral authority. In such a situation, our principle task will be to ensure that democracy continues in a revived and vital way in Trinidad and Tobago.

When I speak of democracy I do not use the word merely as a slogan as some people do.

It is not only the right to vote because that right to vote is of

little value if the population is not educated and informed and if the people are not free to make intelligent choices at the polls.

It is also more than the question of voting because of what use is the right to vote once in every five years if the citizens are hungry, destitute and jobless.

Where the citizens are under the sort of pressure which has been imposed on them by the present Government, they tend to look at any small concession as a salvation — what the calypsonians in the past have called the "doggy, look a bone" syndrome.

Our aim for the future, therefore, must insist on a well-informed, well-educated population which is free from want, free from hunger and free from the threat and reality of unemployment.

The ONR will continue to strike its blows for freedom of the Press, as we did in the now celebrated motion by Deputy Political Leader Suruj Rambachan, against TTT.

When the ONR argued for in that case was not only for equality of freedom of political speech but also for equality of opportunity for all religions, cultural and sporting groups to express their point of view so that the population could be better informed to choose.

The monopoly of radio and television by the Government is not

only unconstitutional but undemocratic.

More than that, it is dangerous in terms of the mental development and formation of the attitudes of the citizens in the country.

We cannot boast of a democracy if television and radio are not free to express all shades of political, cultural, sporting and religious

opinion other than that of the ruling party and its surrogates.

The ONR and the NAR and the National Joint Action Committee are as entitled as the Government to political broadcast time on radio and television.

### MASSIVE

We cannot boast of being democratic if large sections of our population are on the breadline. This means that we have to so arrange our internal economic affairs so that each citizen is capable of attaining and maintaining that minimum standard of living for himself and his family as is consistent with his dignity as a human being.

Where the economic system results, as it has done in this country in the last three years, in massive unemployment, corruption and mismanagement, then Government has failed as a democratic Government.

We have to start examining and prescribing solutions which will deal effectively but not harshly with remedying the imbalances which now exist.

Basic to all this must be an appeal to the population for a sense of justice and equality. This cannot be done with a Government that permits and feeds itself on widespread corruption.

Corruption feeds upon itself and erodes the courage necessary to adhere to high standards of propriety. Morale declines, each man asking himself why he should be the sole custodian of morale.

Corruption in Government, perceived by the people, lowers respect for constituted authority. It undercuts popular faith in Government to deal evenhandedly.

The function of politicians and, indeed, civil servants is to give purpose to national effort. In doing so they must set examples for others to follow.

If the politicians are believed to be widely and thoroughly corrupt, the man in the street will see little reason why he too should not take what he can get for himself and for his loved ones.

That is exactly what corruption under this Government has done to us. It has forced people to resort to corrupt practices even to get what is rightfully theirs.

We have become a nation which needs to cultivate special contacts

and the ability to outbid others in order to get what is guaranteed to us under the Constitution.

We have to change all of that otherwise the fabric of our society will be damaged beyond repair. Who can doubt that it has been the protection given to certain wicked

people in the society which has now caused the epidemic of drug abuse in our society.

Consider the toll in human terms and the price we are now paying because of the corruption and greed of certain people in high places who have been turning a blind eye to the open trade in dangerous drugs in this country.

It will take a very serious moral stand — a firm moral stand — for us to pull back our country from the certain moral and physical destruction which is now facing our young people.

It is not true that our present economic situation is because of any world recession. Our present economic situation has been our own doing.

### THREATENED

Who would have thought, except those who listened to the ONR in 1981, that we would have come to a stage where even the monthly pay cheques of pensioners and public officers would become threatened.

Perhaps our message in 1981 was a little too early but we will do well to reread some of the proposals we then made because they are still valid.

We cannot revitalise the economy by brutalising the taxpayer. We cannot put things back on stream unless we take Government off the backs of the worker and the employer. The taxation system in Trinidad and Tobago, both direct and indirect, is the most unjust that I know in any part of the world.

We have to revise the present income tax system. We have to be innovative in terms of the particular problems in our society and not apply prescriptions because they are fashionable in other countries.

I will give you an example. Why should we not think of income tax in terms of a three-year average in earnings?

Consider the situation of the construction worker who in 1983 had a job and paid \$22,000 tax for the year 1983, but who has not worked at all in 1984 and up to date in 1985.

Why must we impose IMF prescriptions as the Government has done when we know that these prescriptions have caused open rebellion in other parts of the world.

Still internally, we have seriously to consider a proper regime for foreign investment. In the days of so-called plenty, the present Government made foreign investment a bad word.

Trinidad and Tobago turned its back and thumbed its nose at everybody — the United States, Venezuela, the Eastern Caribbean, Canada, everybody.

### NEW THRUST

Now all of a sudden the Government has a new thrust. Ministers running up and down the globe trying to beg and borrow money at whatever cost regardless of the extent to which they mortgage the country.

The basic problem is that we have no foreign investment policy. They cannot say that if someone invests money here to create jobs, what he will be permitted to do.

We talk about streamlining exports and they immediately kill exports with a 12½ per cent stamp duty on a wide range of imports. We just have to be serious now.

Other countries have done it — we can do it. We have to be practical and pragmatic without selling out national identity and pride, as the Government is now doing.

I am not talking about the mamaguy rounds of discussions like the consultation on productivity, the Price Watch Committee and the DEWD fiasco.

I am talking about honest, reasonable but definite positions so that people can know where they are, what the rules are and what they can definitely expect.

Externally, I will recommend to the ONR and by extension our partners in the NAR that we have a considerable job of work to do to repair our external relations with our immediate neighbours.

Very recent attempts by the Government to repair the damage done to our relations with our Caribbean brothers is welcome. It is too early, however, to judge the sincerity or the success which attends, or will attend, these efforts.

We in the ONR have been firm and unrelenting in our belief that the Caribbean people are in fact one people who made the same trip on the same boats for the same places.

### SERIOUS

I am grateful to our guest artiste, Stalin, for having captured the idea so neatly and graphically in his calypso, *The Caribbean Man*.

To be serious, the Government must lift the immigration restrictions on our Grenadian brothers and sisters.

We will have to strengthen cultural, sporting and economic ties with the Caribbean as a whole on the basis of mutual love and respect.

Towards our closest non-English speaking neighbour, Venezuela, we will have to deepen our mutual respect and understanding of our problems and urge, where necessary, a peaceful and negotiated

resolution of territorial disputes with or without the assistance of neutral third parties. The Caribbean Sea is rich in resources.

With modern technology it can support a high standard of living for all the Caribbean peoples. What we need to do is to foster that understanding and unity in order to reap a rich harvest for all our peoples.

As we move forward, imbued with the principles of our politics of conscience, we lay claim to the new spirit of national unity. This is a principle which we have recognised since our formation.

It is a principle which recognises the right of every citizen, irrespective of race, colour or creed, to equal opportunity and to aspire to the highest office in the land on the basis of merit, integrity and effort.

We plant this flag of national unity firmly in the joint hands of the ONR and its Opposition partners, the National Alliance, including the Democratic Action Congress of Tobago.

#### **DIVIDED**

With the antagonistic positions which have divided our people under the present Government, it is time for us to join hands for the sake of Trinidad and Tobago and to march forward with our combined talents and our combined genius, putting behind us suspicions and petty jealousies.

We will be the standard bearers with our brothers of this new spirit, asking nothing for ourselves but the glory of national unity, the glory of the spirit of our politics of conscience which knows no race, which knows no class, which has an abiding faith in the dignity of man and the human race — this is a spirit which will unite us all as we march forward "side by side and not one behind the other". As we march together "forged from the love of liberty".

CSO: 3298/626

31 May 1985

## TRINIDAD AND TOBAGO

## CHAMBERS ADDRESSES CARIBBEAN EMPLOYERS CONFEDERATION

Port-of-Spain TRINIDAD GUARDIAN in English 29 Apr 85 pp 10, 12

[Text] The period of the late 1950s will be recalled with some nostalgia today as a moment in the history of the English-speaking Caribbean when there was great faith in and enthusiasm for regional approaches to achieving political and economic advancement for our people.

It was a time when men of vision in each of our territories were eager to join efforts in searching for mutually beneficial solutions to common problems.

Out of this mood were born several regional associations, many of which survived the demise of the Federation of the West Indies and continue to contribute to the development of the region.

Example

It is fair to say that not all regional associations created at that time were formed out of the highest ideals of West Indian nationalism.

The Caribbean Employers' Confederation (CEC) for example, came on the scene as an umbrella body for employer organisations which were themselves the creatures of British companies motivated to protect their overseas investment in a Caribbean undergoing significant political, social and economic change at the time.

With the passage of time these employers' associations have evolved from those early origins into institutions which are more West Indian in character.

I respectfully submit, however that the issue today in the business and economic sphere is how far have these changes gone and what role have these organisations played.

Perhaps the most profound change in the economic life of the region is the movement towards integration.

An audience such as this will surely know that up to the immediate post-war years the pattern of trade of each of our territories was predominant directed towards the U. K., the metropolitan centre of the then British Empire.

In the wake of the collapse of the political integration movement in the West Indies, our efforts turned towards broadening trade and economic relations as an instrument of development of the regional economies.

Starting from the loose arrangement of the Caribbean Free Trade Association (CARIFTA), we progressed to the closer relationship of a Common Market, now in its 11th year.

Despite the problems experienced in recent years, for well known reasons, the value of intra-regional trade is still significant and the Common Market has become an important factor in the development prospects of all our countries.

#### Sustained

This development, no doubt, has sustained associations of private sector organisations including the CEC because of the commercial links forged among many of the enterprises which you represent.

Such organisations for their part have in recent years been actively supportive of efforts to overcome the current difficulties besetting regional trade.

May I take this opportunity to remind you that Trinidad and Tobago yields place to no one in its continuing commitment to the strengthening of the economic integration movement in the Caribbean.

While no one will gain - say that certain elements of the economic condition of the Caribbean, such as the degree of openness and the inability to create sufficient jobs to match the growing population, remain intractable problems, many other clearly discernible features have been transformed.

Traditional plantation agriculture has declined in importance, while minerals, and light manufacturing carry more weight in economic activity.

Despite stagnation in recent years, over the last two decades real income has undeniably risen thereby facilitating the expansion of trading and other service activities.

#### Fortunate

In the case of Trinidad and Tobago which, admittedly, has been more fortunate than most these changes are pronounced. The course of energy prices for most of the 1970s enabled this country as an oil exporter to accumulate substantial financial resources which it utilised not only for its own development needs but also to provide substantial financial assistance to several countries in the region which faced adverse economic circumstances.

In particular, Trinidad and Tobago accelerated the establishment of energy intensive industries with a view to expanding the industrial base into entirely new areas, thereby further reducing dependence on traditional agriculture while strengthening the productive capacity of the economy.

## Philosophy

The late Dr. Eric Williams expressed the Government's philosophy in this regard rather succinctly on the occasion of the ground-breaking ceremony for the ISCOTT Plant when he stated "Point Lisas is the symbol of a fundamental reorientation economy. Here at Point Lisas sugarcane gives way to wire rods.

"Instead of exporting all our gas, we dedicate an increasing quantity to our own indigenous development including downstream operations...

"There have been attempts to persuade us to sit back, export our oil, export our gas, do nothing else and just receive the revenues derived from such exports and as it were lead a life of luxury -- at least for some limited period. This, the Government has completely rejected...

## Devoted

"We have accepted the challenge of using our hydrocarbon resources in a very definite industrialisation process.

"I am certain that, bearing in mind the skills, the educational level and the ambitions of our people, particularly our young citizens, it was in fact the only choice we could have made".

This, then, is the foundation on which the modern industrial economy of Trinidad and Tobago rests.

Considerable resources were also devoted to the expansion and modernisation of the country's social and physical infrastructure such as schools, health facilities, telephones, electricity, water supply and roads.

Needless to say, these facilities helped to create an environment conducive to active participation of the private sector in the process of economic change.

However, not all forms of private business activity make a lasting contribution to the overall economic well-being. Some are dependent on continued high levels of public expenditure and cannot themselves sustain the process of economic growth.

## High Growth

Trinidad and Tobago has, in fact, experienced the phenomenon of high growth of service activities stimulated by rapid expansion of Government expenditure in the 1970s and early 1980s.

That was a period of enormous increases in real wages and profits and when the spread of the benefits of the oil bonanza stimulated lifestyle expectations throughout the population which were neither desirable nor sustainable.

The fall in oil prices and with it real income of Trinidad and Tobago brought the recent period of rapid economic growth to an end.

The Government has had to cut its expenditure to match its reduced revenues with the result that there has been slowdown in economic activity which has adversely affected some businesses more than others.

#### Changed

The changed economic environment throughout the region highlights, among other things, the need for a different approach to industrial relations.

A primary requirement is the recognition on the part of business, labour and government that they share a mutuality of interest in creating a climate of industrial peace.

In this context it is conceded that a basic objective of the member organisations of the Caribbean Employers' Confederation (CEC) is, in fact, the development of sound industrial relations practices.

You have to ask yourselves, however, what contribution have you made to the evolution of an approach to industrial relations which takes full account of social and economic conditions in the Caribbean.

During the 25 years in which the CEC has existed there have been major developments which impinge on the patterns of industrial relations in the Caribbean.

In the first instance, not only has there been significant growth in the size and change in the composition of the labour force, but it is also much younger and better educated, which in itself demands enlightened approaches in employer/employee relations.

At the same time, the diversification of the economy and of business activity to which I have alluded has resulted in a considerable increase in the number and variety of enterprises, thus enlarging the group of employers.

#### Spread

Union representation has spread within this enlarged labour force so much so that here in Trinidad and Tobago, for example, it became necessary for the Government to make statutory provision to govern procedures for the registration, recognition and certification of unions.

Generally, too, workers whether unionised or not, have become more conscious of the value of their efforts to the enterprise and concurrently union leadership has become more sophisticated.

Presumably the emphasis which employers' associations have been placing on the provision of consultancy services and advice is an indication of their interpretation of the significance of these trends.

It appears though that a major function of these organisations is simply to serve as a clearing house for the dissemination of information concerning current industrial relations practices.

The impression is that this is a neutral role focussing in a single-minded fashion on cost minimisation for the individual enterprise.

How far this is informed by broader considerations of the legitimate aspirations of employees remains in doubt.

The question may well be asked, however, whether the enlightened self interest of employers does not dictate that they see themselves as having a stake in the full development of the employee as an individual citizen.

#### SENTIMENTS

It must have been sentiments such as these which inspired President Roosevelt in the New Deal period to state in a message to Congress that:

"The liberty of a democracy is not safe if its business system does not provide employment and produce and distribute goods in such a way as to sustain an acceptable standard of living."

For most of the post-war era, the Western democracies aimed for and eventually achieved the much sought after goal of full employment.

By contrast, today, in the penultimate decade of the 20th century, the problem of growing and persistent unemployment is being experienced not only by the developing countries but also by many of the major industrialised market economies.

For example, in the 24-member countries of the Organisation For Economic Cooperation and Development (OECD), unemploy-

ment stood at 33 million persons or nine per cent of the labour force in the first half of 1984 — a percentage which would be considerably higher if the countries of Western Europe alone are considered.

#### EFFECTS

One may well say that these countries have unemployment insurance programmes which enable them to alleviate the worst effects of the situation.

However, such programmes entail financial burdens on governments, employers and employees; and even these countries which have greater resources than we here in the Caribbean have been constrained in recent years to reduce the per-

tinent benefits.

For most of the countries of the Caribbean what little success was achieved in ameliorating the problem of unemployment in the early 1970s was suddenly reversed as a result of the deep international recession triggered by the 1973-74 oil price shock.

Trinidad and Tobago for its part, as is common knowledge now faces the reality of adjustment to a significant decline in its real income.

The equitable sharing of the burden requires that all those engaged in economic activity accept some measure of reduction in their income.

