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# Latin America Report

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7 November 1985

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INTER-AMERICAN AFFAIRS

IAPA 'EXPRESSES CONCERN' OVER PRESSURE ON MEDIA

PA181438 Hamburg DPA in Spanish 2122 GMT 16 Oct 85

[Text] Cartagena, Colombia, 16 Oct (DPA)--The IAPA has expressed in Cartagena its concern over state interference in the news media of various countries of the continent and announced a study of the subject.

During yesterday's meeting of the Commission for the Freedom of the Press, specific instances of government pressure of various types on the news media were reported, and it was said that it is necessary to stop this occurrence, for the good of democracy and freedom of expression.

The commission's president Argentine Raul Kraiselburd, said there are clear evidences of discrimination in the distribution of state propaganda in the Dominican Republic, Ecuador, El Salvador, and some provinces in Argentina and that this occurs in an ever-growing number of countries.

He indicated: "We must take into consideration that this subject is important in Latin America because states own industries, auto-manufacturing plants, alcoholic beverage plants, and oil industries. For this reason, the states' interference in the publicity market is really important and meaningful. Therefore, if a government wants to politically use this publicity to favor or penalize newspapers and radio and television stations, this can become a very important instrument for pressure and intimidation."

He then indicated it is clear that the IAPA must consider the subject and the methods to be used so that official propaganda can be fairly distributed in Latin American states.

During the IAPA meetings in Cartagena, alleged state interferences in news media were reported, such as in Colombia, and IAPA spokesmen pointed out to DPA that these interferences will be considered by the organization. According to Kraiselburd, there is definitely no freedom of the press in Cuba, Haiti, Nicaragua, Chile, Paraguay, or Guyana, and he warned of various other problems related to freedom of expression in nearly all Latin American countries.

The Argentine journalist said: "Anyway, the struggle for the freedom of the press never ends in any country. Peoples want to move forward, they want to

be informed of what is going on, they want to know what the governments do and what decisions they make. Naturally, there is a contradiction between this and the leaders' desire to have a wider opportunity for decision."

Kraiselburd pointed out that the treatment of information related to terrorism, drug trafficking, and subversion has always worried the IAPA. He also said that panels have been formed in the past to discuss this and announced that the IAPA board of directors has brought this up in Cartagena.

Jon R. Thomas, U.S. assistant secretary for international narcotics matters, and Enrique Parejo Gonzalez, Colombian justice minister, will speak about drug traffic at the IAPA meeting tomorrow.

In addition, reports on the freedom of the press in Argentina and Mexico have already been submitted, and problems in these two countries have been stressed.

According to Carlos Lagos, regional vice president of the IAPA Freedom of the Press and Information Commission for Argentina, no significant progress in matters of information and press has been observed in his country.

Lagos said: "This is true, not only because publications have continued to be censored according to an article in the radio broadcasting law, but also because high and unconstitutional tariffs on paper and other basic supplies for papers have been applied."

He added that the bills on the right to rebuttal are aimed at restricting through regulation the freedom of the press and imposing censorship. This can later become an efficient method for self-censorship and to curtail the people's right to be informed and the duty of the press to inform the people.

Regarding Mexico, Kraiselburd said that two problems have been identified:

1. The state has monopolized the import, manufacture, and distribution of paper. This could mean that the state can determine who buys the paper and under what terms.
2. Those responsible for previous attacks on two newspapers have not been identified.

He also described as a worrisome problem the way in which the state regulates private commercial publicity, subjecting it to government secretariat's decisions.

Analyzing the case of Colombia, the Argentine representative said that murders of journalists that occurred a long time ago still have not been clarified. He stated: "The IAPA has pointed out the existence of an identification card necessary to be able to work as a journalist. In general, there are some other problems that have been brought up and that will be analyzed by the organization."

INTER-AMERICAN AFFAIRS

CARIBBEAN SECURITY SYSTEM OFFICER COMMENTS ON 'EXOTIC PALM'

Bridgetown BARBADOS ADVOCATE in English 13 Sep 85 p 1

[Text]

If all goes well, the Regional Security System (RSS) would become the first line of defence in any Caribbean insurgency problem, Brigadier Rudyard Lewis, coordinator of the RSS said yesterday.

"We may not necessarily get into a combat situation," he said. "It depends on the assessment of the threat. If we feel, in assessing the threat, that we can deal with it, we would go ahead, but if we feel that we cannot deal with it, then we would ask for assistance from the beginning, or at any stage in the action."

Asked to comment on the decision of St. Vincent and the Grenadines not to participate in operation "Exotic Palm" Brigadier Lewis said: "The non-participation of St. Vincent is well within the terms of the Memorandum of Understanding. The Memorandum makes provision for one or more of the Governments not to participate in an operation or in training at any time. They may have their own pressures, their own reasons, for not doing so at

any time, and the whole thing caters for that."

Asked if Trinidad and Tobago would be invited to take part in putting down any real insurgency problem in the region although the twin-island republic is not part of the Regional Security System, Brigadier Lewis said: "I really can't answer that one. That is one for my political masters to deal with (but) I believe that they would be welcome. Trinidad and Tobago have sent three observers to operation "Exotic Palm" — Major Hugh Vidal, Captain Dave Williams, and Lt. Commander Anthony Franklin.

The Brigadier was asked if, under its current structure, the Memorandum of Understanding would allow RSS forces to enter a member country which had undergone a revolution if no help was requested. What would happen if a country was very happy with its new Revolutionary Military Council? Would regional forces be able to go in?

"That's an interesting question," said Brigadier Lewis.

CSO: 3298/043

INTER-AMERICAN AFFAIRS

CARIBBEAN LABOUR CONGRESS STATES POLICY POSITIONS

Criticism of Government Decisions

Nassau THE TRIBUNE in English 27 Sep 85 p 4

[Article by Anthony Forbes]

[Text]

THE Caribbean Congress of Labour condemned regional governments during its recent 25th anniversary celebrations in Grenada for making policy decisions to implement structural adjustments and economic programmes without consulting the labour leaders of the Caribbean.

In a telegram to British Prime Minister Margaret Thatcher, the CCL also condemned "in the strongest possible terms" Britain's vetoing of the European Community's sanctions against South Africa, charging that it portrays Britain as an "active supporter and collaborator" of the racist regime.

The CCL, of which Bahamas Trade Union Congress Secretary General Leonard Archer is president, held its anniversary celebrations on Saturday, September 14, in St Georges, Grenada, where it was formed 25 years ago.

During the week of activities leading up to the anniversary celebrations, the CCL's General Council met and two items of topical interest, the Nassau Understanding and the Barbados Accord, and South Africa, were among the matters discussed.

Following the meeting, the Council issued a statement condemning regional governments for making policy

decisions without consulting the labour leaders of the Caribbean.

The statement said that the General Council, meeting on September 9 and 10, considered the effects of the Nassau Understanding and the Barbados Accord on the working people in the Caribbean region and recognised the serious consequences that the implementation of these decisions will have for workers in the Caribbean.

The Nassau Understanding and the Barbados Accord are the two communiqués issued by Caribbean Heads of Governments following their summits in the Bahamas and Barbados in 1984 and 1985 respectively.

The CCL "deplored the non-involvement of and consultation with the labour movement and/or national trade unions and/or the Caribbean Congress of Labour, all organizations which are committed to ensuring that the interest of workers are taken into account when far reaching decisions likely to affect their well-being, welfare, and livelihood are being made."

The CCL also expressed its "condemnation of regional governments for taking decisions affecting workers in the region without consulting regional and/or national trade unions on the methods to be

adopted to implement structural adjustments, and the implementation of economic programmes."

The CCL said it "undertook the investigation of and the continued research into the effects of the proposed structural adjustment programmes and to develop a regional labour response to deal with the real or perceived economic conditions in the region."

On the South African question, the Council passed a resolution condemning apartheid and calling on its affiliates to mount public campaigns to raise money to assist South African blacks, victims of apartheid, and to arouse public opposition to the racist regime.

In the resolution, the CCL said that it has always opposed racism and discrimination in any form and that the policy of apartheid in South Africa offends accepted standards of decency and human dignity, resulting in untold suffering and loss of life among the black population of South Africa.

The CCL said that the international labour movement has succeeded in bringing international pressure to bear on South Africa and is persuading governments to take sanctions against the minority white racist government in Pretoria.

7 November 1985

"Be it resolved that this conference of the General Council of the Caribbean Congress of Labour meeting in Grenada on the 25th anniversary of its founding expresses its condemnation and outrage at the policy of apartheid and reiterates its demand for an immediate end to apartheid and the state of emergency in South Africa," the CCL said.

It called on "all countries to initiate economic and other sanctions and to implement a trade embargo against South Africa to persuade the Pretoria Government to discontinue its apartheid policy and acts of genocide so that a free, democratic and just state can be established."

It further urged affiliates to organise campaigns among the rank and file members to raise funds to assist those who are engaged in South Africa in the struggle for an end to apartheid and direct the funds to the International Confederation of Free Trade Unions (ICFTU) South Africa Coordinating Committee, run with the involvement of South African Black Trade Union Leaders.

In addition, the CCL requested affiliates to initiate

local activity such as prayer vigils, demonstrations, boycotts of goods which come from, and institutions which deal with South Africa in order to further activate the population on the issues of apartheid.

The Council also sent a telegram to Prime Minister Margaret Thatcher of Great Britain, when it learned that Britain had vetoed the European Community's sanctions against South Africa.

"The General Council of the CCL meeting in Grenada, condemns in the strongest possible terms the action of your Government in vetoing the EEC countries sanctions against the racist regime in South Africa," the CCL telegram to Mrs Thatcher said.

"Such action portrays your Government as an active supporter and collaborator of the racist regime in Pretoria," the CCL added. "We call on your Government to reverse this decision and to actively support the sanctions against South Africa."

According to the CCL, copies of the telegram will be sent to all Caribbean Prime Ministers.

On Wednesday and Thursday, a seminar on current issues confronting the labour move-

ment was held, followed on Friday by the beginning of the 25th anniversary celebrations with a reception for the visiting delegates and specially invited guests.

On Saturday morning, a short divine service was conducted by the Anglican Bishop of Grenada followed by a Special Award ceremony at which special anniversary trophies were presented to past presidents and secretary-treasurers of CCL.

Guest speaker for the occasion was Dr Francis Alexis, Minister of Labour in Grenada, who announced that in commemoration of CCL's 25th anniversary, the Grenada Government would ratify ILO Conventions number 87 on Freedom of Association and Protection to organize, and number 98 on the Right to Organize and Collective Bargaining.

Dr Alexis also agreed to consider the ratification of Convention number 140 on paid Educational Leave.

Also during the week, the Minister of Education in Grenada arranged for visiting delegates to address the sixth form students of Grenada's high schools.

### Archer on Nassau Understanding

Nassau THE TRIBUNE in English 27 Sep 85 p 4

[Text]

ST GEORGE'S, GRENADA, Sept 23 (CANA) — The President of the Caribbean Congress of Labour (CCL), Leonard Archer, has called on Caribbean Community (Caricom) governments to review a 1984 accord aimed at boosting regional trade.

Archer made the call against the backdrop of the failure of four Caricom countries — Trinidad and Tobago, Antigua and Barbuda, Belize and St Lucia — to meet the August 31 final implementation deadline.

The accord, called the Nassau Understanding, calls on Caricom member states to reduce the barriers to intra-

regional trade and to increase rates of duty on specific items imported from third countries.

Archer stated that the trade union movement in the Caribbean feels the Nassau Understanding makes some assumptions which do not bear out the reality of present day life in the region.

They feel it is trying to apply solutions worked out in the metropolitan countries for small, poor and open economies, he added.

"The fact that some governments have not implemented them to our view is a good thing. In fact, we wish none of the governments would imple-

ment them because we don't see them as being the solutions to the problems," he said.

The CCI President was particularly critical of what he said was the recommendation in the Nassau Understanding for wage increase to be moderated on the assumption that if trade unions ask for less money there would be more money to spend on other things.

"If that money that the trade unions are going to give up is going to be spent on imports then the society, I think, would be the loser," the Bahamian-born Archer said.

He stressed that this move would not affect the cost of

goods imported into the region since nothing that "we do in the Caribbean will affect the price of a Ford (car) produced in the United States or a Toyota (car) made in Japan."

He added: "By reducing the earnings of the workers in the region, we'll be shrinking the local market, which means that the government's tax base is going to shrink, which means that they are going to have less money to do the things that they want to do."

He called for a new accord to boost regional trade, saying the CCL, which groups several regional unions, should be involved in the discussions to formulate it.

This new document should lead to the "economic and

political development of the Caribbean", he said.

Asked what he felt should be included in the accord, the CCL boss said the labour movement intends to have an economic conference of trade unions early next year in which considerable attention would be given to the possible measures needed to boost regional trade.

"... I would rather wait until we have finalised our positions on any number of areas before suggesting what might go into that document," he remarked.

"Also our meeting would be (held) before the next heads of government meeting (in Guyana) I believe, and therefore, we would be able to present that to the governments for their consideration."

CSO: 3298/043

INTER-AMERICAN AFFAIRS

TIM HECTOR'S ANALYSIS OF GUYANA POLITICS CRITIQUED

St Johns THE WORKERS VOICE in English 11 Sep 85 pp 1, 6

[Article: "Tilting at Windmills: The Utopian Left and Guyanese Socialism. Guyana Forum replies to Tim Hector's article entitled 'Socialism or Barbarism.'" Although unsigned, the article carries with it a photograph captioned "Paul Tennessee, president of the Democratic Labour Movement." The "Guyana Forum" cited in the headline is not further identified.]

[Text]

In the Newsletter "*Fan the Flame*," of March 8, 1985, Tim Hector, a Caribbean political personality of some sort, ventured some comments on, and prescriptions for, the Guyanese political dilemma. He also "mistook" the opportunity to reply to a *Caribbean Contact* article purportedly written by Clive Thomas. In summary, Hector noted and argued the following:

- (1) He approvingly quoted Cheddi Jagan to the effect that the PPP is still "a mighty force to be reckoned with." He attributed equal credibility to Forbes Burnham's boast that "thousands upon thousands of workers" attended the recent May Day parade. Based on this, he argues for the formulation of a national program involving the PPP, PNC and WPA aimed at "reclaiming their (the Guyanese people's) destiny from the IMF" and at the same time, advancing socialism in Guyana and the Caribbean, which would "impact on Africa and India and save human kind."

- (2) In the spirit of the above, Hector denounced as "ungrounded and unfounded speculation" Clive Thomas' claim that neither party enjoys mass support. He portrays Thomas as a "renegade" (reminiscent of Lenin's attack on Kautsky's "ultra imperialism, though history has proved Kautsky more correct), for opposing the unity talks and for criticizing Cuba, and lamented that Thomas, "a professed anti-imperialist," is now "delighted at Reagan driving the nails in the coffin of doom for Guyana."

To anyone even faintly conversant with Guyanese politics the absurdity of Hector's analysis is such as to raise serious questions about his perception, predispositions and even his Marxist credentials. Hector's observations on the popularity of the PNC and PPP, and the possibilities of a socialist program as he construes it, illustrates these weaknesses.

First, he confuses political rhetoric for reality. To those who know Guyanese politics, Burnham's machinations no

longer serve to mystify. The "thousands upon thousands" of people who attended the Labour Day parade would consist, in fact, of workers blackmailed by the fear of losing their jobs, and more importantly, of "rented crowds" made up of military personnel and paid thugs who, mingling with the workers, actually delight in policing the working class.

While much of the "support" attributed to Burnham disappears under this critical scrutiny, that of the PPP is also open to some questioning. For, it must be remembered, the policy of critical support enunciated by the PPP in the mid-70's led to the alienation of large segments of traditional support. Walter Rodney was therefore abundantly clear about this when he talked of a process of neutralization of the people vis-a-vis traditional leadership.

Secondly, and more seriously, the nature of Hector's political prescription for socialist advance, fly in the face of recent experiences and also reveal unbridgeable gaps in theory. While it is clear that the PPP would be inclined toward a 3-party coalition, the same should not be as easily assumed for the WPA. For, the same Walter Rodney, on whom Hector correctly lavishes praise and respect was under no illusion that the immediate struggle in Guyana was against the PNC dictatorship, since this constituted the most important obstacle to whatever course Guyana may be guided along. Why, now, one should prescribe collaboration with the dictatorship? Incidentally, this was the same Tim Hector, who, at Rodney's graveside, shouted defiance at the dictatorship. **Who has changed — Hector or Burnham?**

Now let's turn to theory, especially socialist theory which Hector seems to lay claim to. He recognizes that the lower middle-class nationalized the state as Capital, with the workers opposed as labour. But arguing that Capital-labour struggle would take the form of a race war, he advises that the PPP and the "progressive wing" of the WPA should

"make Burnham realize that what is at stake in Guyana is not power but advancement of socialism." How does one "make Burnham realize?" — by hypnosis? Would a class agree to commit revolutionary suicide for the cause of the greater good? Hector's idealism is shocking and his voluntarism reprehensible by the very fundamental tenets of the socialist framework he purports to use.

Then, there is the concept of "socialism by negotiation" which he seems to embrace. Here, history comes to a standstill and the class struggle evaporates! Moreover, this prescription is redolent of the dictatorship for the proletariat which, history has testified, soon degenerates into bureaucratic elitism and commandism. But Hector prefers to phantasmize.

The reasoning behind this prescription of socialism by negotiation is also interesting. Hector sets up an initial dichotomy — socialism or race war, no one wants a race war, so socialism is the answer; socialism cannot be "won" so it must be negotiated. The initial dichotomy is somewhat popular (reminiscent of the PPP's *ex post* justification for its critical support), but, alas, also entirely fallacious. For, it ignores another alternative — the constant imperative to organize the peoples of Guyana against an anti-democratic, anti-working class regime. Hector prefers to derail this imperative, in the search for his phantasm.

The other concern of Hector's was to polemicize against views supposedly advanced by Clive Y. Thomas, whom he characterizes as "a leader of the right social democratic wing" of the WPA. Clive Thomas does not need a defense, at least not from someone else. What concerns us here, however, is Hector's **plan of attack** which, by a not surprising slight of logic, assumes that if one **warns** of the possibility of US intervention in Guyana, one is ipso facto **advocating** this; if one criticizes a socialist country, then one is pro-im-

perialist. This polemical strategy, popularized in Guyana by the PPP, suggests two frightening arguments.

**First**, is the implication that socialism should have no room for critical appraisal and enquiry; the left should applaud anything that resembles socialism and it will self-purify; to do otherwise is pro-imperialist. Little surprise that these "socialists" are unconcerned that a major credibility problem faces "socialism" in the area of individual freedom. Those whose paradigm rests only on a socialist-imperialist dichotomy that derails internal criticism, ironically liquidate the very condition that could guarantee their "socialism" — human freedom and creativity (maybe these are imperialist concepts!).

**Second**, is the implication that the use of "blacklisted" categories for critics can substitute for reasoned argumentation. Thus, labeling someone "Reaganite" dispenses with the need to address his/her ideas and arguments. This reflects the depths of desperation, which many self-styled leftists take refuge in.

It is, however, really a tragic symptom of the terminal stage of intellectual bankruptcy.

CSO: 3298/043

INTER-AMERICAN AFFAIRS

DOMINICAN TRADE MISSION CONCLUDES TALKS IN PORT-OF-SPAIN

Port-of-Spain TRINIDAD GUARDIAN in English 12 Oct 85 p 1

[Article by Jerry Johnson]

[Text]

AN EIGHT-MEMBER Dominica trade mission wrapped up talks yesterday by asking Trinidad and Tobago not to increase its trade volume but to shift the emphasis to within Caricom, in this particular instance, Dominica.

In other words, Mr. Charles Maynard, Dominican Minister of Agriculture, Trade and Industry and Tourism pointed out, if Trinidad and Tobago's imports at present stood at 50 per cent within the region and an indential figure extraregionally, the Dominican Government is asking for 60 per cent trade regionally.

Mr. Maynard, along with his team, arrived Tuesday and held discussions with the Ministry of Industry and Commerce, Central Bank, the Industrial Development Corporation, the Export Development Corporation, the Manufacturers' Association, and the Chamber of Industry and Commerce.

The visit was inspired by an earlier one in February when a delegation came to examine the problems of trade and how they could be sorted out. The Dominicans returned to find out what progress was made.

TALKS CORDIAL

The biggest drawback to trade between the two countries, Mr. Maynard said was the EC-0, a mechanism devised by Government to assist in managing the economy effectively. The Trade Minister pointed out while licenses were granted for local importers, they received overall only about 25 per cent in EC-0's.

For example, licences for soap were granted to the tune of \$4 million, but only a quarter of that in EC-0.

"Our soap is competitive," Mr. Maynard argued. "The quality is good and there is no difficulty with price."

Mr. Maynard seemed disturbed that while Dominica produces mineral water which is sold at \$3.36, Trinidad and Tobago is importing the same product extraregionally and selling at twice the price.

Candles was another item, Mr. Maynard said, that could be sold here, but he saw problems with regard to garments because of Trinidad and Tobago's policy on garments. Still Dominica was simply interested in exporting men's underwear.

The Dominican Trade Minister said he received assurances from the Ministry with regard to produce but only when it was not in season locally. Talks, he said further, with his Trinidad counterpart were cordial and he seemed encouraged that this country would take steps at least to reduce the surplus that remains in this country's favour.

Mr. Maynard said it must be noted that there was no restriction on goods moving from Trinidad and Tobago to Caricom. He said he was aware that traditionally the people of the region have had a preference for metropolitan goods and that could not be legislated away overnight. But Dominica had a strong preference and commitment to buying Caricom.

INTER-AMERICAN AFFAIRS

BRIEFS

DOUGLAS, HECTOR AT ODLUM FETE--Dominica's Opposition Leader Mike Douglas and Antigua's A.C.L.M. Chairman Tim Hector will be Guests of Honour at a Progressive Labour Party Fund raising Dinner to be held tonight at Marigot Bay. The two prominent Opposition figures will be guests of Party Leader George Odium at tonight's "get-together". [Text] [Castries CRUSADER in English 21 Sep 85 p 10]

CSO: 3298/043

BARBADOS

PPM FOUNDER ERIC SEALY DISCUSSES POLITICAL SCENE

Bridgetown SUNDAY SUN in English 15 Sep 85 pp 31, 33

[Text] Last month, Eric Sealy celebrated his 60th birthday. Founder of the People's Pressure Movement, Eric Sealy has been at the centre of every political issue and election in Barbados for the past 30 years.

In this interview with Harold Hoyte, Eric Sealy discusses his life and answers critics who accuse him of sundry political wrong-doings.

He also traces his early years in politics and expresses his concerns about trends in Barbados.

**Q:** At 60 years of age do you see yourself as an old man in politics?

**A:** Technically no. From the point of view of years, 60 is a long time to be around, but mentally and physically I feel extremely young and active and sometimes I actually forget that I have had a lifespan of 60 years.

**Q:** So what keeps you so young mentally?

**A:** What makes life so refreshing to me at my age is that the majority of people with whom I am in contact on a friendly basis are young and I feel comfortable in their company and I believe they are comfortable with me. It is a good feeling.

**Q:** Why do you think younger people identify with you? Is it that there is unemployment and frustration among the young people and therefore they rally around you?

**A:** To be very honest with you, in my own experience in life, my presence in any gathering is quickly recognised — I am an attraction and my presence brings about a change in conversation. My opinion is sought by all age groups. It is

my approach to life and my way of living that makes it easier for me to answer young people and for them to feel more at home with me. Sometimes I have to wonder if they see me as a lawyer or a representative....

**Q:** So what do you consider yourself to be? The papers call you a political activist...

**A:** I consider myself realistically to be first a human being in the truest sense... I like the term political activist. The idea that it means someone who is bent on destruction is wrong and in that sense I do not like it. When we set about political activity with Al (Gilkes) and Mark (Williams), we set about meeting people... first we met the Attorney General to prove that we had nothing against that Government; we met the Commissioner of Police to prove that definitely we had no intention of destroying people's places since this was around the time of the black power uprising in Trinidad.

We spoke to the president of the Chamber of Commerce to show white people and the business community that we were not antagonistic toward

their involvement in the community; then we met the Bishop to show that we were not against Christianity as such, and so on. It was regrettable that when we made an attempt to see the then Prime Minister, Errol Barrow, he refused to see us.

And then Tom Adams in his political foresight took the opportunity to see us and befriend us as Leader of the Opposition. I said all of that to show that being a political activist does not mean one wants to burn down houses and destroy people's character. I believe I can be an influence for good or evil and I have always preferred to be an influence for good.

**Q:** Why then do people say that you are a trouble-maker?

**A:** Perhaps that is another thing. I have had differences with people. Let's take you for example, and this is no flattery. I have made statements about you, but I would not continue to say those things because you have not showed any animosity toward me. Hence, can one really seriously continue to attack someone who is dealing with you in a respectable manner?

**Q:** How did you get that reputation then?

**A:** People call me a trouble-maker because, from time to time you have to call certain people's names and in a society such as this and with a background such as mine, it is incompatible with reason how I can attempt, without any educational background, with a lot of social differences and so on, to be saying certain things about people who are believed to be decent... although you are not really decent because you went to high school or university; you are not respectable because you have a job.

**Q:** What is your basis for attacking people?

**A:** If I find myself in a political position where I have to attack someone, as I have had to attack many people, this does not mean that I hate them. Some of the people I have attacked are my best friends or were friendly with me at some time.

For instance, I would be a hypocrite if I said I did not have respect for Henry Forde or Owen Arthur or David Simmons. This has nothing to do with their political party. I have a better understanding and relationship with people in the BLP than the DLP because, to my way of thinking, the BLP has politicians who understand human beings and their behaviour better than some in the DLP.

**Q:** But don't you choose the DLP?

**A:** I choose the DLP for reasons best known to myself.

**Q:** What do you mean when you say "choose"?

**A:** I support them and there is no doubt in my mind about that.

**Q:** Tell us why.

**A:** First and foremost, from a point of view of leadership, I feel that Errol Barrow is definitely an outstanding leader and he means well. Unfortunately, he had to be surrounded by ministers and other people who did not have the same objectives and outlook. I also feel that in his 15 years of power Errol Barrow has done a tremendous job in transforming the lives of ordinary people — housing, employment, banking, education... certainly no one with a knowledge of the history of Barbados can deny it as a fact that under Errol Barrow the DLP has made a contribution to the upliftment of the unfortunate masses.

And when he was taking Barbados into independence a bunch of people calling themselves the Under-Forties went about fighting Mr. Barrow and whatever they may say now, opposing independence. But Barbados has not suffered as a result of Mr. Barrow's decision. For these and personal reasons I choose the DLP. I would put it this way. I think the DLP is a very good Government and a very weak opposition; I think the BLP is a very weak Government and a very good opposition.

**Q:** How did you first get involved in politics?

**A:** I was always interested in politics from the time I was a child. In 1956 I had a dream — I like to think it was a vision at that time. I was a member of the Carrington Village Pilgrim Holiness Church and a young man, Keith Karl King, son of Mr. C.C. King, a merchant and a member of that church, wanted to be a candidate in that election and my vision led me to offer to help him.

**Q:** So that was your start...

**A:** Some people tell me I should not talk about my past life as a prisoner, but I have to, because after I got involved in that election, some people found it necessary to play up my prison record and to ask what an ex-convict was doing on a political platform.

After that, through trying to assist Mr. Livvy Burrowes — now deceased — he was a former chairman of the tourist board — through trying to help him with the setting up of equipment for meetings and making public announcements, I became involved with the DLP.