In this regard, it may well be that there are

lessons for us in Trinidad and Tobago from the experiences of our regional colleagues who by and large have had to live with the reality of stagnant or declining income and consequently of modest expectations for many years.

#### WIDER VIEW

I would like to think that there was ample opportunity in your discussions, both formal and informal, for exchange of experiences on the tempering of expectations with regard to what constitutes a desirable and sustainable lifestyle.

Is it too much then to ask our employers to take, as a matter of

principle, a wider view of the context of their objectives in the practice of industrial relations? Surely, particularly in times such as these both employers and employees or their representatives must see the wisdom in making sacrifices in the interest of social stability in which the total society has a vital stake.

This requires a reinterpretation of your mission which as I have reminded you has its origins in the protective instincts of foreign companies.

That mission must now take account of considerations of the long-term stability of the society in which

you conduct your business. Without such stability you have no business.

You must therefore demonstrate your commitment to the development of the society and in the process be prepared to accept the fact of lower profits and to eschew resort to retrenchment as a first option in dealing with decline in business.

31 May 1985

## TRINIDAD AND TOBAGO

## CHAMBERS MEETS WITH BUSINESS LEADER, WHO HAILS TALK

Port-of-Spain EXPRESS in English 30 Apr 85 p 1

[Article by Andy Johnson]

[Text] **PRESIDENT of the Trinidad and Tobago Chamber of Industry and Commerce, Len Hackshaw, came away from "confidential" discussions with Prime Minister George Chambers yesterday with the feeling that "the business community's point of view will be more greatly appreciated and given consideration" by the Government.**

This was how Hackshaw summed up the more than 90 minutes of "cordial" discussions he and Chamber General Manager Carmena Baird held with Chambers at Whitehall yesterday afternoon.

"We feel that as a result of these wide-ranging discussions the position of the business community will be more greatly appreciated and considered," Hackshaw said, and Baird agreed, as they emerged from the talks.

They said also that it was possible action could be taken on matters of vital interest to the business community and the country at large, as a result of the meeting, where it was possible for such action to be taken.

Hackshaw said that "certain views were exchanged," which gave him the impression that consequent action would be beneficial to the society as a whole.

Hackshaw, secretary of Neal and Massy Holdings, said that the discussions were "confidential," declining to give full details of any of the various issues which he said were discussed.

He said, however, they covered a wide range, from domestic economic matters to regional and international affairs. He added the meeting ended on the note that there was reason to believe another such meeting would be held in the near future.

The Chamber duo appeared encouraged after yesterday's talks that more positive steps would be taken to further the relationship between the private sector and the Government. "These discussions have

served to build the relationship even further," they said.

Obviously among the topics discussed at yesterday's meeting was the question of current industrial relations practices in the country, a matter of equal concern to Government, business and labour leaders at the moment.

In response to a question as to whether the discussions dealt with this issue, Hackshaw indicated that to give a response would be to get into the meat of the discussion.

Yesterday's meeting was arranged following a request by Hackshaw for an audience with the Prime Minister, when Chambers addressed the annual general meeting of the Chamber at the Trinidad Hilton in Port of Spain late last month.

The Prime Minister had no one with him during yesterday's talks.

CSO: 3298/627

TRINIDAD AND TOBAGO

OPPOSITION OFFICIAL: GOVERNMENT MAY BE FORCED TO DEVALUE

Port-of-Spain EXPRESS in English 3 May 85 p 1

[Article by David Renwick]

[Text]

GOVERNMENT may find itself forced to devalue the Trinidad and Tobago dollar some time in 1985, warned Opposition Alliance economic expert Winston Dookeran (Chaguanas) in the House of Representatives yesterday.

He himself did not think devaluation would succeed in solving the country's problems "but it may not be a matter of choice — the Government may have to devalue in order to sustain revenue at a level which can't be sustained by existing economic activity in the country," insisted Dookeran, who was speaking for the Opposition in the debate on the Finance Bill, 1985, which sought to implement some of the increased taxes imposed in this year's Budget.

The Opposition economics spokesman was in no doubt that "devaluation is clearly a topic on the agenda in 1986," especially if the Government were forced to resort to IMF financing. The latest Central Bank report showed reserves at \$2.7 billion, enough for nine months' imports at present levels, but Dookeran was scornful of what he implied was the official position that only when three months' import cover was left should the Government start to get worried.

He raised the spectre of "a permanent deficit on the Government's current account" and predicted that "the financing of the 1986 Budget" was going to be one of the major issues next year.

The fact that much of the economy had gone underground only compounded the problem, the Member for Chaguanas noted. An increasing proportion of income would be hidden away from official view "which will affect the Government's taxation system."

Opposition leader Basdeo Panday was of like view and doubted whether the Government had collected anything like the amount of additional taxation it expected so far for 1985. For one thing, it had "shattered the confidence of the business community — so that this year, it is not going to collect half the amount it expected in corporation tax."

TRINIDAD AND TOBAGO

PNM SEEN TAKING OFFENSIVE AGAINST OPPOSITION CHALLENGE

Port-of-Spain TRINIDAD GUARDIAN in English 29 Apr 85 p 9

[Article by Allan Harris]

[Text] IS MR. CHAMBERS planning to go to the country soon? He would be flying in the face of P.N.M. tradition, were he to call an election before his five-year term was up. But there are powerful signs that he is at least considering the possibility.

Having reassigned battle duties with his recent Cabinet reshuffle, all the evidence suggests that Mr. Chambers has now sent his party on the offensive.

UPBEAT

Within recent weeks, Cabinet members and leading party spokesmen have clearly come out to accentuate the positive and eliminate the negative.

This new message is unmistakably upbeat. Mr. Mahabir is optimistic. Mr. Mottley has been talking about a short-term economic recovery plan. Mr. Manning has disclosed what he says are new oil finds.

Big, new investments in fertilisers are on the way. Partners have at last been found for ISCOIT. And with the settlement over Texaco, the way is now clear for a rationalisation of the petroleum refining industry.

As an older generation of Americans used to say, things are looking hunky-dory. That, at least, is the message.

SHOWCASE

But will anybody buy it? That depends, of course, on what the competition has to offer. Alas, the competition doesn't appear to have very much to showcase at the moment.

On the surface of it, what we are looking at is a remarkable turnaround in political fortunes. Or, to be more careful, a reversal in apparent political prospects.

At the beginning of the year, the

political stocks of Mr. Chambers and his party could not have been lower. The P.N.M. had been soundly thrashed in Tobago elections which had come to assume national significance.

Following upon the 1983 Local Government elections, the outcome of which had been widely interpreted as a defeat for the ruling party, the results in Tobago deepened doubts over the leadership abilities of Mr. Chambers and the continuing ascendancy of the P.N.M.

And, to cap it all, in the wake of the presentation of the 1985 Budget, all hell seemed to break loose on the economic front.

Business and labour alike castigated the Government for its severely deflationary policies.

On the other side of the fence, the Opposition had raised hopes that at long last we were in sight of a party which could challenge the P.N.M. at the polls effectively.

The Alliance of 1981 had grown into the Accommodation of 1983. The Accommodation had then been taken a step further with the announcement of the formation of the National Alliance for Reconstruction.

There seemed to be an organic character to the emergence of this new national party. We were encouraged to believe that the necessary elements of an alternative government were being put in place with all deliberate care.

But how it seems as if the only show in town is over at Balisier House. The star performers in that outfit are hot front page news. They hog the airwaves and are top of the bill on the nightly TV news.

What could have brought about this reversal? I think the answer is quite simple. Mr. Chambers and his

political advisers understood that the P.N.M. was losing ground. They therefore sat down and thought out a strategy for their recovery.

Step by step, they are implementing that strategy. Everybody in the party is active and pulling his or her weight. Forget all the claptrap about factions.

The P.N.M. is showing that, if there is one thing it is effective at, it is campaigning.

By contrast, the N.A.R. has as yet failed to become a cohesive striking force. It is still a very loose alliance of three distinct forces, none of which, on its own, appears to have any chance to displacing the P.N.M.

It is no use complaining that the P.N.M. are exploiting T.T.T. as if it were a party television station. It is the business of a forceful and effective Opposition to deal with such a situation politically.

### COMPLAINING

It is no use complaining that the current, upbeat P.N.M. message is nothing but a con, that nothing in the objective economic situation has changed, that in fact things are likely to get worse and all because of policies imposed by this government.

In the absence of a coherent, alternative message, the P.N.M. propaganda ploy may very well work.

In fact, far from being under attack, it is now the P.N.M. which is attacking everybody and everything, left, right and centre.

John Scott attacks DEWD for corruption. Cuttie Joseph attacks the eastern quarry owners for silting up the Caroni-Arena Water Treatment Plant. Hugh Francis attacks contractors for over-bidding on the Churchill-Roosevelt project.

The message is that the government is doing what it can. It is everybody else who isn't pulling their weight.

### THE ACTION

Listen to Minister Mahabir addressing the employers: "...in an important sense, the action which the government can take can only be facilitative ... The private sector must put its house in order; it must take to heart that, in the eyes of its peers, it does not always demonstrate attitudes which are conducive to ... long-term economic growth ..."

Business is backward, labour costs are too high, the management of DEWD is a calamity, contractors

are looking to rip off the State, the Press distorts reality — the situation is nigh well impossible, but we, the brave souls in the P.N.M. will soldier on.

And so they will, unless the country can find an alternative. And if that alternative is to be a democratic one, it means that we have to be presented with a credible choice at the polls.

If the N.A.R. is to be that choice, then it has its work cut out for it. It must present not just a leader, but a stable leadership structure.

It must embrace a coherent set of values, must work out comprehensive policies and must offer effective programmes and plans.

Above all, it must offer the country a new vision of our possibilities.

All this is a tall order. If the N.A.R. appears to be at a standstill now, it may be that it is up against the real difficulties of welding separate organisations with different values and interests into one cohesive whole.

### BLUEPRINT

There is no blueprint. Success in this enterprise will depend on the imagination, diplomatic skill, commitment and, to use Comrade Burnham's term, the testicularity of the N.A.R. leadership.

But, until the N.A.R. is able to present the country with something resembling a completed structure, the P.N.M. will continue to look good by default.

Mr. Chambers may very well calculate that, before he is required to present another Budget, before he is forced into a devaluation, and before the N.A.R. has a chance to get its act together, he might profitably put a certain question to the country.

31 May 1985

## TRINIDAD AND TOBAGO

## OWTU CALLS FOR OUSTER OF CORRUPT LEADERS AT MAY DAY RALLY

Port-of-Spain TRINIDAD GUARDIAN in English 3 May 85 p 3

[Text]

THE IMMEDIATE removal of reactionary and corrupt leaders has been recommended as one means of achieving labour unity.

The suggestion was made by Vice-President of the Oilfields Workers' Trade Union (OWTU), Mr Errol McLeod, at the May Day rally organised by the Council of Progressive Trade Unions.

In a fiery address to the workers assembled at SWWTU Hall on Wednesday, Mr McLeod charged that certain labour leaders were "stumbling blocks in the path of labour unity".

He said: "If we have a united labour movement a lot of them would not be in the leadership."

Mr McLeod added that many union leaders were in office through their own selfish ambitions.

On another aspect of the labour unity issue, he called for joint Labour Day celebrations at Fyzabad on June 19 and urged all labour organisations to join the OWTU in its demonstration and rally in San Fernando on May 19.

**SHOW OF SOLIDARITY**

His call for joint Labour Day celebrations was endorsed by General Secretary of the Seamen and Waterfront Workers' Trade Union (SWWTU), Mr Francis Mungroo, who declared that June 19 would see the greatest show of solidarity among trade unions ever witnessed in this country.

During the rally, participants adopted a resolution calling on Government to review its policy on redundancy, retrenchment and severance pay. Copies of the resolution have been sent to Minister of Labour, Social Security and Cooperatives, Mr John Donaldson and the Attorney General and Minister for Legal Affairs, Senator Russell Martineau.

CSO: 3298/627

31 May 1985

## TRINIDAD AND TOBAGO

## 'RELIABLE SOURCE' PREDICTS DIPLOMATIC CORPS SHAKE-UP

Port-of-Spain EXPRESS in English 3 May 85 p 48

[Text]

A USUALLY reliable source informed the EXPRESS yesterday that there are to be a number of changes among high-ranking members of the Trinidad and Tobago diplomatic staff, at ambassadorial level and otherwise.

"The shake-up will mean a new image for the country abroad," the source said, "and may have been inspired by the appointment of Errol Mahabir as External Affairs Minister."

It is likely that Reginald Dumas, formerly High Commissioner to Canada and now Chairman of the Public Service Review Task Force, will be appointed High Commissioner to Barbados, according to the source, while Christopher Thomas, at present Permanent Secretary in the Ministry of External Affairs, is likely to be appointed Ambassador to Venezuela, stationed in Caracas. These posts are presently held by Peter Rambert, acting in Barbados, and Wilfred Naimool in Venezuela.

A spokesman at the External Affairs Ministry yesterday confirmed that these and a number of other proposals have been made but cannot be confirmed until, as a matter of protocol, the countries to which the officers will be appointed have accepted the proposals. The appointments should then be announced in Parliament.

"It is a fact that there are going to be changes made in our diplomatic staff at a high level," the spokesman said. "It is an annual exercise, and you will remember that certain changes were made last year as well."

The EXPRESS has also received unconfirmed reports that Prime Minister George Chambers's trip to Japan, planned for June or July this year, will not come off because the Japanese Government has said that both Emperor Hirohito and Prime Minister Yasuhiro Nakasone will be out of the country at that time. The other proposed destinations on that trip are London, China, Singapore, and France and these, the reports indicate, have all been confirmed.

Asked about this yesterday, Mrs Annette Auguste, Permanent Secretary to the Prime Minister, said: "The Prime Minister has not yet finalised any travel arrangements, so there is no information I can give you in this matter."

TRINIDAD AND TOBAGO

PAPER SCORES MUSLIMEEN LEADER FOR DEFYING LAW OF LAND

Port-of-Spain TRINIDAD GUARDIAN in English 29 Apr 85 p 8

[Editorial]

[Text] A MUSLIM thrives on conflict, says Imam Yasin Abu Bakr.

True to his own words, Bakr and his Al Muslimeen followers will remain a source of conflict in our society as long as the illegal building they have constructed on City Corporation lands at Mucurapo remains intact.

The fact that the authorities have seen fit to permit him to complete this so-called mosque and to open it on Saturday with ceremonial fanfare and an outburst of self-righteous rhetoric is a measure of the depth of conflict which this brazen and flagrant act of squatting will continue to present to our law-abiding community.

It should be clear to the country now that the authorities, oblivious to the dreadful precedent they have permitted this religious group to establish, no longer have any intention of pursuing their successful court action against Bakr and his adherents to regain possession of the Mucurapo lands upon which they were planning to extend the St. George West Regional Park.

CONTROVERSIAL

So that Bakr could not have uttered truer and more disturbing words than when, in his moment of triumph on Saturday, he told his invited guests that Muslims thrive on conflict. If not the rest of the Muslim community in our country, at least Bakr and his Muslimeen

devotees provide dramatic and living proof of this fearless declaration.

They have thrived wonderfully on conflict.

They have been in conflict with the City Corporation by refusing to budge an inch from the Mucurapo lands which they illegally appropriated as their own after the departure of the Islamic Missionaries Guild.

Their leader has been in conflict with the Court by refusing to recognise its summons and its authority, by failing to respond to the Corporation's case against him and by defying the subsequent order of the Court to demolish the building under construction.

The Muslimeen have been in conflict with the law by threatening "war" when the police first attempted to arrest Bakr for contempt of court and by continuing to build their controversial mosque in spite of the order of Justice McMillan.

And now, behold the fruit of their conflict — a huge and imposing building on spacious grounds at Mucurapo for which the Muslimeen have no authority whatsoever, no plans, no permission, no rights, no title, no agreement.