**Q:** Were you ever involved with the BLP?

**A:** My involvement with the BLP came with the 1959 local Government elections and more so through Mr. Owen Taylor Alder. This brought me into contact with Sir Grantley Adams and Sir Deighton Ward. From there I began writing for their newspaper, *The Beacon*, and I used to write three different columns when it was edited by Sir Ronald Mapp.

What was significant about that era was not money. As a man out of prison and hunted down by policemen, it became natural that once they knew I was in the company of and on the platform with Sir Grantley

and that crowd, they had to take their hands off me.

**Q:** You also had some association with E.D. Mottley...

**A:** In the 1961 period because of a difference between me and some of the people in the BLP, Mr. E.D. Mottley offered to help — and this brought me in the hot paths of the BLP. They took my whole prison life and put it on the platform, but it was Mr. Mottley and Mr. Fred Goddard who encouraged me to defend it. I did this and the people accepted me.

But then I differed with Mr. Mottley because of a domestic issue involving my wife.

**Q:** You had many turning points in your life...

**A:** Yes. But 1962 was an important year in my life. In that year I married Cynthia Corbin, daughter of St. Andrew MP, Homie Corbin. This made me become a little more responsible and conscious of my need to be strong and independent.

Boxing also helped me considerably. I was involved in boxing promotions and by mixing with boxers, some of whom had a similar past to mine, I began to understand life better and to realise that I did not have to be self-righteous like other people in order to work alongside and help boxers. At that time I also realised that the political parties were full of people who were interested in their personal aggrandisement and not the causes of the unfortunate masses and the underprivileged.

**Q:** When then did you move out on your own?

**A:** My full involvement came about after the black power demonstrations in Trinidad in the early 70s. I began to keep a series of meetings on my own. I started with small crowds, but they soon grew. Then I got into contact with Al and Mark and a few others and formed the People's Pressure Movement which I think is the most effective political movement in Barbados with the exception of the DLP.

The PPM was something different. We had no doctors and lawyers and a person such as I was the leader with all of my weaknesses and faults.

The PPM had a great impact on the society because you had a man who had gone to prison getting on the platform and calling people thieves — how could a man like that talk about corruption and how was I able to find out these things? That is what confused the folk.

**Q:** Do you therefore see your role as unique?

**A:** Because of my life and lack of education, that gave me a special position. I have been the one person who does not possess the things that Barbadians consider as necessary to be in politics; yet I am in politics and in the thick of it, yet not wanting to get into Parliament or to get rich out of it... you know, the people who have done the most to educate and enlighten the people have not had the privilege of political office — Clement Payne and Nathaniel Crichtlow were never MPs; Marcus Garvey did win a council seat, but then went to prison — they were all seen as activists.

People know I am not doing what I am doing for political office. That's why they say I am doing it for money.

**Q:** Yes. Tell me. Are you doing it for money? You must be — how else could you live?

**A:** I do not get annoyed with people who feel that I am doing things for money. If you are looking like me, dressing well and travelling the way I do... these things take money.

But the point is that I cannot actually go into how these things take place because I would be disclosing a secret. But I can be honest and say that none of the politicians in Barbados — none on either side — have ever paid me anything for doing things in politics. I would be untruthful if I did not say that politicians have assisted me in the area of public address systems and advertisements and that type of thing. They have helped in that way, but when it comes to how I eat and drink and dress and travel, no politician has ever taken an interest in me in that direction.

I have people — many more people than you can imagine — who assist me. I told a very good friend of mine in politics — one who they think is one of my very good friends — Dr. Haynes...

**Q:** Dr. Haynes? Or Dr. Blackman?

**A:** No. Dr. Haynes is really a close political associate. Dr. Blackman is my best friend. I told Dr. Haynes once that when I am talking against the BLP, people in the DLP say that the BLP is paying me and when I am talking against the DLP, people in the BLP say that the DLP is paying me.

Both of these political parties know that is not true.

Neither of them really trusts me because they don't know how I am living. They feel I have some way of getting money that they cannot understand. Some say I get communist money and some say that I get CIA money.

**Q:** How then do you manage?

**A:** Well you see, I have been able to adapt myself. In other words, I try to do the things that are only necessary. And then I have a few friends — a friend is one who knows all about you and likes you just the same — they make sure that I get the things I need. Many Barbadians have the highest regard for what I am doing. Those people make sure that everything is fairly alright with me.

So far as payment is concerned, I have never yet in my life received money from any politician for my upkeep which I can consider as payment for doing something.

**Q:** What would prevent you from taking money for services rendered?

**A:** I would have to be a big fool to be taking money all this time and still don't even own a bicycle. There are thousands of underprivileged people who have their eyes on me and if I fail in what I am doing, it would be a means of letting them down.

**Q:** Let's move on to another accusation. It is said that you tell lies on many people at your meetings. Do you set about to tell lies?

**A:** An untruthful statement is not necessarily a lie, you know.

**Q:** You admit that you tell untruths knowingly?

**A:** No. I am not admitting that. Every statement I have ever made on a political platform I believed to be the truth. Now if I definitely believe something to be the truth and then subsequent events prove me to be wrong, then I have not told a lie. A lie is an intention to deceive.

**Q:** But is it not true that you have taken certain happenings associated with political people and expressed them in a manner to suggest that people come to a certain conclusion. You have the knack of doing that and I think that is being mischievous.

**A:** That is not being mischievous. Mischievous is wickedness. It is merely political tact on my part.

**Q:** In the case of "Pele" Parris, was that political tact?

**A:** Okay, let us look at Victor

"Pele" Parris. A lot of people do not recognise the history of that case. "Pele's" father used to be my good friend and I knew "Pele" well. We used to meet at a school which was headed by Mr. DeLisle Bradshaw. I became a friend of "Pele's" and a friend of Mr. Bradshaw's.

It was in 1978 that "Pele" was murdered and it was the same time that the by-election in St. Michael South Central was taking place. We were keeping meetings and talking about the death of "Pele" and certain facts were brought to my notice about a politician and this death — all of these factors in the midst of a by-election. I made a statement that if the rumour was true the accused politician had a right to exonerate himself. There were suggestions made, but I never made a statement about who killed "Pele".

Let me tell you about the St. Peter by-election. When I was attacking Owen Arthur I did not know him. The closest I came to him was on the evening before the by-election when I lay down in front of a car that he was in. Would you believe that I had heard about him and I had believed what I had heard, but I had never seen him. Would you believe that while the court case was going on after the first by-election that Mr. Arthur came to me outside the court and said "Mr. Sealy, we have never met before. Now that we have met, let us shake hands?"

That is the main reason why I did not participate in the second by-election. I felt that what I did in St. Peter was more destructive of Mr. Arthur than all that the DLP had done, but yet here was a man who was sincere and respectable. So I done with that. I will not be involved in any campaign to that extent against that gentleman.

**Q:** Okay. What about character assassination. Your style seems to be to chop people down and to say bad things about their private lives. How can you justify that?

**A:** That's my way of answering back people. If my memory serves me right, many of the people I have attacked, were people who first attacked me. In defending myself against them, because of my way of putting over things and scoring a point on them, they get crushed.

Lionel Craig used to be my friend — I ate and drank and slept at him, but in 1978, he was the architect behind a pamphlet that was distributed, listing all of my convictions. I will never forgive him for that.

As I respect Owen Arthur for what he did, I disrespect Lionel Craig for what he did.

So I answer back people and I have been man enough to apologise on two occasions for things I said about people.

**Q: Before we end, I would like to hear what worries you about Barbados.**

**A:** I am worried about the number of Indians that are entering our country. There are Indians who have a right to be here and who are making a contribution to life here, but I see too many of them knocking around the streets and I see the same situation that developed in Trinidad and Guyana.

**Q: What else worries you?**

**A:** There is a development in Barbados where the BLP has departed from the principles of its coming into being when it was supposed to help the masses and the underprivileged. Now there seems to be a systematic attempt to put the lives of Barbadians back into the hands of the same people whom we had to fight to take it from. There is a lack of black involvement in business in Barbados. This is sad and it worries me. I also think that the two-party system here needs to be challenged. There is room for a third party, but not centred around one or two people, but widely based.

**Q: What do you see as lacking in our society?**

**A:** I think that the majority of Barbadians, in spite of our so-called educational standard, lack national identity and a spirit of involvement. We need to see ourselves as Barbadians first. It is regrettable that none of those leaving universities — receiving education free —

are willing to give back to the country anything in return for their education. With the exception of Dr. Frank Alleyne and Mr. Wendell McClean, whenever there is a point to be asked, it has to be asked by a Jamaican or someone other from a Barbadian.

**Q: What about the parties? What's lacking in them?**

**A:** Neither of the two political parties seems to be geared to deal with the need to elevate the underprivileged people of Barbados. They are more concerned about their own pension arrangements. And neither one is going to change those pension arrangements for parliamentarians because they both want to make sure that they themselves benefit.

**Q: What do you hope will be your epitaph? What do you hope Barbadians will remember about you?**

**A:** I would certainly like people not to remember me as a person who sought to destroy people's characters and lives. I would like to be remembered for my fight against the multinational corporations like the Barbados Light and Power Company and the Barbados Telephone Company... talking in terms of my fight against increases in taxation. I would like to be remembered for my struggle in the cause of advancing black people, and giving the underprivileged people a chance in life.

**Q: And how do you see yourself?**

**A:** I see the good I have done for the masses, the awakening of people to events and things around them; one who has a lot of respect for women and a father who has demanded and received the respect of his children — my best friends are my two daughters.

I would like to think that I have lived down a bad past and have moved on to international recognition and acceptance as a political equal of prime ministers.

7 November 1985

## BARBADOS

## TRADE WITH SOCIALIST MARKETS URGED, BUSINESSMEN ASSAILED

Bridgetown WEEKEND NATION in English 13-14 Sep 85 p 11

[From the section "Seems to Us"; presumably a Letter to the Editor]

[Text]

DO YOU THINK you can get B. Miller and J. Benjamin to understand that I am writing about water for everyone, electricity for everyone, jobs for every single person who can work, and not only that, but jobs where people can be creative, and adequate housing with decent sanitary conditions for every person born in this country?

I want, health care for everyone, not just the privileged few, an education that will enable people to function as whole, un mutilated human beings, proper day care facilities so that women can be relieved of some of their burdens they have to bear in this place.

I am talking about adult education so that people can enjoy all the benefits of a functional and decent education and can improve themselves and produce and raise proper children. I am speaking about money in every person's pocket so he can afford some decent recreational and social activities.

The problem with the political leaders, heads of states, journalists and big business men in the English-speaking Caribbean is that they do not read. The problem is not all theirs because they are bombarded with so much misinformation by the corrupt, dishonest and severely manipulated foreign Press that they are kept ignorant of lots of mathematical realities that exist in the world today.

It is necessary now for our government leaders to ensure that our big businesses are not being used by the large transnational corporations to exploit Barbadians and keep us in a state of dependency, poverty and ignorance so that they can con-

tinue to get rich off us.

We have got to ensure that while our businessmen make their profits they are not committing future generations of Barbadians to a life of deprivation, misery and suffering, thereby warping the character of the Barbadian.

All forms of slavery, including mental slavery, corrupt the slave as well as the slave-master and we do not want corrupt characters in Barbados, rich or poor, black or white.

If we continue to produce sugar, and it is not feasible to stop at this present moment, we have got to find markets that pay us more than three cents a pound, for our sweat. What is happening to sugar is that the imperialist nations are subsidising the sugar they are producing, synthetic sugar, that is costing them 56 cents a pound to produce, thereby putting us out of the sugar market.

They are making their workers pay for expensive sugar in order to monopolise the market. In addition, they are selling us their junk at high-inflated prices. For instance, it cost us eight times as much sugar to buy one of their tractors than it cost us 12 years ago.

We have got to look at the socialist world market, which is paying decent prices for commodities and natural resources and asking fair prices for their equipment.

We have got to stop importing so much junk. Look around the stores in Bridgetown and calculate the amount of wasted hard currency that is flowing out of this country. This is how the Western exploiter nations are

hurting us. We can keep the duty-free stores for the tourists so that we can continue to get their United States dollars when they come.

It is not our fault that the United States dollar was given the unfair advantage by the International Monetary Fund (IMF) to be the almighty dollar that can be traded world-wide.

We could use lots more arts, crafts and local and regional materials. This would find creative and gainful employment for our artists and artisans and some sort of culture in this cultureless place would emerge.

Our first trading priority should be Latin America, the Caribbean, Third World and Socialist markets — anywhere we get a fair price. Trade with imperialist countries should only be done when they are ready to change and give us a fair price for our products and ask a fair price for theirs.

We have got to read and understand the New World Economic Order that has been recommended by the United Nations. The United States and the developed capitalist countries do not want us to know about this new document because they

want to continue to exploit us.

Big business, should understand that if the masses go down it will not be long before they go, too.

The only people who will survive are the transnationals and their families. Our businessmen should view this as a creative challenge and get to work on this with new vigour.

It is strange that the only ones screaming all sorts of names at me out of a population of 250 000 are foreign and white. These two really think they can help Barbadians.

What do they know about Barbadians' problems? Like the Pharisees they come into a community, relate to a mere handful of brainwashed Uncle Sam types, bless their ignorance and use them as talking puppets.

What about the other 90 per cent? They know nothing about them and if they live here for 90 years more they will never know about them, because Barbadians mean nothing to them.

These two are using Cuba, Russia, Communism, and socialism as red herrings to keep Barbadians in ignorance so that foreign transnational companies can come into this island and continue to exploit us — both rich and poor. — NOEL CLARKE

BARBADOS

# WORKERS PARTY OFFERS 27-POINT PLAN TO CUT UNEMPLOYMENT

FL071650 Bridgetown CANA in English 2106 GMT 5 Oct 85

[By Reudon Eversley]

[Text] Bridgetown, 5 Oct (CANA)--Nationalisation of the sugar and power sectors, a work week reduced from 40 to 35 hours without pay cuts, and a school-leaving age pushed from 16 to 20 years with compulsory tertiary education for all are among proposals unveiled today by the five-month-old Leninist-Leninist Workers Party of Barbados (WPB) for tackling the nation's high unemployment rate.

WPB General Secretary Dr George Belle presented a 27-point plan detailing the party's anti-unemployment strategy, and announced the launching of a national mobilisation drive among the jobless to culminate with a march on government headquarters on Independence Day, 30 November.

The party's proposals include a government ban on the closure of enterprises that can be salvaged; an increase in taxes on corporations, banks and insurance companies and a general tightening up on tax loopholes; a freeze on military spending; price control of essential food and consumption items; and increased trade with the Socialist bloc.

These proposals represent a new direction for tackling the unemployment crisis by government and others, and with the interest of working people being central to the policy, Belle told a news conference.

Latest government statistics put the rate of unemployment at 19.3 percent up to June. Belle said the WPB believed the figure could be as high as 35 percent, and predicted the problem would worsen over the coming months.

The WPB is the newest political party here. The organisation of the march of the unemployed will be the party's first major public understanding since it was launched in May.

With nationalisation of the loss-making sugar industry, the WPB would like to see lands on estates subdivided into viable sugar farms, state-run with worker participation in their management or owned by cooperatives of small farmers, Belle said.

Other key points of the plan are the removal of stamp duties; financial support for women engaged in productive self-employment; establishment of a government-owned import-export enterprise and government-owned retail outlets linked to the manufacturing sector; increased investment in agro-industry and crafts; increases in pensions; and the award of monetary grants by government to non-job-holding heads of household.

Belle, a University of the West Indies lecturer in government, called for the support of trade unions and other political parties interested in the welfare of the working people and the unemployed to have the plan implemented.

He said the local unemployment problem was linked to Barbados being part of what he described as the crisis-hit international capitalist system.

Capitalism, exploitative and parasitical as it is, has exhausted its ability to contribute positively to social growth and cannot provide jobs and livelihood for all able-bodied members of society, he said.

The WPB, which advocates socialist transformation, wants Barbados to join forcefully the international lobby for a new world economic order, Belle said. Government links a lingering trade impasse within the Caribbean Community (Caricom) with the high level of unemployment. As a result of the crisis over the past three years, several manufacturing concerns have either closed or enforced cutbacks due to problems in exporting their goods to Caricom markets, especially Trinidad and Tobago, their main buyer.

CSO: 3298/045

BARBADOS

IBD REPORT CITES 2.4-PERCENT GROWTH, OTHER ECONOMIC ISSUES

Bridgetown DAILY NATION in English 16 Sep 85 p 9

[Special Economic Report: "What the IDB Has To Say of Barbados"]

[Text]

IN 1984, for the first time since 1980 the Barbadian economy grew in real terms. After a stagnant 1983 and a cumulative decline of 6.9 percent in 1981-82, real output rose by 2.4 percent in response to a bumper sugarcane harvest and a substantial increase in tourism.

On the other hand, persistent regional trading problems caused a decline in overall manufacturing and consequently increased unemployment. While the reserve position improved somewhat and inflation declined slightly, the fiscal deficit worsened.

The sluggish growth of the overall economy was insufficient to provide additional fiscal revenue to match increased Government expenditure. Furthermore, foreign financing for both the public and the private sector was significantly below the 1983 level. Government demand for more domestic credit increased the pressure on the banking system.

Real output in the key sugar and tourism sectors rose sharply in 1984. Sugar production climbed to 100 000 tons, the best performance since 1981. Nevertheless, because the overall export price was no better than in the previous year, export earnings from sugar and fancy molasses — 64 million Barbadian dollars — were just 12 percent higher.

Furthermore, the industry faced financial difficulties that again required Government price support. That support was financed by a bond issue of 15 million Barbadian dollars. Non-sugar agriculture and fishing continued to grow moderately and were up three percent from 1983. Visitor arrivals increased by 12 percent to 368 000, a figure not far from the pre-recession level.

However, a slight reduction in the average length of stay prevented a stronger rise in real value-added. That reduction mainly reflected the increasing share of tourists from the United States — about 38 percent of total arrivals in 1984 — who normally stay for shorter periods.

On the other hand the Canadian market has just begun to recover, while tourism from Britain remained depressed because of the depreciation of its currency vis-a-vis the United States dollar, to which the Barbadian dollar is pegged.

### Stagnating regional markets

Despite a 30 percent increase in the output of electronic components for the United States market, overall manufacturing activity remained severely depressed in 1984 owing mainly to stagnating regional markets and sluggish domestic demand that depressed non-electronic manufacturers. Chemicals, and beverages and tobacco were particularly hard hit in 1984 and declined 13.6 and 17.6 percent, respectively.

Crude oil production continued to expand at a very rapid rate. The estimated output of 644 000 barrels in 1984 was 67 percent higher than in 1983, and satisfied about one-half of domestic demand. However, because of the build-up of stocks and increased energy consumption due to the start-up of the Arawak Cement Plant, the foreign exchange savings generated amounted to only 4 million Barbadian dollars. Other sectors of the economy remained sluggish in 1984.

Economic growth in 1984 was not sufficient to increase employment. Furthermore, the slump in manufacturing caused several factories to close, which coupled with layoffs in the service sectors and little change in Government employment, pushed up unemployment to 17 percent by December 1984 from 15 percent in the previous year.

On the other hand, price increases remained moderate in 1984, which reflected the stable prices of imported goods and the availability of local produce. While the rate of inflation was no more than 2.1 percent for food and beverages, it was 12.1 percent for fuel and light and 8.1 percent for housing.

The 12.8 percent increase in total exports was the result of buoyant sales of electronic components, up 19 percent from 1983. Sugar exports were also higher than in 1983, as were earnings from sales of food and beverages. Exports of clothing, furniture and chemicals were restrained by the above-mentioned regional difficulties. The biggest market for Barbadian exports in 1984 was the United States, which absorbed about two thirds of the total, compared with an average of 45 percent in 1980-82.

Because oil and capital goods imports were substantially below the 1983 level, imports grew

by only 3.8 percent in 1984. Rapid expansion of domestic oil production, combined with weak foreign oil prices, kept the oil bill at \$35 million, 11 percent below the 1983 figure. Reduced public investment and stagnation in the construction industry produced a 10 percent drop in capital goods imports.

As a result of a decline in imports of motor cars and other durables, consumer imports rose by only four percent in 1984. The resultant narrowing of the trade gap, together with a sizeable growth of tourism earnings, helped reduce the current account deficit of the balance of payments to \$23 million, equivalent to two percent of the gross domestic product (GDP), the lowest level since 1980.

### Drop in inflows

However, the improvements in the current account were offset by a decrease in foreign capital inflows. The Government's amortisation payments on its foreign debt and low private foreign investment together resulted in lower net capital inflows. Official borrowing, including the final disbursement under the Stand-by Agreement with the International Monetary Fund (IMF), contributed to a small reserve accumulation estimated at \$5 million.

Higher interest and large amortisation payments on the foreign debt raised the ratio of debt service to exports of goods and non-factor services to over four percent in 1984; nevertheless, it was one of the lowest in the Caribbean region.

The fiscal position of the Central Government

was slightly worse than in 1983. Since revenue collections in 1984 grew more slowly than total expenditures, the overall deficit rose to 4.1 percent of GDP compared with 3.6 percent in 1983. The spillover effect of the poor performance of the economy in the previous three years severely reduced corporate income tax revenues in 1984.

In addition, sluggish domestic demand, combined with slow growth of imports of consumer goods, depressed customs duty and consumption tax collections. On the other hand, current expenditures rose 9.3 percent above the 1983 level mainly because of a seven percent increase in wages and salaries, but also because of increased interest payments on the national debt.

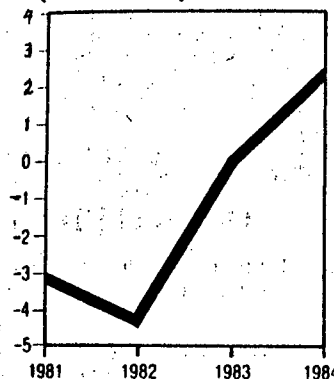
Central Government savings were reduced to 1.3 percent of GDP, barely one half of the 1983 level. Capital expenditures were cut back from 6 percent of GDP in 1983 to 5.4 percent in 1984 in an effort to contain the overall deficit.

In 1984 more than two-thirds of the deficit was financed out of domestic resources, since large amortisation payments on the external debt reduced the net inflow of foreign funds. The National Insurance Fund provided a major portion of the domestic financing, whereas the resources supplied by the Central Bank declined, as they did in 1983.

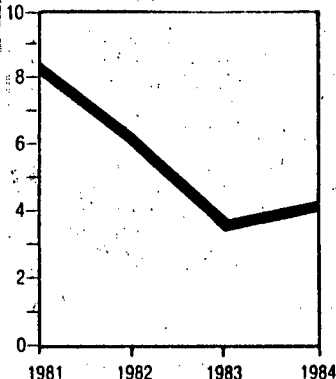
### Economic policies

In 1984 Government policies continued to pursue balance of payments stability and economic recovery. The unfavourable balance of payments outlook at the beginning of the year induced tight fiscal and monetary policies. In this context, in

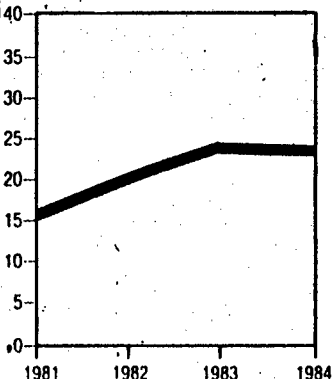
**Growth of Gross Domestic Product**  
(Per Cent)



**Overall Deficit of the Central Government Relative to GDP**  
(Per Cent)



**External Public Debt**  
(Per Cent)



THESE GRAPHS represent the economic indicators for Barbados.

April 1984 the Government adopted fiscal measures designed to raise revenues and curb expenditures (including an increase of some tax rates, higher prices for the services of non-financial public enterprises, and ceilings on capital outlays).

In view of the weak financial out-turn for the first six months of fiscal 1984, the Government took additional steps to strengthen its fiscal position, ease its pressure on the banking system, and provide the private sector with additional credit.

Throughout 1984 the Central Bank again exercised tight control of personal credit and of credit to the distributive sectors. To provide the productive sectors with adequate financing, the Bank continued to promote its industrial credit fund and increased its line of credit to the Barbados Development Bank to enable it to provide special financing for tourism and agricultural enterprises facing cash-flow difficulties. The Central Bank's short-term discounts for the sugar industry, which

were managed by the Barbados Development Bank, rose 26 percent to 122.8 million Barbadian dollars.

Money liquidity remained tight during most of 1984; however, a healthy increase in time deposits and the Central Bank's decision to assist financially weak firms were reflected in generally stable interest rates.

In the course of the year, as foreign exchange shortage and balance of payments difficulties became apparent, the Central Bank increased its efforts to promote exports through its Export Credit and Guarantee Facility, and, because the CARICOM Multilateral Clearing Facility had suspended operations in 1983, also took direct action to keep up regional payments.

In addition, as the United States dollar continued to strengthen, the Government also raised the stamp duty rate from five to ten percent of the CIF value of imported goods to prevent the massive inflow of cheap imports.

CSO: 3298/045

BARBADOS

## PETROLEUM SECTOR HITS DRILLING, EXPLORATION SNAGS

### Government Inaction

Bridgetown WEEKEND NATION in English 13-14 Sep 85 p 32

[Text]

DRILLING OPERATIONS by the state-run Barbados National Oil Company (BNOC) could soon be brought to a halt.

That's the fear of a top-level source with the company who said the operation at Woodbourne, St. Philip, had been unable to press ahead with its oil exploration programme because of difficulty in getting the green light for a new type of drilling.

According to the official, the company submitted an application in July to the Ministry of Finance seeking permission to further its drilling, but had not received an official response.

He said: "They have neither told us yes nor no; neither have we been given a reason for the delay in getting back to us."

The official said that before oil wells could be drilled, permission had to be sought in this usual fashion and this "hands tied" situation was "bound to slow down the drilling process".

He added that the company had since written a letter to the permanent secretary in the Ministry of Finance requesting that he "use his good offices to speed up the processing of the application or try to find out the cause of the delay in responding".

WEEKEND NATION investigations yesterday showed that the BNOC was seeking to embark on a new operational programme called "directional drilling", but it was meeting opposition from some quarters.

Chairman of the BNOC, Collis Blackman, said yesterday that there were "problems of a certain complexity" with the drilling operations that would "humbly bug the programme".

He, however, denied recent reports of threatened industrial action by workers if certain management problems were not resolved.

"I have been in touch with the plant as recent as yesterday when I had discussions about industrial matters. Furthermore I have had correspondence up until this morning, coming by messenger and I am totally unaware of any threat of industrial action, either direct or indirect through innuendo," Mr. Blackman said.

### Negative Offshore Survey

FL032055 Bridgetown CANA in English 1936 GMT 3 Oct 85

[Text] Bridgetown, 3 Oct (CANA)--A seismic study by a British company on Barbados' northwestern coast has not turned up any indication of the presence of off-shore oil, the DAILY NATION newspaper reported today.

The paper quoted Natural Resources Minister Dr Richard Cheltenham as saying analysis of data compiled by Cluff Oil showed there was nothing promising enough to merit the company's going any further.

Cluff Oil and government signed a 20-year exploration agreement in 1983 giving the company, through the Barbados National Oil Company, exclusive rights to explore for, develop and produce petroleum in 403 square miles off the north coast.

An official of the local oil company said negotiations were continuing with Cluff Oil for additional offshore work in the near future.

The survey was carried out 35 miles off Barbados' northwest coast between March and April as part of an initial 60-million-dollar programme.

CSO: 3298/046

BARBADOS

PAPER GIVES SUPPORT TO REGIONAL SECURITY SYSTEM

FL211044 Bridgetown CANA in English 2012 GMT 20 Sep 85

[Text] Bridgetown, 20 Sep (CANA)--The NATION newspaper today came out in strong support of a United States-backed initiative by seven eastern Caribbean states to bolster their defense capability under the Regional Security System (RSS).