Could there be in any society that claims to subscribe to the rule of law a more bizarre and flamboyant example of thriving on conflict? By these words Imam Bakr may well have acquired the status of a true prophet.

Thanks to their craven response to his defiance, the Muslimeen leader has got the measure of the mettle of those in authority and has profited handsomely. Bakr has now established for himself a little republic within our Republic and, with the utmost confidence, he was

able to inform his guests that Saturday's opening ceremony that the Muslimeen "mosque" was never in any danger; it had always been safe and untouchable.

Muslims are not cowards, the Imam declared, and if it was Allah's will that they be tested at any time, then they must be prepared to pass the test.

Concerned observers must have been somewhat disappointed to learn that certain officials who have apparently given their approval, if not their blessings, to the Muslimeen's illegal development at Mucurapo did not have the courage of their convictions to join in Saturday's opening celebrations.

Where, for example, were Minister John Donaldson and Mayor Stevenson Sarjeant? Surely, they must have been invited. Bakr, however, could have consoled himself that they were present with him in spirit if not in the timorous flesh.

The horrendous implications of the Muslimeen's "success" may well be lost upon the authorities, but they certainly should not be on law-abiding and religiously inclined citizens who must feel that our society has now crossed a dangerous threshold.

## HARMONIOUS

There is no other way they can regard the Mucurapo "mosque" than as a monument to civil defiance, contempt for the law of our land and conflict with the authorities.

The Muslimeen precedent also opens the floodgates to squatting on lands owned by central and local government bodies by religious groups who would be perfectly entitled to claim "equality of treatment" when they carve out for themselves choice pieces of public real estate.

Applications to Government by religious sects for a parcel of land to erect a building should now be a thing of the past.

But the most disturbing aspect of the Muslimeen affair is the philosophy of conflict that it has now introduced in the harmonious religious life of our country.

We trust that members of the Muslim community whose contribution to the peaceful development of our country is well established will see the need to dissociate themselves from that kind of lawless rhetoric, conviction and conduct.

In our society, no one should be permitted to thrive on conflict.

TRINIDAD AND TOBAGO

PETROLEUM INDUSTRY PERSISTS IN PLANS FOR GROWTH

Amoco Investment

Port-of-Spain TRINIDAD GUARDIAN in English 29 Apr 85 p 14

[Text]

AMOCO Trinidad Oil Company plans to make capital investments of \$379 million as different fiscal agreements with the Government are being implemented.

Mr. R.N. Powers, Amoco's president, and Mr. Len Darsow, vice-president, exploration and production, made the announcement in a review of operations for employees.

"Now that we have reached an agreement in negotiations with the Government, the agreed terms are being translated in written agreements and legislation," Mr. Darsow explained.

"Parallel with this paper, administrative

and legislative work, we are proceeding to implement the programmes we agreed to with Government, thereby, expanding the economic pie for the benefit of our employees, the nation, and our company."

Field development activities will continue, he said. The company is planning four development wells and six sidetracks in the Teak Field and three development wells and one sidetrack in the Poui Field, at a cost of \$110 million.

In addition, development of the Mora Field will cost \$67 million. "We would fabricate and install a plat-

form to develop the oil reserves discovered by the Galeota Ridge-3 exploratory well. We would also lay a pipeline to Poui and commence development drilling," he added.

Trintoc Refining Plans

Port-of-Spain TRINIDAD GUARDIAN in English 29 Apr 85 p 7

[Text]

TRINIDAD and Tobago Oil Company Limited (Trintoc) is believed to be making its first big move with a view to keeping both the Pointe-a-Pierre and Point Fortin refineries in operation.

It is understood that an order has been placed for the importation of 1.6 million barrels of crude from the Middle East, most likely from Iraq. It is expected to arrive at the Pointe-a-Pierre harbour in one month's time.

It is believed that if the crude is off loaded into tanks at Pointe-a-Pierre, the 37,000 barrels scheduled

to be sent from Point Fortin, will remain there for use at the Point Fortin refinery.

Questioned about the matter a spokesman for Trintoc said that "we have not ordered any crude from Iraq." Another top official said that Trintoc was not aware of any such purchase.

Another source said that if Government had made the order on behalf of Trintoc, the company would have known.

A check revealed that with the prevailing price of crude on the world market (US \$28 per barrel), it would cost Trintoc US \$46.4 million if the order was made.

It was also learnt that it would be more profitable to use the light Arabian crude from the Middle East since more by-product could be extracted from it.

Earlier this month, both the Chairman of Trintoc Mr. W. Andrew Rose and Managing Director, Mr. Walton James, in a circular issued to all company personnel, said that their most pressing challenge was to increase production in all their fields.

All steps will be taken to procure crude processing agreements the circular added. They made the statement after Government had purchased the Pointe-a-Pierre refinery and other assets from Texaco.

### Companies in Crude Program

Port-of-Spain TRINIDAD GUARDIAN in English 29 Apr 85 p 3

[Text] **SAN FERNANDO:** TWO oil companies in the country are moving to boost heavy crude oil production through their marine operations.

A source close to Government said that the two companies involved are Trinmar Limited and Trinidad Tesoro Petroleum Company Limited. Officials of those two entities could not be contacted yesterday to confirm whether they were the ones seeking approval from the Ministry of Energy and Natural Resources, on their expanded five-year work programme (1984-1989).

The programme together is expected to cost a billion TT dollars and the cost aspect was announced last week by Mr Patrick Manning, Minister of Energy and Natural Resources.

#### TECHNICAL REVIEW

Without naming the companies, the Minister also said that a technical committee is reviewing with the producing companies specific measures that may be taken in 1985 to ensure the development in the earliest possible time frame of some of the country's considerable recovery of heavy oil that have not been exploited to date.

The committee is expected to complete its exercise and report to the Ministry shortly, it is understood.

A check revealed that heavy oil deposits in the Gulf of Paria are in Trinmar's acreage. In fact, Trinmar is principally engaged in marine production while Tesoro spends more time in land operations.

As far as Trinmar is concerned, the company awarded a contract in August 1984 to Western Geophysical Company of America to acquire

123.5 square kilometres of 3-D Seismic data in South West Soldado. The data is expected to be processed and interpreted by the end of 1985, according to a forecast of activity in the petroleum industry of Trinidad and Tobago during 1985 as revealed by an official of the Energy Ministry recently.

With the purchase of Texaco's Pointe-a-Pierre refinery and other assets by Government, it means that Trinidad and Tobago Oil Company Limited (Trintoc) now has two refineries on its hands and in order to keep them operating viably, crude must be found, more so heavy crude for the Pointe-a-Pierre refinery in particular.

If Trinmar and Trinidad-Tesoro should strike some luck in their search for heavy oil in the marine areas, it could well result in both refineries obtaining ready supplies locally until such time that arrangements are made to get refining contracts from abroad, it was learnt.

## Tesoro Discovery

Port-of-Spain TRINIDAD GUARDIAN in English 3 May 85 p 1

[Text]

### SAN FERNANDO:

A SIGNIFICANT oil discovery has been made by Trinidad Tesoro Petroleum Company Limited in the Erin Field well-Erin 53. The find was made in mid-April.

The initial flow of the well was 396 barrels a day but it was learnt that the well is now producing at just over 200 barrels a day.

It is the second oil discovery in the country within recent times. Last month Premier Consolidated Oilfields announced a find in San Francique and that well is flowing at 150 barrels a day.

According to Trinidad Tesoro, the Erin find was made in an area covering 156 hectares.

Geological experts estimate that there is more than 15 million recoverable barrels of oil in the area.

According to one official, the discovery is a significant one for the company. It was learnt that Erin 53 is about 60 metres deeper than any other well drilled by the company in recent years.

The first of the three wells in Tesoro's exploratory drilling programme was Palo Seco 1281 which was lost in a fire earlier this year. The third well is in the Fyzabad syncline area and this is scheduled to be spudded by the middle of this month.

The Trinidad Tesoro oil find is expected to go a long way in assisting to boost crude production in the country and could assist significantly in providing stock for the Government-owned Pointe-a-Pierre and Point Fortin refineries.

CSO: 3298/629

TRINIDAD AND TOBAGO

CONSULTANTS TO HELP GOVERNMENT DRAW UP NATIONAL DRUGS PLAN

Aims of Study

Port-of-Spain EXPRESS in English 1 May 85 p 56

[Article by Suzanne Lopez]

[Text] A foreign research consultant who is assisting the Trinidad and Tobago government in setting up a national drug programme said that this country could rate high on the narcotic scale internationally, based on the number of marijuana trees destroyed per year in recent times.

Canadian-born Dr Reginald Smart said that an alarming 7.2 million trees were destroyed in a recent year and "that is a reasonably large number."

"In fact, I think higher than that destroyed in Canada and the United Kingdom," he said.

He pointed out, however, that it was difficult to place this country on a world scale with other countries bothered by drug problems.

Smart arrived here last Sunday and has so far scanned newspaper clippings on drug abuse, observed information from drug-related court matters and held meetings with the National Drug Abuse Committee and the Commission of Enquiry into Drug Abuse in Trinidad and Tobago.

At a news conference at the Pan American Health Organisation (PAHO), Belmont, yesterday, Smart said he had not yet assessed the extent of the drug problem in this country but was impressed by the broad commitment of its government and people to combat the drug situation.

Smart, during the conference, delivered pleasant news as well. He said that there has been an evident decline in the consumption of alcohol worldwide and that in some countries the use of marijuana has also decreased. He reasoned that this trend was an acceptance of the view that marijuana was a health hazard.

Cocaine, however, was said to be on a rapid rise.

PAHO consultant Dr Richard Linblad, who will work along with Smart, was expected to arrive in Trinidad last night. Both doctors will meet with the Minister of Health and Environment this morning.

A lecture on Epidemiology of Drug Abuse will be delivered by Dr Smart at the Port of Spain General Hospital tomorrow.

The doctors will leave Trinidad on Friday.

#### Political Resolve

Port-of-Spain TRINIDAD GUARDIAN in English 2 May 85 p 12

[Excerpt] The important first step towards solving the drug abuse problem in Trinidad and Tobago has been taken -- the political will to do something about it.

This was stated by Dr. Reginald Smart, Research Consultant with the Addiction Research Foundation in Toronto, Canada.

Dr. Smart, who arrived in Trinidad on Sunday, will be working with the Ministry of Health and Environment in preparing a national programme for consideration by Cabinet. He is also assisting the Ministry of Health in preparing a project document for drug abuse control.

At a Press conference held at the Pan American Health Organisation's headquarters, Jerningham Avenue, Port-of-Spain, Dr. Smart said that this country, like many others in the Caribbean, faced the problem of controls over the availability of drugs, such as marijuana and cocaine.

Scientific research on the drugs, he said, was lacking in the Caribbean since it was not given priority.

CSO: 3298/628

TRINIDAD AND TOBAGO

MAHABIR OFFERS ASSESSMENT OF ECONOMIC FUTURE, TRADE

Cause for Optimism

Port-of-Spain TRINIDAD GUARDIAN in English 23 Apr 85 p 1

[Text] Minister of External Affairs Errol Mahabir yesterday expressed optimism about the country's economic future and said that the private sector must play a crucial role.

Mr Mahabir was at the time delivering the feature address at the Employers' Consultative Association's silver jubilee luncheon at the Trinidad Hilton.

He said that despite the country's problems, there were signs which gave rise to cautious optimism. Certain developments that had taken place or were on the drawing board gave credence to the view that a recovery was near and positive action now would make it relatively easier.

"We in Trinidad and Tobago start from the position that our per capita income is higher than that of most developing countries and the income is more equitably shared than in probably any other developing country. We can accommodate without trauma the fall in income which has taken place," he added.

Crude oil, he said, had begun to turn up and the country was emerging as a priority location for chemical plants based on natural gas. Ammonia production was increasing and would increase further when the Tringen expansion and a couple of other projects now under examination were brought on stream.

Major Iscott Step

"A decision has been taken on the acquisition of most of the local assets Texaco and negotiations are to take place on the remaining assets. The period of uncertainty has come to an end. The acquisition is an important step forward in creating an environment in which decisions are more likely to reflect an awareness of the development needs of our nation and this can only enlarge the catalytic effect which the oil industry generates on business activity in the country," he added.

The decision to find foreign partners for ISCOTT, he argued, was a major step in turning the company around because both transnational corporations, La Clede and Bechtel, had impressive performance records.

Agriculture was on the improve with domestic supply of vegetables, meat, milk and ground provisions larger this year than any previous year.

Manufacturers, he said, were once again seeking the export market with the assistance of the Export Development Corporation. But the tourist industry remained in the doldrums.

"The quality of the service which the country offers, although improving, is still considered inadequate by many tour operators and our prices are considered too high," he said.

"This is too important an industry to be allowed to stagnate and steps are being taken to revitalise this sector."

#### Investment Strategies

Port-of-Spain TRINIDAD GUARDIAN in English 23 Apr 85 p 16

[Text]

**THERE ARE** two essential reasons why this country has not achieved more success on the export market:

The producer has grown complacent because the buoyant domestic market of the 1970s yielded him both high prices and comfortable profits; he is not aggressive as the competition in searching for markets and must therefore inevitably lose market share.

Secondly, prices have been too high, quality has not been uniformly good and delivery dates have been unreliable.

Mr Errol Mahabir, Minister of External Affairs, made the disclosures yesterday while delivering the feature address at the Employers Consultative Association Luncheon at the Hilton Hotel to mark the ECA's 25th anniversary. President Ellis Clarke was present.

Mr. Mahabir said during his recent visit to Brazil and the United States he was particularly attentive to two areas — export markets and private foreign investment. He met quite a number of people and asked their opinion why this country did not achieve greater success to date.

"On the question of investment funds, particularly in joint ventures, I can summarise their views as follows," he disclosed.

The bureaucratic delays which they experience in obtaining government authorisation and decisions have been intolerable; the cost of waiting has been too high, thereby seriously impairing the viability of their projects."

"Far too often, the foreign investor is made to feel that he is an unwelcome intrusion. Labour cost, when measured against productivity are far higher than the competition. Local investors are very slow in arriving at decisions, and when they do decide, their decisions reflect a short-term view, preferring a quick return rather than a long term growth, in other words the approach is largely that of traders rather than industrialists."

Mr. Mahabir refused to refute the criticisms because, he argued, perception, in developing business relations, is as important if not more than the reality.

The Government, he said, has already taken steps to eliminate bureaucratic delays by the introduction of "one-stop shopping" but it takes time to get rid of the problem, along with the attitudinal difficulty which makes matters worse.

## IMPERATIVE

"Policies are being re-examined in several ministries. The Ministry of External Affairs, both at home and in our missions abroad, is being sensitised to the imperative of securing export markets," the Minister said.

"We are also seeking to remove some of the misconceptions and misinformation which have influenced people abroad on the policies and posture which this country adopts toward private investment; and in bilateral and multilateral talks we are seeking to eliminate problems which inhibit trade relations."

The Government is also making overtures with appropriate agencies to woo investment capital to produce for export. In late May, an advance technical team from South Korea will visit Trinidad and discuss mutual co-operation in investment, trade, and applied research.

Later in the year, Mr. Mahabir disclosed, senior executives of US corporations, will also be here to explore opportunities with local businessmen for investment and trade.

"I believe that as part of our foreign investment strategy we must also go in search of investment," he said. "Joint private and public sector missions carefully targeted to cities in the USA, Europe, Canada, and the Far East can play a pivotal role in winning investments in designated sectors."

Investment can also be obtained from developing countries such as Brazil, China, India, and Singapore

which possess a high level of expertise and which do not come with the same political, financial, and technological costs that are integral to the assistance from the more developed countries.

"But, in an important sense, the action which the Government can take can only be facilitative," said "I stated at the outset that Trinidad and Tobago must establish a new economic and social framework for its future development."

"The private sector must put its house in order; it must take to heart that, in the eyes of its peers, it does not always demonstrate attitudes which are conducive to the long-

term economic growth which the existing and projected circumstances of this country require."

Labour, the minister warned, must come to terms with the fact that high labour costs are reducing the number of jobs which can be created in fields that offer a challenge to youth who will otherwise remain unemployed.

Local entrepreneurs, he suggested, must deal with the demands of a modern industrial state and take a long term approach. And their decisions in that context must be taken quickly.

"There is a need now for some of the pioneering spirit which motivated our industrialists in the 1950s," Mr. Mahabir said. "An obsession with high profit levels to the virtual exclusion of consideration of the effects of those levels is no longer acceptable."

## Review of Performance

Port-of-Spain EXPRESS in English 23 Apr 85 p 1

[Article by Andy Johnson]

[Excerpts]

**EXTERNAL Affairs Minister Errol Mahabir declared his optimism in the future of Trinidad and Tobago's economy, in the face of a number of negative indicators he outlined yesterday, in pointing to the need for a national stock-taking.**

During an address at the 25th anniversary luncheon of the Employers Consultative Association (ECA) at the Trinidad Hilton, Mahabir said that real output fell during the last two years by 12 per cent, foreign reserves declined and the country had been graduated out of the borrower class of member countries of the World Bank.

He said also that real consumption levels should have fallen by 14 per cent during this period, but a large part of the local capital was used to keep consumption levels "unsustainably high."

"I am convinced that the country has both the potential for sustained growth, as well as the capacity to translate that potential into an im-

proving quantity of national life," he said.

The minister earlier stated that increased unemployment accompanied the 12 per cent drop in real output during 1983 and 1984 and that there was a \$4 billion decline in the foreign reserves, from \$7,160 million at the beginning of 1983 to \$2,835 million at the end of last year.

The fall was continuing in 1985, Mahabir said, adding, however, that "firm governmental actions and the vigilance of the Central Bank" reduced and controlled the rate of decline.

Mahabir said that the decline in output reduced government revenues and because of what was deemed as this country's high per capita income, Trinidad and Tobago was graduated out of the ranks of borrowers from the World Bank.

"This graduation has come precisely at the time when it is becoming very difficult to borrow on the international market at rates which will keep debt service at an acceptable relationship with exports," he said.

## Need for New Markets

Port-of-Spain TRINIDAD GUARDIAN in English 24 Apr 85 p 4

[Excerpt]

THE private sector must find out what is exportable and devise ways of producing and delivering it at a competitive price while ensuring high quality and reliable delivery.

Mr. Errol Mahabir, Minister of External Affairs, on Monday told this to participants at the International Labour Organisation's Roundtable at the Hilton Hotel.

He said it will involve manufacturing and going into areas of production not yet explored. While manufacturers will wish to identify the most appropriate areas, he suggested, one avenue could be mobilising existing surplus for export.

"Almost every producing enterprise, especially those in manufacturing and construction, has surplus capacity," he stated.

"It is not possible to find a way of using this capacity for exports? Let us find the markets, increase our output, lower our unit costs and seek to compete effectively."

The minister referred to the excess capacity of machinery and men that exists in the construction industry and suggested there may be a market for construction

services outside or in Caricom and elsewhere. Especially since it's highly unlikely domestic demand will increase sufficiently to utilise all these resources.

Agriculture is another field, the minister proposed, where there is considerable scope for export. There is a great demand, especially, in the United States for fish and shrimp and the resources are available to produce the product.

"But inertia still hobbles our local private sector," the Minister noted. "I am advised that one proposal is being developed for the growing of shrimp for export on a substantial scale. But there must be several other opportunities where local investors working if necessary with foreign counterparts, can earn income for themselves, create jobs for the labour force and guarantee some of the additional foreign exchange which the country needs."

The time is now, he said further, for local private investors to actively participate in the hydrocarbon industry, particularly in industries which utilise oil and gas as raw materials.

CSO: 3298/615

TRINIDAD AND TOBAGO

GOVERNMENT ADMITS ITS CASH RESERVE AT LOW POINT

Port-of-Spain EXPRESS in English 27 Apr 85 p 1

[Article by David Renwick]

[Text] **GOVERNMENT** admitted in the House of Representatives yesterday that its finances are pretty tight at the moment.

A question posed to the Minister of Finance and Planning by Alliance Opposition leader Basdeo Panday brought about the information that the cash balances in the Consolidated Fund, where the Government banks all its income, amounted to \$644 million on April 9 this year.

This was made up of \$324 million in the exchequer account, \$161 million in treasury deposits and \$159 million in the long-term development fund.

But most of that was committed to payments for various services and the surplus in the Fund was put at only \$85 million, an unhealthy situation for a Government with the wide-ranging expenditure responsibilities of a country like Trinidad and Tobago to find itself in.

The answer given Panday pointed out that the surplus was "subject to change on a daily basis as revenues are received and payments disbursed."

Meanwhile, the Privileges Committee of the House, headed by Speaker Matthew Ramcharan, laid a brief report in the House yesterday asking members to agree to appoint Opposition leader Basdeo Panday temporarily to the Committee in place of Kelvin Ramnath (Alliance, Couva South), while Ramnath

is under investigation by the Committee for an alleged breach of privilege.

He was referred to the Committee on the instigation of Minister Overland Padmore during the 1985 Budget debate last January when he was accused of "deliberately misleading the House"

by saying that "eminent legal counsel" had submitted an opinion to the police alleging fraud in the International Trust Ltd (ITL) affair.

Attorney General Martineau later denied that either the police or the Director of Public Prosecutions had received, or asked for, a private legal opinion on ITL.

According to the report yesterday, the Privileges Committee "recognised that, as Ramnath is a member of the Committee, he cannot vote on questions for decision by the Committee in this matter since he is personally interested."

TRINIDAD AND TOBAGO

GOVERNMENT HALTS RICE IMPORTS, EXCEPT FROM GUYANA

Port-of-Spain EXPRESS in English 27 Apr 85 p 1

[Article by Andy Johnson]

[Text] CONSUMERS in Trinidad and Tobago would soon have to do without their favourite brands of American rice, as a result of action taken by the Ministry of Industry, Commerce and Consumer Affairs, which has immediate effect.

In a notice dated April 25, 1985, the Minister, Wendell Mottley, notified importers that rice in packages, in bulk and broken, was being put on the negative list with immediate effect.

Sources at the ministry disclosed this week that rice was being placed on the negative list, now being made ready for issue, and that imports of this basic food item would only be allowed in the country from neighbouring Guyana, paid for on the Government account, in a bilateral system of counter trade with that country.

Guyanese rice, however, is not a favourite with housewives and consumers in Trinidad and Tobago generally, because of what has been described as the poor quality of some of the shipments.

Trinidadians have also developed a strong preference for the pre-packaged brands of Ameri-

can rice which are easier to prepare for meals.

But sources at the Ministry pointed out this week that the decision to put rice on the negative list has a two-fold reason. One is as a result of the severe trade imbalance between Trinidad and Tobago and Guyana and the other is the desire to save foreign exchange.

Guyana has a substantial debt in its trade relations with Trinidad and Tobago and the Government here is said to be concerned about the further deterioration of that situation. It was pointed out that if the country was made to take all its requirements of rice from the South American Caricom member state, then this would act as a major drawdown on the debt.

The source added, however, that consumers would have to be prepared to do a bit more than pour the rice from a bag into the pot.

When he addressed a meeting of the Southern Division of the Trinidad and Tobago Chamber of Industry and Commerce last week, Mottley disclosed that the preparation and publication of a revised negative list would soon hit the streets. In answer to a question, he said copies of the list would not only be available, but would be sold.

TRINIDAD AND TOBAGO

MANNING DETAILS INCREASING DEMANDS FOR UREA

Sales Prospects

Port-of-Spain TRINIDAD GUARDIAN in English 1 May 85 p 1

[Text]

MAJOR sales of urea have been made to the United States of America. Apart from that, two significant contracts have been entered into with India and China.

This was revealed by Mr. Patrick Manning, Minister of Energy and Natural Resources on Monday afternoon following a meeting with management of the urea and methanol plants at Point Lisas.

Mr. Manning said the outlook for urea was discussed during the meeting.

Asked later about the sales, Mr. Eldon Warner, chief executive of the National Energy Corporation (NEC), said that in the case of India, they were dealing with a total sales agreement of 120,000 tonnes at prices which would be fixed for the first 60,000 tonnes.

They shipped 20,000 tonnes initially in February and they are about to ship another shipment in May. The price negotiations for the other 60,000 tonnes will commence in India in early June.

In the case of China, there was a contract for 20,000 tonnes in the first instance and they are about to enter negotiations with the Chinese about future shipments. India and China are the two largest importers of urea on the international market, Mr. Warner said.

Mr. Manning said they believed that by 1990 the increased demand for urea would be something in the order of 3.7 per cent a year. Again, when they looked at the plant utilisation, the extent to which capacity is utilised on existing plants, when one took into consideration plants that were likely to come on stream and projected demands, they came to the conclusion that the prices would go up somewhat between 1985 and certainly urea could come into its own by 1990.

On the question of safety operations, Mr. Manning said that the management was mindful of that and their studies were well advanced for implementing procedures designed to minimise the discharge of any affluent which might contain ammonia.

They are also designing a flare system that, when put into operation, will eliminate the discharge of ammonia into the atmosphere.

## Urea, Methanol Companies

Port-of-Spain EXPRESS in English 1 May 85 p 56

[Text] TWO separate companies have been formed to control the \$838 million methanol and urea investments at Pt Lisas.

This was disclosed by Eldon Warner, chief executive officer of the National Energy Corporation (NEC) during a press conference following a technical meeting between NEC officials and Energy Minister Patrick Manning on Monday.

Warner said the 100 per cent shares now owned by the NEC would soon be vested in two companies — Trinidad and Tobago Urea Company and Trinidad and Tobago Methanol Company.

Saying this would facilitate the financing arrangements of the two projects, Warner also revealed that the NEC

would continue to operate and manage both plants under a management contract similar to the Fedchem/Tringen deal.

During the press conference, Manning said that the urea plant was projected to produce some 445,000 tonnes in 1985. The Energy Minister also pointed out that safety was no doubt a source of concern, adding that it was possible for small amounts of ammonia to be discharged in water effluent streams.

He said the NEC would soon implement a flare system which will eliminate the ammonia discharge.

The EXPRESS learnt that some 11 power dips at the urea plant on April 24 and 25 were responsible for ammonia discharges which resulted in complaints of nausea from T&TEC's Pt Lisas workers.

Kerston Coombs, NEC's head of Plant Management Services admitted the urea process was affected by power "disturbances", adding though that the corporation would soon be installing a neutralising system to combat the discharges.

He said that the "disturbances" accounted for six of the 30 days down time experienced at the plant.

CSO: 3298/630

TRINIDAD AND TOBAGO

# TAPIA HOUSE LEADER DISCUSSES ECONOMIC POLICIES, NAR

Port-of-Spain EXPRESS in English 25 Apr 85 p 41

[Article by Beau Tewarie]

[Text]

THERE is a general and pervasive mood of uncertainty in Trinidad and Tobago at this time and this mood of uncertainty has come to engulf every sector of the community.

There is a growing throng of unemployed. In the 1984 Budget, the Prime Minister put the figure at 60,000 — an unemployment rate of about 15 per cent. Some would argue that 60,000 jobless is a rather conservative figure but most would certainly agree that that figure would have increased by now.

Retrenchment in the private sector has become common place; the Development and Environmental Works Division (DEWD) workers are fighting against cutbacks; county council workers are now faced with the choice of retrenchment for some or shorter work-weeks for all. The government is edging slowly but surely to an International Monetary Fund (IMF) solution to their economic woes.

If the IMF, the World Bank or some other international agency decides to lend us money they would certainly insist on our meeting certain conditions. One condition that international lending agencies are sure to insist upon is a cutting down of recurrent expenditure. That can only mean retrenchment in the public sector.

Moreover, the Prime Minister and Minister of Finance has already made it clear that State Enterprises must begin paying for themselves. There is obviously a limit to how much the cost of basic services such as electricity, telephone and water can be increased. Increases in revenue will have to be accompanied by a simultaneous reduction in the payroll. That again means retrenchment and large scale unemployment.

With the growing unemployment has come what seems to be an emerging crime wave that has put the middle class in particular, under siege. Burglaries have become more frequent as have rape, buggery, unprovoked violence and murder.

This comes at a time when the middle class as a whole is already under serious financial strain. Fixed incomes cannot now sustain the of lifestyle to which the middle class had been becoming accustomed during the boom years when money was no problem, and with the help of overdrafts one could live beyond one's means.

With monthly payments due on mortgaged homes and cars, increased telephone and electricity bills, insurance premiums and the like, much juggling has to be done to ensure reasonable meals for the family at the dinner table. Everyday the banks are insisting on payments of their loans and calling for reduction of the overdraft.

The business community too, is in a quandary. Small businesses are finding it difficult to survive. They are closing down every day. Today's level of income cannot sustain the artificial economy generated by the oil boom and there has been a huge drop in the demand for both goods and services.

Big business would like to export, generate foreign exchange and take advantage of the Caribbean Basin Initiative (CBI). But what are we to produce for export? And do we not depend on imported raw materials for the vast majority of our locally manufactured goods? And has not the cost of imports been increased by a 12½ per cent surcharge bills of entry? Moreover, with talk of devaluation in the air, from the business point of view, isn't it better to wait and see?

And so we live from day to day marking time and waiting for more bad news. Our foreign reserves are down to about \$2.5 billion, from \$7 billion in 1983. Out of \$9.78 billion in earnings from exports in 1980 \$9.1 billion came from oil and the oil related sector. What are we going to earn this year and from exporting what? The 1985 budget is sure to see a shortfall in terms of revenue.

Expected income from the 10 per cent tax on foreign exchange, the 12½ per cent import tax and taxes on the self employed are not likely to materialise. Undisputably, we are in this economic and political mess in 1985 because the government has not used the 28 years it has been in office, nor the money that seemed so abundant during the years of the oil windfall, to properly diversify, stabilise and secure our economy.

The government, it seems, has tried everything to allow others to come in to develop our economy but has offered little in the way of leadership to put our country on the road to economic self sufficiency and political manhood. We began by inviting foreign companies to set up industries but we never sought to rationalise that industrialisation, to tie it in with agricultural development and agricultural diversification. Indeed there was never any serious attempt to integrate the activities of the Ministry of Industry and Commerce and the Ministry of Agriculture.

Today we are only just beginning to diversify Caroni Ltd and private industry can find little to manufacture and sell abroad because for the longest while, private industries have been involved in buying pieces to assemble into wholes for local consumption; or they have simply been buying products abroad to market here.

From industrialisation by invitation we moved, in the oil boom years, to government to government arrangements. Today we have a number of unfinished monuments such as the Mount Hope Medical Complex and the Hall of Justice to show for over \$ 50

billion we spent in less than a decade. The construction industry is virtually dead; we did not benefit substantially through the transfer of technology nor by the upgrading of our technical skills from these arrangements.

And yet there remains the task of decent housing for all of our people despite massive construction projects in the 1970's. What benefits have government to government arrangements brought to this nation and its 1.2 million people?

We are now, following recent government to government arrangements, moving into the era of joint-venture operations. Through the newly appointed Minister of External Affairs, ably aided by the new Ministry of Industry, Commerce and Consumer Affairs, we hope to have a number of foreign investors coming in to establish joint ventures with the state as well as with private local industry.

This, the government hopes, will provide jobs for the large numbers of unemployed who will be on the job market following massive retrenchment in the traditional public and private sectors as well as expand our export thrust.

But look where industrialisation by invitation left us in 1970! Look where government to government arrangements have left us in 1985! Where will these new arrangements leave us in 1990? And where will we be at the end of the century?

The present regime has not only brought us to the brink of bankruptcy, but they are taking us further and further on the road to dependency and perpetual insecurity. If we go that route we may never be able to recover and we will never get the chance to know what independence could have meant for our nation and our people.