In an editorial, the paper said the joint defence arrangement would enhance regional peace and economic stability by protecting the region against mercenary adventures and drug trafficking, in addition to offering potential investors security. Poverty is no excuse for impotence and inaction in these circumstances, it said.

The paper lamented that criticism against the RSS was bogged down in ideological posturing. Mostly leftist groups have come out against the arrangement involving Barbados, St Vincent and the Grenadines, St Lucia, Grenada, Dominica, Antigua and Barbuda, and St Kitts and Nevis.

Looking at U.S. support for the RSS, the WEEKEND NATION said: After (the intervention in) Grenada, American participation in or support for a regional defence system should be routine.

It added: It is difficult in any case not to imagine a continued American interest when U.S. Government as well as private sector investment in the region and that country's availability as the region's most profitable market are facts of everyday life.

Realistic alternatives are yet to be advanced.

CSO: 3298/046

BARBADOS

#### BRIEFS

CEMENT SALES--Sales of the multi-million dollar Arawak Cement Plant in the last five months have outstripped those of the first year of production. Acting general manager, Vanburn Gaskin, told the DAILY NATION that the \$200 million venture between the governments of Barbados and Trinidad and Tobago, sold 108 000 tonnes between April and last month; a figure already surpassing the 94 000 tonnes sold between April, 1984, when sales started, and March, this year. "We have achieved this mainly through aggressive marketing," he said. The plant last month sold 36 000 tonnes to local and export markets, recording its highest sales in any one month since production started. That figure was about 6 000 tonnes more than the company was capable of producing for a given month. The plant has a capacity of producing 1 000 tonnes of cement daily. [Excerpts] [Bridgetown DAILY NATION in English 16 Sep 85 p 14]

CSO: 3298/046

BRITISH VIRGIN ISLANDS

BRIEFS

NEW TOURISM CHIEF--The Tourist Board has a new Chairman. After the mid-July resignation of Elihu Rhymer the non-remunerated post has been vacant; the Chief Minister, Hon. Cyril B. Romney, who also holds the portfolio of the Ministry of Tourism has recently appointed Mr. David E. Benson to the chairmanship of the Tourist Board. Mr. Benson has spent thirty years in the Hotel Industry and has accumulated extensive international experience in the tourist business. Benson is presently the BVI Regional Director of the Caribbean Hotel Association and General Manager of Peter Island Hotel. Until recently he was also President of the BVI Hotel and Commerce Association. [Excerpt] [Road Town THE ISLAND SUN in English 7 Sep 85 pp 1, 17]

CSO: 3298/047

CHILE

VALDES DISCUSSES PDC, PCCH, NATIONAL ACCORD

PY200020 Santiago EL MERCURIO in Spanish 14 Oct 85 p C3

[Text] Former Foreign Minister Gabriel Valdes said yesterday that "over the past 50 years, the Christian Democratic Party, [PDC] adopting different positions and with varying influence, has contributed to forming the mechanisms, institutions, and social and political tenets in Chile. That was a decisive task carried out under the Eduardo Frei administration."

Valdes made these statements during a luncheon yesterday at the offices of the Audax Italiano Club marking the 50th anniversary of the National Falange, the predecessor movement of Christian Democracy.

The ceremony was attended by former Ecuadorean President Osvaldo Hurtado, the current president of the American Christian Democratic Organization; Oscar Alzaga, president of the Spanish Popular Democratic Party; Werner Schreiber, a Christian Democratic deputy in the FRQ Bundestag; and congressmen from other South American countries.

Also attending were the top representatives of the Chilean Christian Democracy, namely Jaime Castillo, Claudio Huepe, Juan Hamilton, Gutenberg Martinez, and Eugenio Ortega, and Ignacio Palma, Radomiro Tomic, and Bernardo Leighton.

Moving on in his speech, Gabriel Valdes said: "The party's democratic conviction is the result of a passionate and lucid search and a serious effort to modify in the direction of humanism the trends that would discredit or destroy the party."

Afterward, commenting on the National Accord for the Transition to Full Democracy, Valdes said: "After the current government has ruled for 12 years, we contributed decisively to the establishment of a National Accord to reach a democratic political order," adding that "as in any compromise, it involves relinquishing some thing and an understanding of the true historical common good."

Valdes said that "the National Accord is an optimal achievement because it establishes several purely democratic mechanisms for establishing power. It is an agreement that obligates all its signatories to consider all the people in order to realize its goals."

Concerning the role to be played by the Armed Forces in the future order, Valdes emphasized: "The National Accord, which we, the Christian Democrats, have joined, does not aim to confront the Armed Forces. It does not seek to aggravate confrontations that would only result in new misfortunes for our nation and its destiny. On the contrary, we cannot conceive the great and generous Chile which we are advocating if we are unable to create a new civilian-military relationship, respecting both civilians and the Armed Forces in a relationship integrating those two worlds within the same culture, respecting the same values, and serving the same collective ideal, that is, the fatherland."

Valdes stated that "regarding the Communist Party (PCCH), we have clearly and emphatically expressed ourselves in statements and letters because we have insurmountable differences with their model of society, their philosophical and practical concepts regarding human rights and the functions of the state, civilian society, and the effectiveness of social and political pluralism. We definitely have opposing concepts regarding the means or the ends to reconcile justice and liberty. In addition, at this time in our history, we have denounced the strategy of violence as being incompatible with the struggle to conquer a genuine democracy."

In conclusion, Valdes stressed that "we Chileans have suffered all kind of vexations. We have a right to protest because the people are being subjected to annoying, mistaken, and inopportune pressures, bordering on lack of culture and representing an obdurate will to place hurdles in the way of a peaceful and orderly transition to democracy in Chile."

Valdes warned the country that Christian Democracy will never relinquish its right to hold peaceful demonstrations "whatever the risk or the threats we are to face."

CSO: 3348/98

CHILE

LUIS CORVALAN WRITES ON 'WAYS, MEANS OF STRUGGLE'

Moscow in Spanish to Chile 9-11 Oct 85

[9 Oct 85 2100 GMT]

[First part of three "text" of article entitled: "Events and Chile; Unity Against the Dictatorship; Ways and Means of Struggle," written by Chilean Communist Party, PCCH, Secretary General Luis Corvalan, to be published in Issue No 75 of the PCCH Foreign Bulletin]

[Text] PY110136--The major actions the Chilean people have staged in September have strongly battered the Pinochet dictatorship and have had broad international response. The fascist regime is going through its most difficult times. The protest actions have created a new situation. Pinochet has already been left alone by most of his friends from the right, as discrepancies arise between cabinet members and as the armed institutions, which are trying to distance themselves from the regime, engage in internal struggles.

The September 1973 coup was staged under the pretext of saving Chile from communism and from economic chaos. But the actual result of the coup was the ousting of a democratic government that was successfully building an independent economy amid the obstacles raised by imperialism and the internal reactionaries.

Twelve years later, not only has the Communist Party not been destroyed, but it also remains the most combative sector of the opposition and it has growing influence. For this part, the fascist dictatorship is in a clearly decaying stage. The dictatorship has plunged the country into economic chaos through the application of the neomonetarist policy of the Chicago school and the IMF impositions. More than 30 percent of the work force is unemployed, and real salaries have drastically dropped; the production of goods sold on the domestic market has declined, and sales in the commercial sector have dropped. The foreign debt, which was less than \$4 billion in (?1963), has now reached \$23 billion.

The growing difference between the price of Chilean exports and of the products purchased by Chile from the United States and other capitalist countries accounts by itself for a loss of some \$40 billion, for which the fascist regime is responsible. Chile has lost the independence it enjoyed under President Allende.

The structural crisis the country is going through is now more serious than ever, and calls for deep changes in all areas of the national life, particularly in the role of the state.

Therefore, the PCCH proposes the creation of an advanced democratic government based on a broad coalition, capable of implementing the necessary anti-imperialist and antioligarchic changes, restoring democracy in all the state institutions, including the Armed Forces, reactivating the economy, and resolutely tackling the problems the people are confronting. This government will lay the groundwork for the transition toward socialism. Otherwise, should the dictatorship be replaced by a bourgeois-leaning democracy--which after all would imply some progress if compared with fascism--such a regime would be unable to pull the country out of the crisis, solve the most serious problems, or even meet the pressing needs of the masses.

However, we will support such a government in all those matters that will clearly benefit the people and the nation. At the same time, we will continue to struggle for deeper changes and for an advanced democracy.

Salvador Allende used to draw an interesting comparison. He spoke about enemies and adversaries, and said the latter are the people with whom he had discrepancies, though not antagonistic differences. Today, the enemies are Pinochet and his gang, who have attempted to destroy and wipe out communism, and to physically eliminate communists.

As Salvador Allende put it, our adversaries are people with whom we have discrepancies but also points of agreement. They do not share our position in favor of socialism, yet we share common short and medium-term objectives.

The majority of our adversaries are progressive forces struggling against the dictatorship. With many of the adversaries of this type, we march together to protect the interests of the workers and the people and to speed up the return to democracy. With some of them, relations are not very good at the official level, but we are continuously in contact with them, and we hold respectful discussions, although they make impossible demands on us. They want us to change our political line and to become the caboose of the Democratic Alliance and its new allies of the right. Publicly and privately, they urge us to give up violence in the struggle against the dictatorship, to abandon some of our methods of struggle, to employ only peaceful forms of struggle, and to follow not our own policy but the policy other political parties try to impose on us, especially the Christian Democratic Party. At the same time, they ask us to stay below the surface, because, according to them, the constant presence of the PCCH at the forefront is frequently an unfavorable factor in the march toward democratic recovery. They frequently distort our political line or attribute to it useless traits. Through the media to which they have access, they usually contend that the PCCH has fallen into militarism, that it favors armed struggle, and that it seeks to unleash a prolonged war.

With the purpose of clearing the way for broader democratic understanding, we believe that it is indispensable, Luis Corvalan writes, to refer to some aspects of our policy, which continue to be wrongly viewed by some of our most persistent and stubborn critics.

Most likely, the days to come will be very difficult, because Pinochet is furious and, as always, he is willing to do anything to stay in power. The August protests and especially the September protests have upset him. The document signed by 11 political parties known as the National Accord for the Transition to Full Democracy, which is sponsored by Cardinal Fresno, has disturbed Pinochet greatly and has created problems within his own regime, despite the concessions he has made. The document has created problems within the Armed Forces and on the international front. His rhetoric against the document and the popular protests shows that Pinochet continues and will continue to be blind and deaf to the popular clamor that is nationally expressed in favor of the return of democracy.

The social mobilization of all Chileans and the coordination of the struggle at all levels of the opposition of the left, center, and right opposition is increasingly imperative. We must unite in order to get Chile to stand up and launch all its forces into combat so as to bring the fascist terror to a halt and to come out victorious.

We are reading an article by Luis Corvalan entitled Events in Chile, Unity Against the Dictatorship, Ways and Means of Struggle.

The reply letter sent by the Central Committee to the president of the Christian Democracy, Mario (?Cuatimo), says, quote, Mr (?Balsero), we believe that in the course of the struggle, we must jointly decide to choose a specific way to end the dictatorship and fascism. We ourselves believe the struggle of the masses, the combative and resolute social mobilization that will be expressed through varied and unprecedented forms of peaceful and violent struggle, is fundamentally important. To consider our position as a military one is a simplification that distorts our viewpoints. Nevertheless, given the dictatorship's characteristics and actions, no doubt an important role will be played by what the people can do to develop their capacity to defend themselves and to increase their influence on the Armed Forces, unquote.

The specific way we propose jointly to choose or, at any rate the way the people have begun the struggle, is not militaristic and it cannot be precipitously identified as an armed struggle, much less as a so-called prolonged war. The forms of struggle we propose and encourage, the forms of struggle the people resort to are not exclusively of the violent type. The ways and means of struggle are questions that cannot be capriciously chosen, because they are determined by the objective conditions, the combative decision and capacity of action of the forces striving for social progress.

In the struggle for progressive and revolutionary transformations, our party contended from 1956 until the fascist coup that it is possible to carry out those changes in a peaceful way. It did so with firmness and acted accordingly, confronting the attacks of the right and misunderstandings of the left. It supported the peaceful way to change during the years of governments of Carlos Ibanez, Jorge Alessandri, and Eduardo Frei, that is to say, during a period in which, within the proper limits of the bourgeois democracy, there were public freedoms, the Congress functioned, there was pluralism in the press, the different lines of thought had access to national television, the labor movement and the political parties exercised their rights without fundamental restrictions, and the electoral system was one of the most democratic under a capitalist system.

The organizations of the working calls, the peasants, students, youth, women, civil servants, and people in general had then attained considerable development and had a strong influence on the country's social and political affairs. The peaceful way to change was appropriate to conditions then existing. The victory of Salvador Allende in the 1970 presidential elections and the revolutionary transformations his government effected demonstrated that the communists were right. We marched along the chosen road for a period that lasted 1,000 days. The defeat in 1973 does not invalidate, in our judgment, the thesis we upheld. But it would be excessively naive to think, in the conditions now prevailing under a ferocious dictatorship that aims to stay in power by the force of arms, that there is a possibility of encouraging a peaceful way of change with exclusively peaceful forms of struggle, which the center-right opposition would like.

In reading this article, our critics might think Chilean communists favor armed struggle. No, that is not so. Things are not that simple. Nothing can be seen as all white or all black. If advocating a peaceful change and the use of exclusively peaceful forms of struggle are not realistic, this does not mean there are no other ways than armed struggle or violent methods. Were this so, we would say it openly, because far from concealing our policy, we always formulate it with clarity and frankness so the people can understand it and the masses can adopt it.

Tomorrow at the same time, we will continue to read the article by Luis Corvalan, secretary general of the PCCH, entitled Events in Chile; Unity Against the Dictatorship; Ways and Means of Struggle.