Despite the gains made by the National Alliance for Reconstruction — the Democratic Action Congress (DAC), United Labour Front (ULF), Tapia House Movement and Organisation for

National Reconstruction (ONR) —over the last year or so, the NAR seems extremely tentative at this point in the public mind.

It is clear to Tapia, and indeed to the Alliance as a whole, that the NAR has been proceeding in too tentative a manner and has been moving too slowly. One consequence of this is that announcements of developments within the NAR camp often come as an anticlimax to an expectant population.

One and a half years after the Accommodation victory of August 1983 and eight months after the announcement of an agreement to form the National Alliance for Reconstruction, the NAR still has much to do to present the image of a united and cohesive political force.

In this regard the NAR should guard against mistakes that other opposition forces have made in the past. The NAR must certainly avoid consolidating too late, virtually on the eve of the general election.

The NAR must take steps immediately to consolidate itself into a cohesive and durable political force capable of governing the country. Perhaps, more importantly, the population must be given time to develop a sense of assurance that the NAR is likely to endure over time.

This is prerequisite if we are to present our nation with an ideologically coherent programme for economic revival and sustained economic growth; which is exactly what all sections of the community are looking for at this time.

Clearly this is no time for politicians to be playing games nor to be indulging in petty intrigues. Our nation and our people are in grave danger. The minimum that is required now is enlightened self interest. Dare we hope for a little more; perhaps something approaching statesmanship and a sense of commitment to Trinidad and Tobago?

[Editor's Note: This article by Tewarie also appeared in the 27 April TRINIDAD GUARDIAN, page 5.]

CSO: 3298/615

TRINIDAD AND TOBAGO

OIL INDUSTRY SUBJECT OF BROAD ATTENTION, ACTIVITY

OWTU Look at Restructuring

Port-of-Spain TRINIDAD GUARDIAN in English 22 Apr 85 p 7

[Text]

PROPER restructuring of the oil industry in Trinidad and Tobago is one of the matters that will shortly be engaging the attention of the Oilfields Workers Trade Union (OWTU). Details of the exercise are expected to be revealed soon, said Mr. George Weekes, President-General.

The union's Central Executive and General Council have been given "an overwhelming mandate" to push forward in the resolution of all outstanding problems in the oil industry — wage and salary negotiations, job security, pensions, long outstanding grievances and proper restructuring of the industry in the national interest.

Mr. Weekes said yesterday that the mandate was given in last Monday's referendum

in which oilworkers voted for a mass demonstration, to highlight their problems and to show the need for positive action to be taken to resolve their problems.

70 PER CENT

Of 7,400 oilworkers eligible to vote, 5,173 cast the ballots and that represented a turnout of 70 per cent (2,840 voted for the demonstration and 2,333 voted for strike action.)

It was pointed out that the demonstration will be phase one of the action aimed at settling all matters.

The OWTU, said Mr. Weekes, placed on re-

cord that the turnout was adversely affected by the refusal of all the major oil companies to grant the union permission to use their compounds to conduct the referendum and many workers were unable to vote because they had to use means, in many cases, less convenient.

"However, the employers did not succeed in frustrating the oilworkers giving their union a mandate, as the ballot count clearly proves," said the union, through Mr. Weekes.

## TRINTOC Investment Program

Port-of-Spain EXPRESS in English 22 Apr 85 pp 1, 40

[Text] State-owned Trintoc, Pointe-a-Pierre, is to embark on a massive \$150 million investment programme that will put into operation five drilling rigs and 25 workover wells.

A report reaching the EXPRESS San Fernando Desk said that the investment decision was taken shortly after Trintoc personnel assumed full control of what was formerly Texaco Trinidad Inc assets on March 30. The five rigs are scattered in the Forest Reserve and Barrackpore region. The 25 workover wells include several which had been shut down by Texaco when it withdrew investment since last August.

The report said that the Trintoc, Pointe-a-Pierre production department had been given the all clear last week to begin the recovery programme.

The reported investment decision could mean an economic boost for the southern commercial community which has been going through a slump in sales for the past six months. The decision by Trintoc, Pointe-a-Pierre, to invest would also revive the oil servicing and contracting companies as well as the oil-related equipment companies.

Only last week the outgoing president of the Southern Division of the Trinidad and Tobago Chamber of Industry and Commerce, Joseph Duverney, called on government to clarify its policy on the oil industry. Said Duverney then: "Such clarification would serve as an indicator to the private sector in adopting future investment strategies."

Duverney added: "We can only hope that the recent purchase of Texaco's assets and its integration with that of Trintoc would see a new era of prosperity for the southern areas."

Asked to comment on the report yesterday, a Trintoc, Pointe-a-Pierre spokesman said that certain considerations concerning investments would be placed before the Trintoc, Pointe-a-Pierre board later this month and a release would be made in due course.

The decision by Trintoc, Pointe-a-Pierre, to begin drilling operations and intensifying workover wells was seen as a thrust by the company for increased oil production. Texaco's production had dropped significantly during the months leading to the official take-over by the government.

Last week Trintoc's board chairman Andrew Rose made an inspection tour of the Pointe-a-Pierre refinery in company with the virtual manager of the Pointe-a-Pierre operations, Ben Dash, and public relations manager Ossie Morros. Rose reportedly held discussions with several refinery managers and later this week he is expected to hold a formal meeting with all managers of the Pointe-a-Pierre arm of Trintoc.

## More on TRINTOC Plans

Port-of-Spain TRINIDAD GUARDIAN in English 25 Apr 85 p 16

[Text]

### SAN FERNANDO:

TRINIDAD and Tobago Oil Company Limited (Trintoc) plans to spend \$6,400,000 on recovery projects in Parrylands, Catshill and Penal.

It is anticipated that the company will drill 62 wells this year.

The statistics on development wells will include work that the Ministry of Energy and Natural Resources expects would be done on the formerly Texaco-owned acreage.

This information was contained in a paper presented by Mr Winston De Govia, assistant Chief Petroleum Engineer, Ministry of Energy, at the one-day oil seminar organised by the Geological Society which was held at Farrell House, Claxton Bay, yesterday.

The paper dealt with the forecast of activity in the petroleum industry during 1985.

It was pointed out that the data used in the forecast was presented to the technical staff of the Ministry during their annual meeting with the producing oil companies.

Mr De Govia said in the paper that the two refineries at Pointe-a-Pierre and Point Fortin will continue to operate at a minimum combined throughput of 84,000 barrels per day.

## Marine Proposals

Port-of-Spain TRINIDAD GUARDIAN in English 25 Apr 85 p 1

[Article by Mikey Mahabir]

[Text] Two major oil companies are asking the Ministry of Energy and Natural Resources to approve approximately \$1.0 billion in marine work programmes for 1984-1989.

Mr Patrick Manning, Minister of Energy and Natural Resources, made this disclosure yesterday morning when he addressed the opening session of a one-day oil seminar organised by the Geological Society of Trinidad and Tobago and, held at Farrell House, Claxton Bay.

The Minister, after referring to the review and subsequent adjustment in 1983 of the taxation system for companies operating on land and a comprehensive review of the system of taxation on marine companies in 1984, said that consequent upon that review and extensive discussions with the producing companies, Government agreed to a number of fiscal measures.

After outlining those measures, Mr Manning said: "In recognition of the efforts of the Government, two major marine producing oil entities have submitted for the consideration and approval of the Ministry of Energy and Natural Resources, work programmes for the period 1984-89 of approximately \$1.0 billion."

This is over and above the companies' normal expenditure programmes and is expected to prove up a substantial quantity of reserves and will also result in the production of more heavy oil than at present.

"In this regard, a technical committee is reviewing with the producing companies, specific measures that may be taken in 1985 to ensure the development, in the earliest possible time frame, of some of our considerable recovery of heavy oil deposits that have not been exploited to date," he added.

The Minister did not name the companies involved.

#### Further Review

He said that in response to submissions by the two international producers, a further review will be undertaken of certain anomalous provisions of the amended tax structure. This review has been completed and is being studied at ministerial level.

The Minister said that as part of its corporate restructuring, Texaco offered for sale to the Government some of its local assets. The negotiations were completed and the transfer of these assets afforded the Government the flexibility to pursue certain policy objectives.

According to Mr Manning, the principal of these are the stimulation of land production by the injection of the required level of investment, the restructuring and rationalisation of the refining sector; the preservation of the level of employment, direct and indirect, in the industry as a whole.

He said that in fact, the acquisition of these assets opened up a new panorama of options to the Government and these were being considered carefully and being implemented deliberately.

The Minister also touched on the natural gas sector and said that considerable activity was taking place in that area.

An examination was being undertaken of the future course of natural gas development in the country and in particular the options for the long-term supply at the long-term price of this gas.

An evaluation was being carried out to identify whether there was scope for additional large gas projects to add to the 60 billion cubic feet collected and marketed under the existing projects to date.

Mr Manning said that with respect to natural gas utilisation, Government was continuing and indeed intensifying efforts aimed at increasing the level of utilisation. By the end of 1984 plans were already afoot for the expansion of the Tringen plant and during 1985 serious consideration would continue to be given to three proposals for the establishment of ammonia plants and at least one more methanol plant was earmarked for location in Point Fortin.

## Stress on Land Production

Port-of-Spain EXPRESS in English 25 Apr 85 p 1

[Text] Energy and Natural Resources Minister Patrick Manning said yesterday one of the Government's principal objectives regarding the revitalisation of the petroleum industry lay in the stimulation of land production by the injection of a required level of investment.

Speaking of the Government's March 30 takeover of the majority of the assets of Texaco Trinidad Incorporated, Manning told a seminar of the Geological Society that this "afforded the Government the opportunity to pursue certain policy objectives."

The principal objectives, he said, were "the stimulation of land production by the injection of the required level of investment, the restructuring and rationalisation of the refining sector and the preservation of the level of employment, direct and indirect, in the industry as a whole."

Manning was at the time delivering the opening address at the seminar, held at Farrell House Hotel, Claxton Bay.

The Minister pointed out that Texaco International's corporate restructuring which led to its offer of sale of its refinery to Government, the basis on which the negotiations took place, "emphasised and indeed hastened the process of policy adjustment" in the local petroleum industry.

He added that the most significant aspect of this policy adjustment was the adjustment of the tax regime for marine operations. Marine operations, he said, accounted for 75 percent of total crude oil production and 60 percent of Government revenue.

Giving a detailed breakdown of the adjustment of the marine oil tax regime, Manning said that this, together with the resolution of a number of other difficulties relative to the essential operations of the oil companies, provided for the viability of the industry in the medium to long term.

"Indeed," Manning said, "while these measures may result in a marginal decrease in fiscal revenue in the very short term, they will ensure the steady stream of revenue and significant contribution from the industry, so vital to our national economic well-being."

## Policy Uncertainties

Port-of-Spain EXPRESS in English 24 Apr 85 p 64

[Article by Andy Johnson]

[Text] Today's meeting of the Geological Society in San Fernando focuses on what would be the imperatives of the Government for the recently integrated operations between the Trinidad and Tobago Oil Company and the bought-out Texaco Trinidad Incorporated, with no firm decisions coming from the Government, almost one month after the state formally took over the assets at the Pointe-a-Pierre operations.

"There is nothing I could say about the matter," State Enterprises Minister Ronnie Williams reported yesterday, in response to questions from the EXPRESS.

The minister was asked whether the Government had taken any firm decisions on how the new company was to move forward with a number of imperatives aimed at re-boosting petroleum exploration, drilling, production and refining after more than two years of uncertainty in the industry.

"I am not trying to be evasive but there is nothing I can tell you at the moment," Williams said, when asked whether the Government had not had enough time to decide what it wanted to do with the new company.

Two days ago, when he addressed the 25th anniversary luncheon of the Employers Consultative Association, External Affairs Minister Errol Mahabir said that "the period of uncertainty is over" in his reference to the March 30 formal signing of the agreement by which the Government took over the majority of the assets of Textrin.

But for all intents and purposes, that uncertainty persists.

Officials of the Oilfields Workers Trade Union are still reporting that the union is awaiting some positive signs from the Government on what it intends to do with the new integrated operations.

When he spoke at the signing ceremony, Prime Minister George Chambers indicated that the appointment of a new board of directors was an urgent priority in this regard.

In conversations with the EXPRESS in the past week, however, both Energy Minister Patrick Manning and Williams, both of whose Cabinet responsibilities focus centrally on the new state oil operation, could say nothing about the appointment of a new board.

When contacted on this matter late last week, Manning said he could not speak with authority on this subject. Williams said he "would have thought" that the appointment of a board of directors may have been announced by now.

The seminar of the Geological Society is the second forum to focus on the imperatives for the revitalisation of the petroleum industry in light of the takeover of Textrin in the past month.

Two weeks ago, the South Trinidad Chamber of Industry and Commerce held a one-day seminar at the Trinidad Hilton in Port of Spain entitled, "Life After Texaco," at which several formal papers and discussion sessions centred around what was seen to be the requirements for the industry.

Petroleum industry observers have sought to put a fix on a figure on how much money the Government would need to plough into the operations at Pointe-a-Pierre in order to refurbish refinery operations, to revamp crude oil exploration and production and to effectively integrate the systems now existing between Trintoc's Point Fortin base and Pointe-a-Pierre.

It has been suggested, for instance, that whereas the former Textrin public relations officer, Ossie Morris, was a senior staff member, his counterpart in Port Fortin was middle management. Consideration, therefore, has to be centred around the settling of this discrepancy in an area of petroleum company business as sensitive as public relations.

It has also been suggested that the headquarters of the integrated company would be established permanently in Pointe-a-Pierre and a number of the pertinent elements would have to be shifted from Point Fortin.

Both Trintoc Chairman Andrew Rose and Managing Director Walton James have been shuttling between Port of Spain, Pointe-a-Pierre and Point Fortin, meeting workers and studying the situation in the field during the past three weeks.

#### Discussion of Amoco's Role

Port-of-Spain EXPRESS in English 25 Apr 85 pp 1, 64

[Article by Andy Johnson]

[Text] One of the country's leading economists and an oil industry analyst, Dr Trevor Farrell, has suggested that the American Oil Company, Amoco, could leave the country holding the wrong end of the stick, in the same manner as Texaco, after extracting favourable tax incentives for exploration and drilling.

Speaking during question time near the end of the morning session of a seminar organised by the Geological Society of Trinidad and Tobago yesterday, Farrell warned that Amoco could be playing the same game that Texaco played, according to him, in the industry.

He wondered whether a reported increase in oil production by Amoco was durable over the long term and whether it was not conceivable that the company, which is the major producer of marine crude oil in the country, was not planning to get out of the local industry somewhere in the near future.

Farrell said that Texaco had been granted tax incentives from the Government in the early 1970s for increased activity in oil exploration and drilling and that the company scaled down its operations considerably a couple years after that, after having recorded noticeable increases in such activity for a few years.

"Amoco is the most significant marine producer," Farrell told a startled audience at the Farrell Hotel House, "just as Texaco was on land," adding that Amoco was at the moment "shrewdly negotiating" tax incentives from the Government.

He said petroleum industry figures would show that the same was true of Texaco and that the company substantially reduced its production after 1976, leading to the stage where it offered its refinery for sale to the Government in 1982.

He was responding to points raised by Amoco Public Relations Officer Frank Arlen about the company's projected production for 1985, based on the record 100,000 barrels of oil a day achieved during the latter months of 1984.

Arlen had said that his company was aiming at a continued upbeat drilling programme in 1985, but that that was based to some extent on the implementation of the tax incentives agreed to by the Government.

He said that based on "certain economies and other techniques," Amoco, which accounts for over 80 percent of marine oil production and more than 53 percent of total crude oil production in Trinidad and Tobago, hoped to hold steady at an average of 90-95,000 barrels a day.

He was holding the fort for Amoco Trinidad's president, Robert Powers, who could not attend yesterday's seminar because of a virus.

Arlen said later that Powers, if he were present, would have taken strong issue with the comparison between his company and Texaco, because of his fundamental disagreement with the way in which Texaco operated during its latter years in the local petroleum industry.

And in what was undoubtedly the most lively segment of the morning session of the seminar, Krishna Persad, manager of Exploration and Drilling at Premier Company Oilfields and chairman of the seminar, said he agreed that Farrell's observations were entirely valid.

Geologist Franklyn Khan, an employee of Trinidad Tesoro Petroleum Company, suggested that whereas Texaco's problems in Trinidad and Tobago centred mainly around its refinery operations, that was not the case with Amoco, which had no refinery. He said Texaco's problems stemmed from the fact that the refinery "took away the gravy" from its lucrative production operations.

Persad countered, however, that it did not matter whether or not Amoco had a refinery. He said the company was part of a multi-national organisation and that its decisions were to be seen in that regard. Persad said that British Petroleum did not have a refinery in Trinidad and Tobago but then it felt that its local operations became unprofitable it pulled up stakes here. Trinidad-Tesoro went on to become a highly profitable production company in the local petroleum industry.

#### Call for Revival of Energy Body

Port-of-Spain EXPRESS in English 25 Apr 85 p 64

[Text] Opposition Senator Dr Sahadeo Basdeo has called for the revival of the defunct Energy Secretariat.

He has also accused Government of taking too long to develop a serious policy for the oil industry.

Dr Basdeo made the point at a political meeting organised by the National Alliance at Toruba in South Trinidad.

He said the Ministry of Energy and Natural Resources had been making decisions without first analysing the trends in the industry and said the Energy Secretariat would have a role to play in providing a dynamic oil policy for the country.

Dr Basdeo told the crowd it was time for government to seek out new operating arrangements with the major oil companies in the country.

Said he, "The time is right for a revision of the operating arrangements for Trinmar, Trinidad-Tesoro, Amoco and our own national companies."

The Opposition senator questioned the many oil missions overseas saying that so far these oil missions produced no tangible benefits to the country.

He said, "It seems to me that the Minister of Energy and Natural Resources is hoodwinking the public in relations to these missions."

He rapped government for making major policy statements on political platforms rather than from Parliament.

Said he, "The PNM had been using every major event for political purposes. You would understand that so far the PNM had used all types of forums to make major policy statements but refused to use the forum of the Parliament."

Dr Basdeo said that the government had an opportunity to make the nation's Parliament an important part of the Westminster system by using its forum to make major policy announcements.

The Opposition senator criticised PNM members for showing partisan politics even at national functions. He said PNM members wore PNM ties even at national and religious functions.

Dr Basdeo said it was time the PNM be told that government ministers should not display political "narrow-mindedness."

### Call for Independent Senator

Port-of-Spain EXPRESS in English 25 Apr 85 p 3

[Text]

PREMIER Consolidated Oil Limited's production manager, Dr Krishna Persad, yesterday called for the appointment of an independent senator to represent the interests of the petroleum industry in the Senate.

Dr Persad addressed the opening session of the seminar of the Geological Society of Trinidad and Tobago on the oil industry at the Farrell House Hotel in Claxton Bay yesterday. The seminar was opened by Energy and Natural Resources Minister Patrick Manning.

Dr Persad said that while there was a ministry to look after the oil industry and there were two petroleum engineers in Parliament, yet he felt that

there should be an independent senator to represent the industry in the Senate. Dr Persad said that the time had come for the media to become familiar with basic concepts of the industry. He said that soon the society would organise a one-day seminar on the industry for journalists.

Dr Persad called for the organisation of an Annual Petroleum Congress of Trinidad and Tobago. He outlined an agenda for such a congress naming certain organisations to be co-sponsors of the event. He spoke about the establishment of a Petroleum Foundation and urged that the north/south dialogue be continued in the interest of economy of the country.

### Criticism of Policy

Port-of-Spain SUNDAY GUARDIAN in English 28 Apr 85 pp 3, 10

[Text]

WHY must Trinidad and Tobago always get caught with things no one else wants?

When everybody was getting out of steel, we were getting into it. When other airlines were modernising, we gave up our with-it fleet of 737s and bought antiquated 707s. When the rest of the world is trying to reduce its expenditures on welfare, we go deeper into it and give the wasters at DEWD millions of dollars for vacations they don't need or deserve.

Now, we are getting deeper into the refinery business at a time when refineries, all over the world are closing down.

Only weeks ago, the world-famous Exxon refinery at Lago, Aruba, breathed its last. The rate of closure is higher in Britain and on the continent. Thousands of jobs have been lost in the United States itself, where similar trends are taking place. But in Trinidad and Tobago, ah yes, the land of the afterthought, not only do we have the Trintoc refinery at Point Fortin, but we intend that not one jot must be altered at the much larger refinery Government bought from Texaco at Pointe-a-Pierre.

### DIVESTMENT

What is more astonishing is that even before the ink of the signatures had properly dried, and detailed inspection carried out, the authorities announced that there will be no retrenchment at Pointe-a-Pierre, and that all jobs will be safe.

It's very easy to make grandiose promises like that when you are dealing with other people's money, namely, the taxpayers' money. One wonders whether Chambers and his fellow Cabinet members would be prepared to implement the long awaited divestment policy by personally taking up a minimum of 51 per cent of the shareholding at Pointe-a-Pierre. And if they did it, whether they would be prepared to make that sweeping statement that the thousands of jobs will in no way be affected.

It is not that this column is wishing the effort to fail. We would like it to do well. But the indications are less than comforting. What we wish to clarify is that this column was never in favour of Texaco's going. Texaco is one of the major corporations in the world and there is

much to be gained through intelligent association with it.

Be that as it may, Texaco has been booted out and the Government is left with, among other things, a giant refinery, and no one has been told whether or not it can fit into the context of global over-supply of oil on the one hand, and the survival of only the biggest and most modern refineries on the other, in a struggle that is marked by vicious cost-cutting.

Judging from the rate at which technology advances in general, it is not unreasonable to enquire whether the refinery at Pointe-a-Pierre is in "1985 shape" as far as technology is concerned. If it isn't, can it compete with the biggies? How much time, and how many more millions of dollars will it cost to bring it up to scratch and to keep it there? Also, the public has been told nothing about the maintenance status of the plant. Furthermore, with the extremely high wages paid at Pointe-a-Pierre, can we really compete with huge refineries in the Middle East?

The Oilfields Workers' Trade Union (OWTU) has made much mileage of the boast that "we can run the refinery." That it can should come as no surprise after decades of practice. The real crunch is the marketing, a point this column has made before, and which, to this day, our secretive, socialist Government has remained mum about.

Manning forever stresses production in his weekly news flashes. Presumably Trintoc contacts in the US could help, but we suspect they would be rather minor in comparison with Texaco's intercontinental selling capacity.

Whatever the position, marketing is of critical importance to the people of Trinidad and Tobago, whose taxes and future are now much more on the line. Previously, it was "them" (ie, Texaco) who had the worries. Now it is "us". But still no word from the country's biggest, by far, conglomerate, the socialist Government of Trinidad and Tobago, on how the pivotal area of overseas marketing will be handled. Nor has mention been made of precisely (or even generally) what is planned for what was once Texaco, or how it will be managed.

"Minor" details such as these will no doubt be given one-line mentions in the customary "Accounting for Tax Dollars" for a 10-year period and published in 1995. Of course the public will be fully satisfied.

#### EXCHEQUER

Getting back to the situation at Pointe-a-Pierre, lots of conditions are affecting it — employment levels, maintenance, etc. It is highly vulnerable, and this column wants to ask, on behalf of the people of Trinidad and Tobago, what would happen if revenues are unable to sustain operations at Pointe-a-Pierre? Will the Government then do what it has done in most state corporations, namely, dig into the exchequer and give away more taxpayers money?

The point this column is making is that we find it curious that the Government should say nothing will change at Pointe-a-Pierre even before it made a detailed inspection of what it bought. This does not gainsay that it did not have a fairly good idea of what it was buying. But it is only when one moves into another home that one begins to see precisely what needs doing and correcting, and the Government was precipitate in making such a sweeping affirmation before getting first-hand experience of the details.

The hasty affirmation may have been politically expedient, but it certainly wasn't sensible economics. The affirmation may end up costing lots more than making serious adjustments which Government is quick to tell everybody else to do.

Added to the Pointe-a-Pierre debacle is the likelihood that the Trintoc refinery at Point Fortin will keep chugging along as usual. Purely from a layman's point of view, it seems strange to have two refineries in a tiny country in an unwilling international market environment in which this country finds itself.

By way of checking, this column consulted with experts in the oil industry, and related to the oil industry, on the refinery situation. The opinion was unanimous. The obvious thing to do, they all stated independently of one another, is to close down or moth-ball the refinery at Point Fortin until it is required, if ever.

#### COMMON SENSE

The fact that the Trintoc refinery will continue operating in the face of obvious over-supply means that naked politics has once again taken the place of economic wisdom and just plain commonsense. What usually occurs in situations such as this is that the cost of maintaining unnecessary and antiquated equipment is more than in building new plants, or diversifying into entirely different industrial avenues.

The sequel of World War II should have made this point to a Government that was once headed by a historian. But in case the successors of the historian are not aware of it, the countries that lost World War II are winning the world economic battle not only out of a burning urge to survive but because, in a curious way, they were lucky to have all their factories bombed into oblivion. They had to rebuild everything and they installed new technology and worked with a new spirit.

And it is against this context that this column feels that it would make better sense to encourage diversification at Point Fortin, rather than spend more money on a process that is rapidly descending into disuse.

By spending taxpayers' money to revive the dying industries at Pointe-a-Pierre and at Point Fortin, Government has actually launched a multi-million dollar promotional, public relations, vote-getting campaign that clearly no one else

can match. There is only one fly in its ointment. It just might happen that it will end up having taken on a bigger commitment than the revenues of the country can sustain.

What is manifest is that the PNM Government will stop at nothing to pour more and more taxpayers' money into making Government holdings get bigger and bigger. Government already owns and controls almost 80 per cent of the economy and is consistently refusing to divest shareholding, even though this was promised by the former Prime Minister.

Armed by the complacency of the public and the cajoling of the OWTU, whose new slogan is "In the national interest Texaco gone. Amoco must go," we can confidently expect the socialist PNM Government to make a bid in the near future for Amoco, at which stage George Weekes will be something more than a mere shadow Prime Minister.

Nor should the public be fooled by the recent invitation to two multi-nationals to come and bail out ISCOTT. This is not a sign of love for free enterprise. Rather, it is a sign of the same kind of necessity that drives the Russians to buy sophisticated US computer equipment, and grain, when they need it.

The socialist trend is worsening, the wastage of money is continuing. And as our funds and our freedoms run out, we will soon be left with nothing except carnivals and beauty shows.

CSO: 3298/617

TRINIDAD AND TOBAGO

TOBAGO LEADER ROBINSON CHARGES MISUSE OF OIL-BOOM MONEY

Port-of-Spain EXPRESS in English 26 Apr 85 p 18

[Text]

**DECLARING** that the day when money was no problem was the day when it became the real problem, Arthur Napoleon Raymond Robinson, chairman of the Tobago House of Assembly, said in an address to the South Trinidad Chamber of Industry and Commerce yesterday that the political directorate misused the abundance of funds created by the oil boom.

"Our political directorate lost sight of our original goals of diversification and full employment and locked our economy into capital intensive, high cost, high technology and heavy industry complemented by large scale construction projects."

Meanwhile the rest of the economy was being progressively reduced to the level of a vast Development and Environmental Works Division (DEWD) programme, said Robinson in his address titled "Technology of Development".

"Agriculture including sugar, tourism, manufacturing, TELCO, WASA, BWIA, PTSC, the Port Authority, all were sent the way of DEWD," he told the audience.

On agriculture, Robinson said this sector suffers in big issues as well as small.

"On the one hand there is the failure to come to grips with the long-continuing and major issue of bankruptcy in sugar. On the other hand the farmers of Moruga, after years of frustration, are forced to bring their locusts in bags to Port of Spain and threaten to let them loose on the minister in order to get attention from the Ministry of Agriculture."

He also noted the problems of farmers and fishermen in Tobago.

"Tourism, more than any other industry, requires planned and orderly development, linkages with other sectors, education of and receptivity by the host population. With proper preparation it can bring substantial benefits to almost every sector of the national economy."

Looking at the manufacturing sector, Robinson added that this was little different from the tourism sector.

"Here a more positive policy has been pursued but without the export-orientation that is essential for continuing growth and expansion. The result is that this sector too is not only badly structured and underdeveloped but also hamstrung by bureaucratic clumsiness and inefficiencies."

CSO: 3298/617

31 May 1985

## TRINIDAD AND TOBAGO

## PRIME MINISTER ORDERS REVIEW OF NARCOTICS LEGISLATION

Port-of-Spain TRINIDAD GUARDIAN in English 24 Apr 85 p 3

[Text]

PRIME MINISTER George Chambers has instructed Attorney General and Minister of Legal Affairs, Senator Russel Martineau, to review legislation relating to narcotics. Senator Martineau revealed this when he addressed the Criminal Justice Conference organised by the Atlanta University Criminal Justice Institute, at the Holiday Inn, Port-of-Spain, on Monday night.

Senator Martineau said he had solicited the assistance of the Law Commission and he would be directing attention to the penalties contained in the narcotics control ordinance.

He said: "Any re-examination of the law must be concerned to see how far we can go without violating the border that separates human rights and fundamental freedoms from the right of our young to live healthy and safe lives."

"I am satisfied that a paramount consideration in dealing with this matter must be to demonstrate that crime must not pay. In this connection, consideration must be given to the forfeiture of ill-gotten gains through drug trafficking."

At the opening of the conference, addresses were given by former Justice Ulric Cross, Chairman of the Law Commission; Dr Charles Meredith, Chancellor of the Atlanta University Centre and Professor JD Smith of Criminal Justice Institute (CJI), Atlanta University. Master of ceremonies was Mr Thomas Dortch, Executive Director of the Board of CJI.

**DEAL WITH PUSHER**

Referring to illicit drugs, Senator Martineau said: "No problem now requires a more collaborative effort from our society — our courts, our churches, our schools, our family, our doctors, our social workers and our Government. Every institution must work towards total eradication of this problem, otherwise it will eradicate us."

"Our social services may, by and large, deal with the user, but our law enforcement agencies must deal with the pusher."

Senator Martineau said he welcomed the conference now, particularly since crime had attracted an

international dimension.

"Our proximity to the United States makes that country an important jurisdiction for us in the chain of international criminal activity — in exchange control offices, in drug offences, in terrorism, and in extradition proceedings."

"Some of us are afraid because of what has happened to us; others, because of what has happened to others; still others because of what we read. We just want to feel safe, and the desire so to feel, eludes us more and more. Crime, therefore, is indeed the business of us all."

#### A MORAL DUTY

Senator Martineau said that Trinidad and Tobago was in the process of revising its extradition laws. A Bill was already before Parliament.

"Under that Bill offences relating to narcotics, dangerous drugs and terrorism are extraditable.

"On the other hand, in keeping with the provisions of our Constitution, there is a general restriction

on extradition, where the offence for which extradition is sought is one which in our view would violate our principles of human rights and fundamental freedoms.

"Indeed, it is the business of all members of society to assist in prevention and detection of crime, and in the treatment of offenders and in the rehabilitation of victims. Those who can provide the social and economic opportunities to help mankind live productive and meaningful lives, have a civic and moral duty to do so."

He said too that those persons called upon to give evidence in criminal prosecutions had a civic and a moral duty to do so, for society's sake, for their own sake, for the victim's sake.

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TRINIDAD AND TOBAGO

POLICE COMPLICITY WITH DRUG DEALERS ALLEGED AT SEMINAR

Port-of-Spain TRINIDAD GUARDIAN in English 25 Apr 85 pp 1, 16

[Article by George Harvey]

[Text] Allegations that police personnel were in league with and/or turning a blind eye to "big shot" drug dealers were voiced at an anti-drug seminar in Port-of-Spain.