[10 Oct 85 2130 GMT]

[Second of three installments of "text" of article entitled: "Events in Chile; Unity Against the Dictatorship; Ways and Means of Struggle," written by Chilean Communist Party, PCCH, Secretary General Luis Corvalan, to be published in Issue No 75 of the PCCH Foreign Bulletin]

[Text] PY122128--Under the current circumstances, the specific methods of struggle are being developed through a permanent process of practice and political and theoretical work. In September 1980 we upheld the people's right to rebellion against the tyranny, taking into account the situation prevailing at that time. We did it just a few days after the plebiscite through which Pinochet imposed a fascist constitution, allowing him to remain in power for life and to declare a permanent state of exception in the country. A decision had to be made. Were we to remain with our arms folded, waiting as time went by, playing the relatively comfortable role of the opposition? Or should we reject the fascist institutionalization of the state with our words and our deeds, instigating rebellion and developing the multiple combative ways of struggle of the masses?

We chose the second option because it was our duty as patriots and revolutionaries. It was and continues to be a duty our party cannot fail to fulfill, taking into account the PCCH influence on Chilean political life, the confidence that the working class and the people have in the PCCH, and the party's significant responsibility in the building of the fatherland's future.

The substantial progress achieved over the last few years is not the exclusive result of our efforts. However, if we had not understood the meaning of the institutionalization of fascism in 1980, and if we had failed to recognize the change in the people's conscience, we would have failed to recognize the new conditions under which the struggle had to be waged. More specifically, had we not upheld the people's right to rebellion, had we not strongly supported the need to resort to the various forms of violent and peaceful means of struggle, and had we not shown that we are capable of backing our words with our actions, Pinochet and his gang would have been hardly disturbed, and the center-right opposition would have adopted a wait-and-see attitude.

Over the last few years, the promotion of the multiple ways of resolute struggle by the masses and the harassment of the tyranny in all possible ways without giving or asking for any truce have been major factors in the creation of a new political picture in our country. It has opened new chances, strengthening the morale of a large segment of the people. It has also disclosed that U.S. imperialism and some bourgeois sectors want a solution tailored to their own interests.

The Manuel Rodriguez Patriotic Front [FPMR] has also contributed to the creation of the new political picture through actions like the blowing up of pylons, which call for advanced skills, organization, and courage.

The PCCH believes that the situation will most probably develop into a decisive confrontation between the people and the dictatorship. As the report submitted to the last plenary session of the PCCH Central Committee puts it, quote, we foresee a mass uprising or revolt in which all the people, most of the social and political sectors, and, we hope, also the Armed Forces sector that opposes the dictatorship, will be involved.

The point is to reach a state of generalized rebellion in which the country will be paralyzed, and in which the people will revolt in the main cities, with the resolute participation of factory workers, students, the middle class, and the peasants. Such actions will be strengthened by other actions in support of the effort to paralyze the country, helping to speed up the moral and political collapse of the repressive forces. This process should end with the occupation of the country's main political centers by the masses, unquote.

The social mobilization sponsored by the National Workers Command, and the idea of active nonviolence and civil disobedience--proposed by the parties making up the Socialist Bloc and the Democratic Alliance--are also moving forward.

The opposition has also lent considerable support to the plan to stage a national general strike aimed at creating a situation in which Pinochet will be unable to govern the country. In this regard, it should be recalled that a civilian movement backed by the entire people ousted Ibanez on 26 July 1931. Many people believe that the same thing can be done now.

Our thesis about a possible revolt, and the proposals and ideas we have just mentioned are, in our judgment, the basis of a somewhat original method that cannot be identified whether with the armed or with the peaceful struggle. It

is a method that in practice can come close to either of the two ways of struggle, and will be more or less violent depending on the size of the movement, on the determination and combat capacity of the masses, on the possible changes in the behavior and mentality of the Armed Forces, and on their attitude in decisive moments.

There is no Great Wall of China between these two ways of struggle. One is not the opposite of the other. They are not antagonistic but supplemental to one another.

We advocate rebellion and revolt. Others advocate civil disobedience while trying to make it impossible for the government to continue ruling the country. We may ask: What is the difference between these two concepts? If there is any, it is only slight. All these proposals support the struggle against the dictatorship from a revolutionary position. To some extent, those of us who play a social role learn from one another and from what the masses do.

We believe the outcome will be close to what we have outlined, although we cannot rule out other possibilities. We believe that to agree on a democratic opening with Pinochet is an illusion and [words indistinct].

Now, we do not think it will be impossible to agree on a democratic opening with the Armed Forces without the tyrant. U.S. imperialism, which collided with internal reactionary sectors to sponsor the 1973 coup, is again showing considerable concern over the situation in Chile, particularly over the strength of the MDP and the PCCH. After returning to Washington, U.S. Envoy Langhorne Motley, who visited Chile some months ago, happily said, quote, Chile is in good hands, unquote.

There is every reason to believe that the State Department is alarmed over the magnitude of our people's struggle over the last few months. However, let no one be misled. The Reagan administration is intervening in an effort to prevent a truly democratic solution. This is its sole objective. Imperialism wants to prevent an advanced solution, advocating superficial change, which will leave its interests untouched. However, while it is still possible, imperialism will work with Pinochet.

Center rightist politicians are harboring false illusions, because imperialism has allies, servants, and pawns. The latter can be replaced at any moment.

Imperialism needed 3 years to install a dictator at its service in Chile. As time went by, the child grew big and developed a liking for power. [words indistinct] only the people can oust him now.

The basis, central, and decisive factors are the struggle of the masses and the coordinated action of all the opposition sectors.

This struggle, which has disturbed the dictatorship, is the main cause of the worsening of the deep crisis the regime is experiencing. This struggle is and will continue to be the main factor leading the people's movement along the best course, under whatever circumstances in the immediate future.

In a speech honoring (Svirdlev) on 18 March 1919, Lenin categorically stated that the Russian proletariat would not have achieved victory without violence. However, he added even more emphatically that, quote, revolutionary violence was a necessary and legitimate method of the revolution only at some moments of the struggle, and only under some specific circumstances. The organization of the proletariat and of the workers remains a much more essential feature of the revolution. It is also essential for achieving victory, because the organization of millions of workers, which involves the best premises of the revolution, is the source of their victories, unquote.

We base our actions on these principles, that is, we believe that the most important factor is the organization of the masses and that the use of violence and the intensity with which violence is used depends on specific circumstances. This means that it will be impossible to end the dictatorship without struggle by the masses, and that the national revolt, which we regard as the most probable outcome, will take place if it emerges as the only solution and if the people decide to implement it and give it their full support.

In its letter of reply to the president of the Christian Democratic Party, the PCCH Central Committee points to the unquestionable fact that the PCCH has not introduced violence into Chilean society. It goes on to say, quote, we do not advocate violence. If we now point to the moral and political obligation to resort to violence, it is because the dictatorship uses violence against the people, against the country, and against all Chileans. Concerning the peaceful means of struggle, not only do we hold them in high regard but most of our current actions against the dictatorship are peaceful. We combine the different methods of struggle with flexibility, unquote.

During the period preceding the people's victory in September 1970, when we advocated the use of peaceful methods of struggle, we were also flexible. Thus, there have always been different types of struggle. Never have the methods of struggle been exclusively peaceful or violent, although one may prevail over the other for short or long periods.

The struggle the people have waged over the past few years proves that this is true. The protest actions that have been staged since May 1983, the barricades erected during the protests, the blackouts throughout Chile, the banging of pots and pans at pre-established times, the stoppages, the seizure of schools and universities, and the street confrontations with the police are methods of struggle involving hundreds of thousands, and at times millions of people. The masses have resorted to these methods, which they themselves have created during the course of the struggle, because they are in line with their will, their feelings, and their interests. Most of these actions regardless of whether they are peaceful or marked by a low level of violence, result in harsh confrontations with the repressive forces. For the regime, there is no difference. It represses all demonstrations, either peaceful or violent.

The dictatorship's henchmen do not even allow the people to bury their dead or visit their graves; they have even arrested and beaten people demonstrating with a carnation or a candle in their hands, because flowers and candles have become the symbols of the struggle for the right to life.

The decision each Chilean man and woman has to make is not whether to resort to peaceful or violent methods but whether or not to struggle against tyranny.

Overlooking these obvious facts, some opposition sectors continue to condemn violence, quote, from whatever source, unquote. What a funny position, to say the least. The majority of those who are now openly opposed to violence either supported the military coup or remained silent before the bloodshed and the ferocious repression of the people.

During those days, and during the first years of the dictatorship, apart from the leftist parties, only the Catholic church and some Christian Democratic Party leaders like Bernardo Leyton and Radomiro Tomic raised their voices in protest.

Strictly speaking, violence has always existed in Chile. Historical records of violent actions begin with the arrival of the Spanish conquerors. Our Araucanian ancestors struggled against the invaders for 3 centuries. Both sides resorted to violence. The Spanish killed the Indians with the most modern weapons of the time, and Indians used maces and spears.

Early in the 19th century, Chile gained its independence after a war, which was fought to the death, between those who wanted freedom and those who wanted Chile to remain a Spanish colony. In other words, the Chilean Territory was conquered with violence, and the Chilean people, after 3 centuries of colonial rule, resorted to violence to break the yoke that was oppressing them.

[11 Oct 85 2130 GMT]

[Third and last installment of "text" of article entitled: "Events in Chile; Unity Against the Dictatorship; Ways and Means of Struggle," by Chilean Communist Party, PCCH, Secretary General Luis Corvalan, to be published in Issue No 75 of the PCCH Foreign Bulletin]

[Text] PY151948--We Chileans have always taken pride in our country's history, in which there have been few coups d'etat, and in having enjoyed a relatively calm republican life. There is some truth in this, but also a great deal of myth.

There is no question that violence has been present throughout our country's history, even under democratic governments. It will suffice to recall the pacification of Araucaria by fire and sword, the uprising of the navy against Balmaceda and the National Army, and the fact that in Chile, the working class has always been the target of systematic harassment and despicable genocide, as in the massacre of Santa Maria School, the killings in Salvador, Pampa Irigoy, Puerto Natales, Punta Arenas, San Gregorio, La Coruna, Rankin, Plaza Bulnes, Jose Maria Caro, and many other cases.

Our trials culminated with the fascist coup d'etat staged in September 1973 and Pinochet's dictatorial regime, the most brutal and bloody in Latin American history. As for our own history, violence has almost always been the tool of the ruling class and it is no different today.

Despite this fact, there are some people who insist on criticizing actions undertaken by an angered people against a regime that keeps them hungry and repressed.

Violence is inherent to any society where there are antagonistic classes. The ruling classes frequently use violence against their own people in a brutal and merciless manner in order to promote their interests or to curb the quest for freedom and struggle for progress that could jeopardize their privileges and profits. As for the people, they sometimes have to resort to violence when unable to find any other way to free themselves from their oppressors.

This is the way it has always been, from Spartacus and even before to the present, including the French Revolution--the most important revolution staged by the bourgeoisie--and the most significant of all, the Great October Socialist Revolution.

Anyone who could possibly deny these facts and defend or support the use of violence against the people while at the same time criticizing the latter for employing it against a fascist regime, shows clearly that in the final analysis what matters to him is not the use of violence but the class that uses it and its purpose.

Even before we started to advocate the right of the people to rebel and to use different means of struggle, we were told that in order to reach an agreement with all the democratic parties we, the Chilean communists, had to give up Leninism, which implied giving up Marxism and [word indistinct] the Soviet Union.

Nowadays, emphasis is being placed on something else: the use of violence and various means of struggle pose for the center-right opposition an obstacle to entering into an agreement with the communists. It is quite true that there are some differences between us on this issue, as there are differences on other issues, but the point is to unite despite differences in order to struggle jointly for the main goal of the moment, which is to create a democratic country.

Our repeated proposals to overcome exclusionist attitudes, reach an agreement between all the opposition forces, from the left to the right, and make the ousting of the tyrant our foremost objective are unquestionably correct, since it is obvious to anyone willing to see and hear that Pinochet must be thrown out.

The MDP represents the most progressive and spirited sectors of the Chilean left; and no solution will have the necessary support from the masses or the required strength without the MDP. The exclusion policy against the Communist Party and its closest allies goes against the desires and interests of the people, which is why that policy has no support among the rank and file of society. At that level you can find the broadest unity throughout the country, in the townships, in labor unions, in universities and high schools, among writers and artists, in professional associations, and in many other places.

Our youth once again set a great example when their political organizations that belong to the MDP, the Democratic Alliance [AD] and the Socialist Bloc signed an agreement for common action, which is also a call for unity to all democratic and antidictatorial forces.

The AD is being pressured by a sector of its right, which is exacting reactionary concessions from it. The exclusion policy is one of these concessions. However, a sizable sector of this alliance is in favor of an understanding with the left. For example, the Radical Party convention in July of this year set a deadline for the civic front, which was being organized at that time, to implement a policy of unity without exclusions. The so-called Group of Eleven was created [words indistinct]. This is, in fact, a civic front from which the MDP and many others are excluded. Much earlier, Socialist leader Ricardo Lagos, who belongs to the party led by Carlos Briones, categorically told the press that if the AD met with the National Party one day, it would meet with the Communist Party the next day.

It is well known that the AD has met and reached agreements, not only with the National Party but also with the MUN [National Unity Movement] which is even further to the right, and with reactionary characters like Francisco Bulnes.

As to the much ballyhooed meeting with the communists, it has been postponed indefinitely. We are stating facts, not passing judgment or expressing opinions about the parties and the people whose decisions or statements we have brought up. Furthermore, we believe in the sincerity of these people and parties when stating their objectives. We believe that they must be worried because things have turned out to be different and that they are probably planning to persevere with their viewpoints.

The leftwing parties have all stated their support for understanding among and joint action by all opposition forces, and the Humanist Party [PH] and all the figures and parties that make up the Democratic Intransigence [ID] have followed suit. It is quite possible that further developments will compel leftwing parties and those that favor unity without exclusions, to strengthen and develop mutual ties thus increasing their joint pressure in the quest for this unity.