This has prompted the forum organisers--Club L'Ouverture--to take action in seeking out an agency of integrity to receive and deal with reports on suspected drug dealers.

Club official Rev Aaron Blache was chairman of the session on Tuesday night which dealt with "The role of the layman in the battle against drug abuse."

Accusation of police complicity in the illicit operations came at question time from the floor at the end of two addresses aimed at eradication of the current drug problem. The talks were delivered at the Legion Hall by Mrs Wilma Donald, Deputy Director of the Health Education Unit of the Ministry of Health, and Trinidad-born Rev Oliver Phillips, who had been engaged in counselling drug addicts in Washington.

Rev Blache pledged to support the club in finding alternative avenues to the police to report the activities of protected "big shot" drug operators.

Encourage People

I spoke to Rev Blache at the end of the seminar and asked for clarification on the matter and what move was intended.

He explained: "Some people said there was collaboration between big-shots who are importing illegal drugs and the police who are supposed to be law enforcers.

"I am saying we should attempt to find some agent or agency of integrity to encourage people to report anyone suspected of drug dealing. The club will be happy to make such an effort."

Q. Is this not pre-supposing that there is no one of integrity in the Police Service which is the main law enforcement agency? Why not report to the agency (the Police)?

A. Because comment was that the agency for making report is collaborating with the dealers.

Q. So you agree that this is so?

A. I am not saying I agree or disagree. I am saying that if that is the case, then we should find someone we can count on with integrity to whom these reports can be made.

He added: "If after a period of effort no attention is paid by the agencies to end whatever collaboration there might be...it might be necessary for people interested in ending drug abuse to take to the streets with placards."

Mrs. Donald also responded to comments that nothing was being done by the authorities to get "at the big-shots dealing in drugs."

She said that the national anti-drug abuse committee submitted recommendations for revising legislation.

"One of the strongest recommendations" was for confiscation of property as applied in certain parts of the world.

That is, she said, where you find a pedlar or importer of drugs, "the big-man" referred to — you do not fine him \$5,000. Enact legislation whereby whatever he possesses you are going to confiscate.

"It is felt this is a deterrent because a man with \$2 million does not mind paying \$100,000. If he knew he would lose all his possessions he is less likely to get involved."

Rev. Phillips, who has been in the US for 16 years, spoke of his experience as a counsellor to addicts and personal involvement in the drugs scene.

He said the problem of drug use and drug abuse should be tackled by the whole community. He advised parents to watch out for certain signs among their children that could give an indication that they were on drugs.

Some of the signals took in:

- Irritability (not able to stand in one place).
- Change of sleeping habits.
- Change of friends for unexplained reasons.
- New vocabulary with expression like "uppers" and "downers."
- Bloodshot eyes and use of sunglasses even at night and in the home.
- Change in eating habits.

He said with observance "you may be able to save your child before it is too late."

CSO: 3298/618

TRINIDAD AND TOBAGO

INCREASE IN COCAINE ADDICTS PUTS STRAIN ON HOSPITAL

Port-of-Spain SUNDAY GUARDIAN in English 28 Apr 85 pp 1, 19

[Article by George Harvey]

[Text] Rapid upsurge in the illicit use of cocaine is putting severe strain on the limited facilities of the Alcoholic Treatment Centre (ATC) at the St Ann's Hospital.

This was stated by psychiatrist Dr Peter Lewis, head of the centre, which treats alcohol and drug addicts.

He described the cocaine addiction situation as "very grave, very serious" and pointed out that from zero early last year the ATC was "now getting at least 15 new cases every month."

He said "there are many families in a lot of distress because a member of the family is on cocaine. The fact that the problem has come about so abruptly has put a strain on the existing resources. We are going to need to develop more resources to meet the people's needs."

The cocaine dependency problem in Trinidad and Tobago--unlike that of alcohol and marijuana--"is a relatively new problem."

The build-up of the "coke"-sniffing and free basing (smoking) habit among young people was such, Dr Lewis explained, "that up to two years ago, I never saw anybody with a cocaine problem at the centre. October last year was the first time that someone was admitted to the centre with a cocaine dependence problem."

Whole Situation

He added: "We started treating one or two people in October and for each month after no more than two or three a month...Now it is at least 15 a month."

The number of persons being treated was just a guide, he said, and did not reflect the whole addiction situation, "but it gives you some indication of the increase of the availability of the drug."

Some of the factors that emerged from an ongoing pilot project on the cocaine issue by the ATC:

--The bulk of addicts is in the 15-25 years of age group, though some are over 40 years.

--Price of a cocaine fix on the illicit market ranges from \$25 for a rock (for smoking) and \$50-\$100 for a straw (for inhaling).

--Some addicts are on a combination of "coke" and marijuana or "coke" and alcohol or mild tranquillisers.

Dr Lewis said that injection of the drug, known as shooting, "was not common here." He noted, however, that an extremely dangerous pattern was emerging in "pockets of users who are experimenting with injecting cocaine."

He warned that "this is an extremely dangerous thing because people die from cocaine seizure... You are much more likely to get an attack when you inject the drug."

"The danger here is that you do not know how much you are shooting in your veins. Worst of all you do not know what you are shooting up since pushers sometimes mix the drugs. The users are not sure they have bought pure cocaine, so they do not know what they are shooting."

Dr. Lewis expressed concern over the use of any kind of addictive drug, and pointed out that "cocaine is a tremendously destructive drug, much more destructive than marijuana in the immediate sense. Marijuana does not cause the immediate urgings and cravings that is caused by cocaine. Obviously, you should not use any of these drugs... still you have young people using both drugs."

Treatment at the centre embraces three stages:

- Detoxification — getting the person off the drug, sometimes with the use of tranquillisers to dampen the cravings.

- Rehabilitation — educating the addict about the drug and getting the patient to accept that he is an addict.

- Follow-up with clinical treatment and counselling.

Dr. Lewis said the treatment is over a three-week period as an in-patient and was somewhat similar to the treatment of alcoholics.

The follow-up service was the real start in that "it takes many months before a person can feel that he is back in charge of himself."

The psychiatrist stated that results have been encouraging "in that lots of people were able to recover. Even over the short period we have started, some have stopped using the drugs... they have become abstinent."

Dr. Lewis sees the necessity for an overall plan (which is being drawn up by the Ministry of Health) to combat the drugs menace on a nation-wide scale.

He said there were varying reasons why people go on drugs, and noted "all drug abuse patterns are affected by availability — and cocaine, marijuana, alcohol and tranquillisers are available."

One pleasing note is that "we have had no heroin cases so far."

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31 May 1985

## TRINIDAD AND TOBAGO

## VENEZUELA RENEGES ON ASPHALT DEAL; UNION REACTS

Port-of-Spain EXPRESS in English 25 Apr 85 p 3

[Text]

**CONTRACTORS and General Workers Trade Union leader Owen Hinds yesterday described as a serious blow to the Lake Asphalt Company of Trinidad and Tobago the cancellation of a \$12m contract to supply refined asphalt to a Venezuelan company.**

Hinds said that the deal would have put the La Brea-based asphalt company in a good financial position. On Tuesday, Lake Asphalt general manager Ainsley Nicholls disclosed that Venezuelan-based Corporacion Lubarca had cancelled its \$5m (U.S.) order for refined natural asphalt. The 25,000-tonne order was due to be sent to Spain and Portugal and not in-

tended for use in Venezuela.

The order was cancelled following public pressure brought on by critical press reports in Venezuela on the purchase. The Venezuelan press argued that the asphalt should have been supplied to Spain and Portugal by Venezuela instead of Trinidad and Tobago.

Hinds said that it was always the intention of the union to co-operate with the company in making the asphalt industry viable. He said the contract was a welcome sign when it was announced since the Minister of State Enterprises has been calling on Lake Asphalt to pay its way.

Hinds said the company must now explore

other markets for new contracts. He said the cancellation of the order had put the company "back to square one." He said the union would have to look again at its demand for increased wages for workers.

Said Hinds: "When the deal was announced we saw the means to have workers enjoy a better wage."

Opposition leader Basdeo Panday, on the other hand, while expressing sorrow at the loss of the contract, claimed that "in reality there was no contract at all in the first place." He said that "as usual the government made a premature disclosure of a deal which was never really a deal."

CSO: 3298/615

31 May 1985

## TRINIDAD AND TOBAGO

## BRIEFS

TRADE WITH DOMINICAN REPUBLIC--Port-of-Spain, April 22--A visiting two-man team from the Dominican Republic is discussing the prospects of trade and joint ventures with Trinidad and Tobago in fisheries and air and sea transport, the government here said today. The team, led by the director of the Division of Economic Affairs in the Foreign Affairs Ministry, Virgilio Gautreaux, met today with officials from this country's External Affairs Ministry. Later this week, the delegation will also meet with representatives from the Industry and Energy Ministries as well the management of the National Fisheries Company and representatives from the private sector. [Text] [FL231457 Bridgetown CANA in English 2208 GMT 22 Apr 85]

PLEA FOR PRESS FREEDOM--San Fernando barrister Ramesh Lawrence Maharaj yesterday called on the public to resist any move by government to muzzle the media through legislation. Maharaj made the comment during the launching of the Trinidad and Tobago Agricultural Congress newspaper, FARMERS' VOICE at the Rienzi Complex in Couva yesterday. He said it was clear that the government had intentions to increase the newspaper bond from \$1,000 to \$100,000. He said this move would "stifle free expression of every kind." Maharaj said that the recent statements by the government about the press bordered on what he termed "an unwarranted attack" on the freedom of the press. He said that a free press was essential to a free society. Maharaj said that the free press was perceived by politicians as a source of "annoyance and irritation." He said the alternative to a free press was one totally controlled by the state. Said Maharaj: "There seems to be a desire on the part of the government to have a well-behaved press. One that responds to the whims and fancies of the establishment. [Text] [Port-of-Spain EXPRESS in English 29 Apr 85 p 56]

AID FOR FARMERS--The committee set up by the Ministry of Agriculture, Lands and Fisheries to consider measures to assist farmers in the light of increased production of vegetables has decided on possible short and long term solutions. At a meeting yesterday chaired by Mr. Mannie Dookeran, Acting Permanent Secretary in the Ministry, one of the possible solutions suggested for the short term was the use of cold storage facilities both in the private and public sector. It was noted that the Central Marketing Agency (CMA) had just constructed a multi-million dollar cold storage building to be equipped with shelving and container facilities. It is anticipated that the facilities would allow the items to remain in acceptable condition for at least two and a half to three months during which time farmers could adjust their supply on the market.

to meet demand. Long term strategy decided on by the committee calls for: Improvement in the marketing system to provide farmers with adequate and diversified facilities for marketing their produce. The possibility of the establishment of a multi-purpose processing plant which would cater for a wide variety of fruits and vegetables. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 1 May 85 p 1]

COMMITMENT TO REGIONAL INTEGRATION--The Trinidad and Tobago Government remains committed to regional integration and co-operation. Mr John Donaldson, Minister of Labour, said this yesterday at the opening ceremony of the International Labour Organisation at Hilton to commemorate the 25th anniversary of the Employers Consultative Association. Recently, Mr Donaldson said all the countries regionally have been experiencing considerable financial difficulties which have affected the financial input of the respect governments in economic development in the region. "It means, therefore, that greater reliance must be placed on private sector contribution," he argued. "This will call for increased commitment, cohesiveness, and collaboration in forging regional economic development and integration. What all this means is that a greater obligation devolves upon an organisation such as yours--a regional body of Caribbean employers." Mr Donaldson noted that two main themes on the agenda of the roundtable discussion--Improvement of Industrial Safety and Health; and Wage Negotiations and Indexation--and said they were very topical issues in the region. The Government, Mr Donaldson said, considered safety and health in the work environment significant to industrial relations. The existing Factories Ordinance is inadequate in today's context, having regard to the extent of industrialisation of the economy which had taken place since that time. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 23 Apr 85 p 16]

AMMONIA PLANT--Trinidad is to get another ammonia plant, to be sited north of the existing plant at Point Lisas and it is to be built at a cost of US \$265 million (TT \$636m). Announcement of the proposed Tringen No 2 Plant was made yesterday by Mr Patrick Manning, Minister of Energy and Natural Resources, at a news conference. The plant will be a joint venture between Government and W.R. Grace. In answer to questions, Mr Manning said that for the establishment of the new plant, an independent study was done by the Minister of Energy on ammonia demand and another study was done jointly by the Ministry and Fertrin in 1983. In addition, W.R. Grace did its own study and then studies were done by consultants. All those studies indicated roughly the same thing--that there would be room in the near future for additional capacity on the world markets. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 23 Apr 85 p 16]

LOCAL GOVERNMENT REFORM--Opposition Leader Basdeo Panday and Lennox Sankarsingh, chairman of the Association of County Councils, have both called for reform in the whole structure of the Local Government. Sankarsingh further urged that the "Central Government should hand over to Local Government those functions which the county councils have a legal responsibility but no executive authority." Both men were at the time addressing participants of the St Patrick County Council awards ceremony recently held at Iere High School, Siparia. In his address, Sankarsingh called for the Central Government to hand over to the County Councils such programmes as (1) School feeding programme, (2) Construction and maintenance of community centres (3) maintenance of homes for the aged and (4) lighting of all roads and bridges other than the main roads and bridges. Panday in his turn said: "The success of the St Patrick County Council, taking into account the shortage of funds from the Central Government, is the best argument I can find for Local Government Reform. We should avoid the temptation to cut the County Councils in order to win votes, elections and seats. We need to introduce mechanisms to involve people in a more meaningful way in the day to day decision making that involve their lives." Panday also stressed the need for "education among our people in the counties, who do not seem to understand the powers and responsibilities of Local Government. People tend to believe that Local Government is responsible for the shortage of water, election, housing and jobs." [Text] [Port-of-Spain EXPRESS in English 25 Apr 85 p 3]

CSO: 3298/619

VENEZUELA

POLITICAL LEADERS VIEW CURRENT NICARAGUAN SITUATION

Caracas EL NACIONAL in Spanish 18 Apr 85 p D-8

[Article by Nelson Rodriguez A.]

[Text] The situation now existing in Nicaragua not only keeps Central and Latin American nations in a constant state of tension, but has captured the attention of world public opinion. If a war should break out in that country with the participation, either direct or concealed, of outside powers, the repercussions would go far beyond Nicaraguan borders. Political observers and activists attribute catastrophic consequences to such an event.

There is hope that the Contadora nations will be able to carry out their peace proposals and receive support enabling it to impose a dialogue instead of war, which would seem to be on the horizon following the proposal of President Ronald Reagan.

What is the real situation and the future of the sons of Sandino? What is the nature of the Central American crisis and its repercussions on the geopolitics of the American context? Why can Nicaraguans not carry out their political purposes? Is Nicaragua a brutal and dangerous totalitarian state as Washington observes? Why so many obstacles? On these and other issues, we spoke with Miguel Acosta Saignes, one of the most renowned social scientists and respected intellectuals in contemporary Venezuela, Carlos Canache Mata, head of the parliamentary group of the Democratic Action Party (AD), Fernando Alvarez Paz, head of the parliamentary group of the People's Election Movement, and Moises Moleiro, an important factor in the Movement of the Revolutionary Left.

Nicaragua Seeking Its Own Path

Miguel Acosta Saignes believes that Nicaragua is simply a country with a prolonged semi-colonial life that resolved to seek its own path in order to have a system created by the people. "The adjective 'totalitarian' is an abuse of the people's struggles of the dependent countries. It considers that the incredible courage with which the Sandinists fight is fed by the incredible and prolonged suffering experienced by the Central American countries brutally occupied so many times by the colonizers and imperialists."

He adds: The Nicaraguan people are not totalitarian because that description exists in history applied to Naziism and fascism. The whole world knows, he says, that the current government of the United States uses brutal semantics and an approach totally at odds with the principles contained in the UN Charter relating to national freedom to organize political, social and economic systems. What is brutal is that in the name of who knows what principles of freedom, an imperious neocolonizer claims to describe, not only the elections held, but also the procedures they wish to use for their national coexistence.

In answer to another of our questions, Acosta Saignes said: "Nicaragua is a nation trying to achieve its own purposes of solidarity and it is respectable because every day, every nation has the profound right of self-government. Perhaps one should recall that for the countries subjected to new colonization, there is now a situation similar to that lived by Venezuela, Colombia, Peru, Ecuador and Bolivia in the era of their independence. Anything relating to liberal doctrine was considered demonic and we now know who history proved was right. In the case of Central America, we have an area of the American world that never managed to reach the possibilities of life that opened up with the French Revolution, the freedom of the United States, the creation of Haiti in 1804 and the freedom of all Spanish America.

"Those extraordinary movements moved the world and in our time, following World War II, the universal crisis of capitalism has led to new holy alliances that not only repress the freedom of action of nations seeking their own kinds of freedom, but all thought signifying solidarity in the struggle against repressive empires. The Holy Alliance also used the accusation of subversive against the young countries fighting for their political freedom because they were expanding their ideals, and their approach is repeated on another scale of political, social and economic organizations with what happened in the first half of the 19th century, when historic right was, as it is now, on the side of the small nations fighting simply for the right to freely choose the paths they would take in their history."

Finally, we asked why the United States was so concerned about Nicaragua. After a series of historic reflections, Acosta Saignes said: "I do not think it is fair to say 'worried,' because that is a country profoundly divided into classes, economic sectors and opinion groups. No one can think that the 30 million Blacks discriminated against and oppressed in the United States are for an invasion of Nicaragua and no one can believe that the democratic sectors of that country support the purpose of completely controlling Central America, which is what is behind the threats of invasion and all the action taken against Nicaragua.

"I believe that the work and efforts of the Contadora group not only means the defense of Nicaragua, but the defense of all Central America and the defense of all those countries on our continent that would be deeply damaged by the absolute predominance of the Reagan Administration in Central America. Mexico would be on the tip of an imperialist pincers that a simple glimpse of the map reveals and a move from an occupation of Nicaragua, meaning Central America, that would without any doubt reach South America. I believe that

it is not only the people of our countries who are for the freedom of Nicaragua, but also a large part of the population of the United States, who fear another Vietnam and who support the real democratic principles that include the freedom of peoples to choose their system of government."

#### Reagan's Proposal

Carlos Canache Mata: "The Central American situation continues to be delicate and worrisome. The proposal of President Reagan has its positive and negative aspects. We can sum up the positive aspects in the summons to cease hostilities and move toward dialogue. These two aspects naturally deserve the support of all the democratic forces on the continent. But Reagan's purpose also has two negative aspects that cannot be left out: the requirement that they nullify the elections held in Nicaragua in December of last year and hold new ones and the deadline they want to impose on the Sandinist Government, which would have to respond within 60 days.

"Obviously, it is very hard to believe that the government would agree to declare nonexistent the elections in which the great majority of the people participated, forgetting about whatever observations might be made because of the fact that a very large and representative sector of public opinion did not participate in them. Furthermore, when they ask for a dialogue, it would seem that it is counterproductive to set for the government of a sovereign country a deadline for reaching agreements, under the threat that otherwise, an interventionist operation might be implemented or supported with greater enthusiasm."

"What would happen if there were an invasion?" we asked.

"A military attack on Nicaragua, whether overt or covert through mercenaries and signifying the overthrow by force of the current government of that country, would have enormous gravity and unpredictable consequences in the context of Latin American politics. As a result, because of the uncertain and difficult situation in Central America, not only because of the Nicaraguan problem but also the situation in El Salvador, Honduras and Guatemala, the efforts of the Contadora nations need and deserve greater support in order to achieve peace by peaceful means, meaning negotiation between the two sides. In this sense, there is still hope that an agreement can be reached based on the observations of certain countries regarding the Acta proposal for peace and cooperation in the region, a proposal presented to continental and world opinion by the foreign ministers of the Contadora countries. Outside of the Contadora group, bilateral negotiations would have less chance of success. Beyond the Contadora nations and bilateral negotiations, only open, total warfare is left.

#### Invasion Would Have Castastrophic Consequences

For the head of the parliamentary group of the People's Election Movement, Fernando Alvarez Paz, the situation in Nicaragua and Central America is very delicate.

"I believe," he said, "that Reagan's proposal is an open attempt by the President of the United States to justify a direct and far-reaching invasion of Nicaragua, which would have catastrophic consequences, not only for Central America and Latin America, but for the American people as well, who, let us note, are a profoundly democratic and libertarian community but whose current leadership does not intend to allow those fundamental human values extend to the underdeveloped peoples of Africa, Asia and Latin America.

"I believe that all Latin American movements, not only socialist, but social democratic and Christian democratic as well, along with the thousands of priests who follow the true doctrine of Christ based on love and justice and progressive businessmen and military men must prepare to extend direct and indirect aid to the Nicaraguan people if the attack by Reagan and his hawks comes."

#### More Direct Action by Contadora

In answer to another one of our questions, the leader of the People's Election Movement said that "we Latin Americans cannot accept a position different from that previously outlined by virtue of the fact that justice and freedom are in the essence of the thought of Bolivar, Marti and Sandino. We also believe that the Contadora group must outline new forms of more direct support for the Nicaraguan people since they have paid for their revolution with much blood and sacrifice. For us, it is obvious that that cause of that struggle is neither communism, Castroism nor the Soviet Union, but rather, the hunger and poverty that for over a century was imposed by the dictators of the right, directly supported by the government in Washington. The last of these was Somoza, remembered for his cruelty and corruption. The poverty and tyranny are the real cause of the rebellion of the Nicaraguan and Central American people. Their revolutionary response is the consequence and the support of Cuba and the USSR are more understandable, even though it is obvious that the great world power which the United States is mistakenly wants to destroy them. This pushes the Sandinists to seek other powerful allies such as Cuba and the USSR, for it is the first duty of a revolution to fight for the people and thus guarantee their survival."

#### Tolerant

Moises Moleiro of the MIR said the following:

"In this affair, the only totalitarian and brutal element is the Reagan policy. All manner of requirements and great pressure have been imposed on the Nicaraguan people and on more than one occasion, great inflexibility has been demonstrated. They were asked to call for pluralist elections and they did so. They were asked to tolerate the operation of the opposition and not only have they tolerated it, but allowed it to develop in complete freedom. They were later asked to advance the date of the election, which they did. People from the entire Venezuelan political spectrum witnessed the elections and guaranteed that they were proper. The Sandinist Government is not to blame if one Arturo Cruz refused to participate in them, obeying American orders and even ignoring the counsel of his own friends. After all these

facts, Reagan comes forth with a curious peace proposal in one hand and threatening war with the other, implying intervention in the internal affairs of Nicaragua. The intention of that proposal now appears to be more transparent than ever. It is a diversionist maneuver to constitute aggression. And yet, in the midst of all these difficulties, the Nicaraguan people maintain a democratic state and the proposal of a humanist revolution that respects and consolidates freedoms.

"Ducking the Contadora group, engaging in maneuvers and attacking a small country on the pretext that the security of the United States is in danger, Reagan clearly reveals that he is more interested than anyone in ensuring that there be no democracy in Nicaragua. In a typical move of imperial policy, he cannot tolerate that the people decide their own fate in the midst of the most absolute democratic legitimacy. While all this is happening, a special envoy of Reagan congratulated Pinochet for having defeated a regime elected by the people, removing all doubt about the obvious American purposes.

"Direct or indirect intervention, the intention of starting war and the treatment of Latin American countries as lackeys are once again revealed as a constant factor in Washington's policy, to the absolute scorn of world public opinion.

"Any invasion of Nicaragua will start an upheaval in Latin America and American public opinion. If those insane plans of Reagan are carried out, there may be another Vietnam in Central America and we all know how such Vietnams come out: with the defeat of the aggressors."

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VENEZUELA

CARLOS ANDRES PEREZ ON PRESIDENT REAGAN'S PEACE PLAN

Caracas EL NACIONAL in Spanish 10 Apr 85 p D-1

[Article by Leopoldo Linares]

[Text] Former president Carlos Andres Perez feels that there are positive aspects to President Reagan's proposal that the Sandinist Government in Nicaragua should accept, not flatly reject. The Social Democratic leader also advocates putting this mediation effort within the framework of the Contadora Group.

Perez received this reporter in the offices that he is entitled to as a senator for life in the National Congress's administrative building, and he agreed to comment on several issues in international politics, in particular the delicate situation in Central America and President Reagan's recent proposal for peace in the region. The former president first noted that next weekend he would be traveling to New York to speak the following Monday on Central America at a forum entitled "The Influence of Vietnam on American Policy," which will be attended by prominent Western figures, including former U.S. Secretary of State Henry Kissinger. Perez will then head for Europe to attend the meeting that the leaders of the Socialist International will be holding in Brussels as of the 16th of this month.

This reporter asked him whether he might attend the meeting of former Latin American presidents in Madrid from the 22nd to the 27th of this month. Perez reported that he would be unable to attend the gathering because of his many previous commitments in Venezuela and overseas. The conference to be staged in the Spanish capital was organized by former Prime Minister Adolfo Suarez and could well be attended by some 30 former presidents of Latin American countries; its purpose is to analyze all of the region's problems.

The Reagan Proposal

"The proposal that President Reagan made in remarks on 4 April," Perez began, "is based on the document drafted by a group of Nicaraguans headed by Arturo Cruz, Alfonso Robelo, Adolfo Calero and Pedro Joaquin Chamorro junior; they had sent the document, dated 1 March 1985, to the Sandinist Junta."

"I would begin by saying," he continued, "that I feel more disheartened every day by the growing complexity of the Central American problem and by a mounting fear that it will eventually result in a regional conflict. I say this because the proposals that have been put forth contain very positive aspects but have the sort of strings attached that make it impossible for the Sandinist Government to accept them. By the same token, we can say that the Sandinists' proposals have the sort of strings attached that the other side cannot accept. In other words, there is a real vicious circle in which it would seem that the two sides are convinced that there is no peaceful solution, that the only solution will be a violent one."

After showing this reporter both the Reagan proposal of 4 April and the document of the Nicaraguan group headed by Arturo Cruz, Perez responded specifically to our question:

"The Reagan proposal does, in fact, have a very positive aspect to it; namely, in calling for a dialogue, it offers to help and urges an immediate cease-fire between the antagonists, that is to say, the Sandinist movement and the so-called 'contras.' This is a highly positive aspect, first because it calls for a dialogue and, second, because it calls on both sides to suspend the hostilities. This, then, is the outstanding aspect of the Reagan proposal, and it deserves our support. Right away, though, he attaches strings. First of all, he sets a deadline of 30 July, and if talks have not resolved anything by that time, then President Reagan unilaterally acquires some sort of right to take armed action by helping the contras."

And what do you think of this part of the proposal?

"It is inadmissible. Under international law it is a clear-cut and flagrant violation of the principles of mutual respect and nonintervention that govern relations between nations."

What other negative side do you see in the American president's proposal?

"Well, he not only calls for a dialogue but says specifically what this dialogue has to include. Under his proposal, it has to entail an immediate call for elections. This even goes beyond the proposal that the opposition headed by Cruz, Calero and Robelo made to the Sandinist Government, in which they call for a plebiscite on whether Commander Daniel Ortega should remain as president of the Nicaraguan Government. So then, President Reagan's proposal goes much farther..."

How would you describe the Sandinists' reaction to the U.S. proposal?

"I think that the Sandinists are being just as stubborn and inflexible as the other side in flatly rejecting a dialogue without making a counterproposal. I think that the Sandinists ought to accept the offer of the Nicaraguan Bishops Conference to serve as an arbitrator or mediator in a dialogue, if they really want a negotiated settlement, a peaceful settlement of the tragic conflict in Nicaragua and Central America."

"Now then," Perez went on to say, "it does not seem like a good idea for one side to impose the terms and conclusions of the dialogue, because this is an attempt to put a straight-jacket on the Sandinist regime.

"So then," former President Perez concluded, "I unfortunately feel that as Tip O'Neill said, this might be a ploy to score points with the American public to get Congress to approve the \$14 million in aid for the contras. By the same token, though, I feel that if the Sandinists flatly refuse to consider President Reagan's proposal for a dialogue with the mediation of the bishops, they too are helping to make a military solution in Central America unavoidable."

In the judgment of the former president, Reagan's proposal "would have to be transferred to the framework of the Contadora Group so that this Latin American organization can continue to coordinate peaceful, democratic solutions for the region."

Perez summarized his position as follows: 1) There are positive aspects to President Reagan's proposal, and the Sandinist movement ought to accept, not flatly reject them; 2) The proposed dialogue should be open and have no strings attached; 3) The dialogue should not be under the threat of continued armed action against the Sandinist Government; and 4) The mediation proposal should be put under the Contadora Group.

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VENEZUELA

ALVAREZ PAZ ON REAGAN'S AID REQUEST FOR ANTI-SANDINISTAS

Caracas EL NACIONAL in Spanish 18 Apr 85 p D-8

[Article by Alba Sanchez]

[Text] "The President of the United States has resources and possibilities in his hands not amounting to \$14 million, but however many millions he wants," says Oswaldo Alvarez Paz, chairman of the Chamber of Deputies Foreign Policy Committee, in commenting on Reagan's request to Congress for funds to help the Contras.

"It is a question -- and this should come as a surprise to no one -- of seeking the political backing of the American Congress to use resources which that same Congress has already approved as part of the budget to support and aid the armed resistance to Nicaragua. What he is seeking is agreement on the use to be made of money he already has," he continued.

Alvarez Paz also emphasized that the approval of the Senate is not the only way the President of the United States has to obtain the money legally.

"His shrewdness consists of going through Congress in order to involve the American political forces in his action."

He added that it is a fact that the position of the government of the United States is definitely against the Sandinist Government and in support of opposition to that regime.

"The opposition is divided into three areas: internal opposition, which we shall call democratic, organized into parties, institutions or mere individuals with direct physical access to Nicaragua. Second is democratic exile and third is the armed resistance. The government of the United States is trying to unify them, successfully given the meeting held by representatives of the three sectors in San Jose, Costa Rica, which now echoes his proposal for dialogue and peace."

Alvarez Paz also considers it a very grave mistake that the Sandinists have rejected the proposal outright, "for they are demonstrating a worrisome immaturity when the demand of all sectors on the continent is the initiation of a dialogue between the opposing sides in order to seek peace.

"If this was good for El Salvador and worked in Colombia, where, let us say in passing, the circumstances were perhaps less compelling, then it is unacceptable that the government of Nicaragua should try to ignore the existence of 15,000 Nicaraguans in arms within their own territory and tens of thousands of exiles actively working against it, not to mention the internal opposition which has no less a figure than the Catholic Church and Monsignor Obando as natural leaders of that opposition."

He believes that if Reagan's proposal had unacceptable points for anyone claiming to defend the sovereignty of a nation, "then they should say so and reject those aspects."

"But engaging in dialogue does not mean backing down," he said.

"And what about the Contadora nations?"

"I believe that any move toward dialogue of that group, especially if it is carried out, helps the objectives of the Contadora group. I believe in the Contadora, although I do not like the low profile it is now keeping. I am concerned that it does not use the forces it has in its hands, which are more than a moral force. Nor do I believe that we must act with infantile and immature jealousy concerning moves or concrete action originating in governments of countries not belonging to the Contadora group."

In short, Alvarez Paz says that Reagan's proposal has positive aspects that should be considered by Sandinism.

"The aspects which the Nicaraguan Government deems unsuitable were perfectly rejectable. I support dialogue and I believe that that government is obliged, more than any other on this continent, to fulfill the commitments it assumed in the OAS after the overthrow of Somoza. It rejected the condemnation of the opposition as the remnants of Somocism."

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