Our people have set a magnificent example at the protests staged in September this year. The National Workers Command [CNT] had agreed to stage a new day of protest on 4 September. On 26 August, the National Accord for the Transition to Full Democracy was widely publicized. Almost all news agencies sent out cables reporting the enthusiasm prevailing among high-ranking leaders of the center right opposition. The U.S. Department of State gave its blessing to the National Accord. Cardinal Fresno thanked the Lord and the leaders of the 11 parties that participated in the accord for the understanding that they had reached and urged the people not to participate in the 4 September day of protest. The AD asked that the day be used only to collect signatures supporting the National Accord and instructed everyone to go home after 1400.

We all know what happened next. Life went its own way. The 4 September day of protest turned out to be the biggest of them all, the most combat-minded mobilization ever to take place under the now almost 13 years of dictatorship.

The MDP is to be praised for having taken a firm and clear-cut stand and for not losing sight of the foremost enemy. The MDP did not join the National Accord because of its many shortcomings and vacuums, but neither did it stand in its way. The MDP's objective has always been joint action with all these groups. This attitude made it possible for all opposition forces regardless of political leanings or social status to participate in the 4 September day of protest.

The CNA, the most representative, pluralist, and united labor organization plays a significant role. Its leadership must be congratulated for not lapsing into passiveness during the September protests and for putting the interests of the wage earners before anything else.

Let us make an honest evaluation. The differences regarding the use of violence have nothing to do with moral standards or humanist principles that we believe we share with all other democratic parties. Basically, these differences have to do with the nature of the various political projects of the opposition forces.

There are many such projects: the MDP, from its firmly revolutionary stance, calls for a progressive democratic regime with socialism in mind; the Socialist Bloc is in favor of a democratic and socialist system; and the AD wants a bourgeois, more or less progressive, government. Meanwhile some of the rightwing forces that recently joined the National Accord make no bones about wanting the Communist Party and its allies out of the picture, thus giving a distinctly antidemocratic tinge to the AD's political project.

The manner in which the tyranny will end and the ways and means employed in the struggle against it have a direct bearing on which project will come true, that is to say, about the depth, the kind, and the meaning of the solutions.

The Western press favors the project of the National Accord, which calls for a moderate and orderly solution. This is not our own evaluation but one based on the guidelines of the project itself and the statements of Chilean center-right political leaders.

However, theirs is not the only way out. We have repeatedly said that confrontation is the shortest road to the end of the dictatorship and also the road that offers more possibilities for the country to begin a phase of radical changes in the state structure and all other aspects, once fascism has been defeated.

We must also admit that there is a power struggle within the opposition to decide whether the bourgeoisie and, in the final analysis, the financial oligarchy, or the proletariat and the middle class will control the reins of the social movement and the destiny of Chile.

The differences arising from the various political projects and everything else we have mentioned so far, and especially the violence issue and the use of the various ways and means of struggle, are no more than a reflection of this power struggle.

In a report to its national conference, our party describes this problem as follows:

Quote, a dispute for hegemony among social and political movements is unavoidable and cannot be resolved through a confrontation among the contending forces but through a joint struggle against the common enemy, and through actual conciliation of the various positions. The people must have the final word in this and in everything else, unquote.

The main question facing the opposition is this: Should we seek a joint plan and follow similar tactics to end the Pinochet regime and jointly undertake the task of the provisional government that would replace the tyrant, or should we continue--as we are doing today--promoting our individual plans without disregarding occasional agreements? We communists decidedly support a joint plan and common tactics, even if this would only be instrumental in ending the dictatorship, provided of course that each group is allowed to retain its essential values.

The proposal made by our party's Central Committee in a letter addressed to Gabriel Valdes to jointly outline a specific way of ending the dictatorship and fascism is both realistic and sound, taking into account the fact that all opposition forces have much in common, with the exception of the ultraright.

The CNT platform approved in August at a meeting attended by more than 1,000 union leaders could serve as a basis for understanding among all democratic forces.

As stated in a letter our party addressed to Cardinal Fresno on 6 September, the urgent measures outlined in the National Accord--and others that would take into account the serious conditions of misery, hunger, and unemployment, which the poor sectors have been enduring--could become goals for the joint action we are proposing.

Andres Zaldivar has told the magazine APSI that, quote, dictators seek to perpetuate themselves in power and they only relinquish power when God takes them or when the people leave them. The people have two ways of leaving a dictator: Either they rise in arms against him or they challenge him through mobilization and disobedience, which will ultimately result in social pressure, unquote.

This is an interesting opinion that could be discussed and improved with a view toward reaching an understanding. It is also important because Zaldivar states his conviction that Pinochet will not step down voluntarily and conceives social mobilization and civil disobedience as a way of challenging the regime, as a, quote, permanent and mounting process for exerting pressure, unquote.

Should the democratic forces fail to achieve an understanding soon for refusing to change their respective plans or to make concessions, we would be running the risk of not taking advantage of the present situation, which is highly conducive to dealing decisive blows to the dictatorship and to preparing it for the final blow.

Some people believe that we could end the dictatorship without an agreement. Yes, this is possible. The hardships, hunger, and misery endured by millions of Chileans, their craving for justice, and their contempt of tyranny have made the country a powder keg. There are many signs that are indicative of a possibly serious social outburst.

There are also sectors that are desperately seeking to promote an orderly, moderate solution, and in the Armed Forces, which is virtually the last-ditch pillar of the regime, the dictator is also rapidly losing prestige.

Yet a broad agreement of all democratic forces will continue to be necessary because today or tomorrow the situation will be unmanageable if disunity prevails.

Regardless of the difficulties and sacrifices we will have to face in the struggle, we Chilean communists will remain on the front lines, fighting the fascist dictatorship with every means and with utmost resolve, beside the masses and in close coordination with our allies.

Similarly, and as part of this struggle, we will continue to defend our principles, our class (?struggle), and our policy of supporting the struggle and unity of all democratic forces against the tyrant. This policy is exclusively designed to preserve the people's interests. We support a system that would respect human rights, would eradicate fascism, torture, and political crimes. We seek a democratic system whereby the people could sovereignly decide the future of the fatherland.

Our party is the most faithful advocate of democracy, both in ideas and deeds. We seek understanding with all progressive sectors so that we may work together more effectively to fulfill as soon as possible our desire to end the dictatorship.

It is up to the people, especially the workers, to make events follow the right course. If this course leads to an advanced democratic system, the Communist Party will continue to promote its policy of favoring a broad alliance with all social forces, without excluding any progressive sector, because the transformations needed in Chile will require the joint participation and struggle of most Chilean citizens.

CSO: 3348/62

CHILE

BRIEFS

COURT GRANTS PROTECTION TO PALESTINIAN LEADER--Santiago, 18 Oct (EFE)--The Santiago Appellate Court today granted a motion for protection filed for Nelson Hadad, president of the Latin American and Caribbean Palestinian Confederation [COPLAC--Confederation Palestina Lationamericana y del Caribe]. The motion was filed on behalf of Hadad and his family after unidentified individuals on 14 September fired at the house of the president of the 500,000-member COPLAC. No casualties were reported. Hadad's attorneys have said that a few hours after the attack, Hadad received telephone calls threatening him and his family if he continued to publicly champion the rights of the Palestinian people. [Text]  
[Madrid EFE in Spanish 1615 GMT 18 Oct 85 PY]

JOURNALISTS ATTACKED, THREATENED--Freedom of expression and especially a series of laws that are exerting pressure on sectors of the opposition media--especially ANALISIS, APSI, CAUSE, and FORTIN MAPOCHO magazines--were discussed during a press conference held by the advisers of the Journalists Association Juan Ibanez, Juan Andres Richards, Gustavo Pueller, and Guillermo Torres. As previously disclosed, journalists of APSI magazine have received a series of threats. One of these threats resulted in an attack on journalist Elizabeth Subercaseau. The advisers also announced that ANALISIS magazine had received threatening phone calls and that its director, Juan Pablo Cardenas, had received death threats on two or three occasions. [Excerpt]  
[Santiago Radio Chilena in Spanish 2330 GMT 21 Oct 85 PY]

CSO: 3348/89

COLOMBIA

#### LIBERAL CANDIDATE'S BACKGROUND SKETCHED

Bogota EL TIEMPO in Spanish 16 Sep 85 p 5-A

[Text] It seems that some Liberals are unaware of their leaders' past lives if the leaders have clean records, or they forget the past if they are not favorably disposed toward their leaders.

Some material has been written about Virgilio Barco's personal, family, social and political background, yet there are still those who ask who he is. They do not know, or pretend not to know, that the party chief and candidate comes from a comfortable but not rich Santander family, in which he was raised "with neither luxuries nor hardships;" that his ancestors were involved in agricultural and industrial firms in the early development of the province; that he served in the military and went to public schools for primary, secondary and university education, not exclusive institutions, although later he went to a very serious research center in the United States, and he also taught at the university level in that country; that he held important posts in the administration of his department; that he was Gaitan's right-hand man in North Santander; that he went through a horrifying period when the era known as "La Violencia" began in that region of the country, and participated actively in the struggle against the Rojas Pinilla dictatorship; that he has held every office from councilman to senator; as minister of public works under Alberto Lleras he built more than half the Atlantic railroad; that he transformed Bogota during his short time as mayor; that he also has diplomatic experience, and has been an active member of international development institutions. One significant fact is that throughout his life, he has never been accused even once of bad faith or indiscretions.

This is indeed rare in a country where it has been customary to malign the Liberals and condemn them at the drop of a hat. It certainly happened to Eduardo Santo for the Gacheta case; to Lopez Pumarejo y Echandia for the Mamatoco crime; to Carlos Lleras for an alleged fraud against Rojas Pinilla; and to Lopez Michelsen for the Handel deal.

It is fair to ask, then: Which of the presidential candidates can boast a background like that of Mr Barco? Which one has a cleaner political record? Which one has more administrative training and experience? But instead of asking these questions, some thoughtless malcontents simply say: Oh, but Mr Barco was nominated by a convention of milquetoasts led by Alberto Lleras and Alfonso Lopez, and for that reason he should be rejected!

But if it is known who Mr Barco is, it should also be known who he isn't.

In the first place, he is not a demagogue. That is why he consistently refuses to promise the impossible and to wear peasant garb when he campaigns among the peasants.

Nor is he irresponsible, or sectarian. When the extermination of Liberals began in his department, he led a civil resistance movement, first at Gaitan's side, and then with Lopez, Santos and Lleras Restrepo. It was never a guerrilla movement, although in those times the Liberal Party would have been justified for launching an armed struggle.

He does not claim to have come from a humble family, or from a noble one. He does not fabricate a childhood of hardships, nor has he tried to build medieval castles in the Sabana of Bogota, since he knows that this is a land of ranches, hardtack and pigeons; not of wealthy nobles hunting wild boar.

He does not appear to be a greatly cultured man. That is why he declines to give speeches on the geniuses of Athens or of the Germanic culture, and why he does not know German or Greek.

He will have nothing to do with sociological, literary or historical essays, because he knows full well he is no humanists, or historian, or poet.

And since he is an old-time Liberal and is not ashamed of the party's past, he refuses to trade in the red flag and pretend to be a leftist.

8926

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7 November 1985

COLOMBIA

## MINISTRY OF FINANCE PROPOSES BILL TO SOLVE DEBT PROBLEMS

Bogota EL TIEMPO in Spanish 13 Sep 85 pp 1-A, 2-D

[Article by Carlos Pineros]

[Text] The government urged Congress yesterday to approve a new currency issue of 70 billion pesos, and another issue of Government Bonds totaling 40 billion pesos. It also called for the raising of the domestic and external debt ceilings so that the administration's basic spending needs for 1986 can be met.

The raising of the debt ceilings includes 15 billion pesos to contract or guarantee domestic public loans aimed at financing economic and social development plans and programs.

The new availability of resources also includes raising the foreign debt ceiling by US \$2.5 billion, which will allow the government to obtain new foreign credit in 1986 to carry out development plans scheduled for that period.

In the effort to obtain the US \$2.5 billion, the government announced plans to float Public Debt Bonds on the international market, totaling US \$250 million, to be added to the US \$200 million in bonds already approved by Congress in the special session early this year.

These are the key aspects of a new bill that the Finance Ministry has introduced in Congress, as a proposed solution to the public finance crisis that the incoming administration will have to face.

This is the most specific response the government has given to the public warning issued by Comptroller General Rodolfo Gonzalez Garcia that the next government will not have enough money to meet its basic spending needs.

According to official projections, the budget deficit (the shortfall of funds available to carry out that spending in 1986) will amount to 148 million pesos.

In a debate held in Congress this Wednesday, the comptroller and economist Gabriel Rosas Vega, of the New Liberalism movement, discussed the situation and estimated that the deficit could rise as high as 225 billion pesos.

This assessment resulted from an examination of the revenues and outlays estimated by the government in the bill containing the 1986 budget, which comes to a total of 648 billion pesos.

According to the comptroller and Rosas Vega, revenues were overestimated and outlays underestimated.

The new bill to make up for the difference would provide 125 billion pesos in new resources, as well as 400 billion pesos in foreign currency, but this funding would be earmarked primarily for investment.

The New Liberalism movement announced yesterday that on 18 September Congress will hold a debate on the pros and cons of the economic policy, with Finance Minister Roberto Junguito Bonnet participating.

#### New Formulas

The new bill is being introduced in the hopes of alleviating the national financial crisis, which came about because spending rose faster than revenues, despite boosts in taxes and fees and spending cuts. It was drafted by the Finance Ministry, and it reads as follows:

Article 1. The authority vested in the National Government by Legislative Decree 382 of 1983 and by Laws 34 of 1984 and 55 of 1985 to issue, market and maintain in circulation National Savings Bonds (TAN), is hereby extended to up to 40 billion pesos above the limits set forth in said instruments.

This authorization includes the ability to issue new bonds to replace those that are amortized through redemption or repurchase, in order to keep them in circulation until the total amount authorized in those instruments and this law is attained.

The financial characteristics, issuance, marketing, circulation, negotiation, guarantee and servicing of the National Savings Bonds (TAN) authorized in this law shall be determined in accordance with the rules set forth for that purpose in Law 34 of 1984, and with the provisions of Paragraph 2, Article 23 of Law 55 of 1985.

Article 2. The National Government and the Bank of the Republic are hereby authorized to carry out internal credit transactions for up to 55 billion pesos for the purpose of opening up supplemental and special credits in the national budget for the 1986 fiscal year.

The term, interest rate and other payment terms of the transaction mentioned in this Article shall be the same as those agreed upon for the consolidation and refinancing of the National Government's debt to the Bank of the Republic, pursuant to Law 55 of 1985. (The term is 30 years and the interest rate, 0.5 percent.)

Paragraph: Upon receipt of the report of the Inter-Parliamentary Committee on Public Credit, which must be submitted within 30 calendar days of the date set forth in writing for that purpose by the Ministry of Finance and Public

Credit, and the report of the Monetary Board, the authorization conferred in this Article shall increase by up to 15 billion additional pesos if the foreign credit funds, especially those derived from the indebtedness bonds authorized by Article 27 of Law 55 of 1985, are less than projected for financing the 1986 budget.

Article 3. The authority vested in the National Government by Article 2 of Law 25 of 1980 to contract or guarantee domestic public loans for the purpose of financing economic and social development plans and programs, is hereby extended by 15 billion pesos.

Article 4. The authority vested in the National Government by Law 63 of 1983 to contract or guarantee foreign public loans for the purpose of financing social and economic development plans and programs, is hereby extended by US \$2.5 billion, or the equivalent amount in other currencies.

To determine the equivalent in United States of America dollars of the credit transactions that are conducted in other foreign currencies pursuant to this law, the average monthly exchange rate of the 3 months prior to the date on which the Inter-Parliamentary Committee on Public Credit issues its report on the loan in question shall be used.

Article 5. The National Government, as authorized in the previous Article, may issue public foreign debt bonds for up to US \$250 million, if the following conditions are met:

1. Favorable report by the National Council for Economic and Social Policy (CONPES)
2. Report by the Monetary Board
3. Report by the Inter-Parliamentary Committee on Public Credit, which shall be submitted within 30 calendar days of the date set forth in writing for that purpose by the Ministry of Finance and Public Credit
4. Decree ordering and stipulating the characteristics of the bond issue and the financial and marketing conditions of the bonds.

Article 6. The foreign credit transactions guaranteed by the nation pursuant to the authority conferred in Article 4 shall require a report from the Inter-Parliamentary Committee on Public Credit before the corresponding measures can be taken. Said report shall be submitted within 30 calendar days of the date set forth in writing for that purpose by the Ministry of Finance and Public Credit.

Article 7. The payment by the nation and other public entities of the principal, interest, commissions and other expenses corresponding to foreign loans and bonds shall be exempt from all taxes, fees, contributions or duties levied by this nation.

#### Common Provisions

Article 8. Except as provided in Articles 1 and 2, in exercising the authority conferred by this law, no credit transactions may be carried out for the

purpose of financing operational spending, nor may loan contracts be signed with the Bank of the Republic.

Article 9. Pursuant to the authority conferred in Articles 3 and 4 of this law, the National Government may not provide national guarantees for loans already contracted by public entities, mixed corporations or other entities whose establishment was promoted by the state or in whose projects the state has a special interests, if such loans were extended previously without the nation's guarantee, unless the lender is an international public financial institution.

Article 10. The nation, through the Ministry of Finance and Public Credit, may enter into contracts with territorial or decentralized entities or with the Bank of the Republic for the administration of the resources obtained from the credit transactions mentioned in this law, or for the execution of the projects for which such credit is used.

Article 11. The nation, through the Ministry of Finance and Public Credit, may directly administer the foreign public debt bonds that it issues, or may enter into contracts with national or foreign entities to issue, publish, market, guarantee and service such documents.

Article 12. The contracts that are signed or modified between the National Government and the Bank of the Republic pursuant to Articles 1 and 2 shall require for validity only the signatures of the president of the republic, the minister of finance and public credit, and the general manager of the bank of the republic. Said contracts shall be consummated by means of their publication in the Official Gazette. The certification that the corresponding fees, if applicable, have been paid, shall be considered as meeting such requirement.

Article 13. For the purposes of the signing, validation and consummation of the contracts that the National Government signs or guarantees pursuant to Articles 3 and 4, the provisions of Decree 222 of 1983 and complementary regulations shall apply. (This means that the actual implementation of the contract, that is, any difference that may arise in the process of disbursing the funds and paying the loan, will be governed by a legal framework other than Colombia's.)

In addition, the transactions that are carried out pursuant to Article 4 of this law shall require a prior favorable report by the Monetary Board regarding the country's payment capacity in order for these foreign obligations to be fully met.

Article 14. The validation by the government of the contracts signed by the National Government pursuant to Articles 10 and 11 shall require only the signatures of the president of the republic and the minister of finance and public credit. They shall be consummated by means of their publication in the Official Gazette. The certification that the corresponding fees, if applicable, have been paid, shall be considered as meeting such requirement.

Article 15. The National Government shall report to the Congress every 6 months, through the Inter-Parliamentary Committee on Public Credit, on how the authority conferred by this law has been exercised.

Article 16. The National Government is hereby authorized to make the budgetary incorporations and appropriations, issue the orders, and adopt the measures that are necessary for the full execution of this law.

Article 17. This law takes effect upon promulgation.

8926

CSO: 3348/968

COLOMBIA

## 1986 BUDGET FIGURES ADJUSTED; PUBLIC SALARIES TO RISE

Bogota EL TIEMPO in Spanish 15 Sep 85 p 11-A

[Article by Carlos Pineros]

[Text] The government plans to raise public sector wages by 18 percent in 1986, reported Comptroller Rodolfo Gonzalez Garcia at the conclusion of an analysis of the bill containing the national budget for next year.

In a message to Congress, he proposed a revision of the institutional structure involved in the drafting of the budget in order to eliminate the system of modifications and additions that mutilate it, make it more fragile and make its objectives "obscure."

"This practice has unfortunate consequences, because under ordinary circumstances the budget should be a numerical reflection of the government's policies and the orientation of the economy. If it is regarded as a patchwork quilt, it becomes haphazard and disorderly, and the programs originally proposed by the government lose their effectiveness," he commented.

"Colombian society has been put to a severe test in recent years," asserted the comptroller in discussing the havoc wreaked by the recession. In view of the hemorrhaging public treasury, he praised Congress' passage of new legislation, "which has undeniably put the brakes on fiscal deterioration, averted emergencies and met some of the demands of society as a whole."

During the first 3 years of this administration, initial central budget allocations have ended up totaling only 70 percent of final appropriations. This problem and the persistent modifications impede the full implementation of the proposed policies.

Gonzalez Garcia called for a rapid increase in taxes and spending restrictions, but he called attention to the fact that "the fiscal route has not yet been completely cleared of obstacles."

Wages, general spending and public investment have fallen, and only the servicing of the debt "appears to be growing like Topsy," said the comptroller. Spending calculations in the budget are underestimated by nearly 150 million pesos, he added.

The modifications "still leave room for doubt about the coherence of the budget process," which makes it necessary to revise the bases on which the inventory of revenues and expenditures is drawn up. Otherwise, "the problems will always be one step ahead of the solutions."

Although the 1986 draft budget is more realistic, the comptroller acknowledged, he also found overestimates of revenues. He believes that the budget projection is 9 billion pesos over the mark in current revenues, for example. The income tax, slated by the government to bring in 172 billion pesos, is overestimated by 18 billion pesos, because it is based on collections and not declarations, a practice which makes a mockery of the current budgeting system.

"Import taxes were underestimated by 6 billion pesos as a result of some import, exchange rate and hidden tariff projections that seem unrealistic to us," contended the Liberal economist from Santander.

In this regard, he added that "the figures included in the economic justification of the taxes are not consistent with those that are found at other state agencies, so there must be better internal coordination to provide reliable statistics."

In his message to the presidents of the Senate and the Chamber of Deputies, whose 4th Committees are debating the 1986 draft budget, the comptroller urged a study of "the outcome of government actions in comparison with goals and objectives, to determine to what extent general proposals become specific spending figures."

"Unfortunately, the precise details of these proposals cannot be clearly reconciled in the government's message" to Congress accompanying the bill. "The initial appropriations are just one part of what the final 1986 budget will be, and there does not appear to be a well-defined criterion for selecting investments."

The draft budget includes 98 billion pesos for personnel services, and that figure is actually expected to total 129 billion pesos. "With the respective adjustments, this item contains a hidden increase of 18 percent in payroll wages, which is lower than the inflation rate projected for next year," stated the comptroller. Inflation is expected to top 20 percent.

The draft budget also falls short about 100 billion pesos in transfers to other levels of public administration. The 138 billion pesos earmarked for investment continues to be lower in real terms; any increase in this item would have to come from foreign resources, "which are not yet available."

The inaccuracy persists, and it makes analyzing the budget more difficult. Some operational spending is listed as investment. At least 70 percent of the transfers that are supposedly going to investment are actually used to cover personnel costs. Sixteen percent of investment goes to pay the debt service of the decentralized sector and to export incentives.

The debt service will account for 24 percent of spending in the budget, nearly 150 billion pesos. Another element in the disorder is the number of obligations contracted in one year that are paid for in the next year. Thus, 100 billion pesos from 1985 will be transferred for payment in 1986, while 128 billion pesos will be passed on from this year to 1987, according to calculations by the Comptroller's Office. To make the budget more realistic, this situation should be changed, suggested Gonzalez Garcia. The initial budget comes to an overall total of 648 billion pesos.

Even if it is conceded that the government will receive US \$300 million in foreign credit through floating bonds on the market (US \$200 million) and loans from commercial banks, the 1986 deficit could soar as high as 165 billion pesos, estimated the official.

8926

CSO: 3348/968

COLOMBIA

# BUDGET FIGURES SAID BASED ON UNREALISTIC ESTIMATES

Bogota EL TIEMPO in Spanish 11 Sep 85 pp 5-A, 8-B

[Commentary by Cesar Gaviria Trujillo]

[Text] The 1986 budget proposal has prompted the press to object to the way the budget is drawn up; EL TIEMPO, the comptroller general of the republic, and former Ministers Alfonso Palacio Rudas and Abdon Espinosa Valderrama have all pointed out the flaws in the system. As a result, the Liberal Party, through its candidate and sole leader, has announced that it intends to conduct a detailed analysis of the 1986 budget, which will undoubtedly have a strong impact on the actions the incoming administration takes during its first year.

The comptroller has complained of the "piecemeal approach," the "upward creep" and the "game of chance" attitudes that have gained control in the formulation of our real budget. Former Minister Palacio Rudas contends that Colombian congressmen are handling the budget in an "off-hand" manner, and that they are more concerned about "items that are good for re-election." EL TIEMPO and former Minister Abdon Espinosa echo the comptroller's concerns, and air the old grievance that "revenues are exaggerated and spending is underestimated."

Actually, what we have here is a mixture of bad government habits, legal restrictions, ignorance of the two legislative chambers' faculties, neglect of their duties, political vices, and new problems in economic forecasting.

In the first place, one limitation stems from the Organic Budget Statute. The government was going to amend this statute, but unfortunately it abandoned the idea. Because of the flaws, the myopia, and the lack of desire to overcome the limitations of Decree 294, the statute was not touched. The inability to incorporate irregular resources that may occasionally be certified by the Comptroller's Office is a serious obstacle to the proper calculation of revenues. This is true of the 1986 budget, in terms of the US \$200 million that is expected to come from the foreign debt bonds and the US \$100 million from contracts with commercial banks.

The regulation that resulted from the constitutional reform of 1968 provides little help to the budget committees in their task, insofar as it makes the budget unalterable in practice. Congress cannot modify this regulation in any way, which does not encourage close scrutiny, deliberation or control. As

former President Alberto Lleras stated recently, "Congress will not improve as long as it has no more functions and responsibilities, certainly not in the present situation in which it is a mere appendage of the executive branch."

The promise of allocations for regional development in exchange for passage of the budget is just one more indication of the imperial power of the executive branch, which makes processing the budget a minor ritual that lends some prestige to the finance minister and humiliates and degrades those who must pass it. They are given the choice of either approving or rejecting the entire proposal, and they have no power whatsoever to improve, change or even delay the initiative.

For example, the fact that the 1986 draft budget appropriates for investment only the amounts corresponding to the specially earmarked funds makes Congress' task a trivial exercise of little value. In the first 6 months of 1986, with an insignificant presentation to the Council of State, the government will formulate the entire investment budget without public scrutiny.

Moreover, investment financing, wage raises and other operational and debt service items depend on the financing bill that has not yet been submitted to Congress. This bill is not being processed by the Budget Committees, but by the Economic Committees, and their analysis of the 1986 revenues can be generously described as partial. In contrast to previous years, this year's projections of income tax, customs tariffs and sales were somewhat realistic.

With all these limitations, I would like to make some comments on the good budget message submitted by the government. In this document, it explicitly acknowledges that its previous efforts failed, noting that it brought "the country to the brink of a crisis of major proportions." The government also asserts that, as pointed out by the EL TIEMPO editorial writer, since the end of the 1970s public spending has expanded considerably and a major portion of it was financed with credit and revenues derived from the strength of the external sector. Actually, this does not confirm for certain the external financing of operational spending. The emergence of loans not tied to specific projects but rather to general development programs makes it almost impossible to identify exactly where the funds went. Moreover, not only were foreign credit resources used for operational spending, but the evidence indicates that 1979 marked the beginning of a very unwise trend toward replacing tax revenues with external financing and non-tax resources, such as most of the funds in the Special Exchange Account, to finance public investment.

To get a rough idea of what the 1986 budget will be, we would like to take a look at what the 1985 budget will turn out to be, 12 percent below the 1984 budget in real terms. Most noteworthy is the reduced growth of the investment budget, nearly 18 percent below the 1984 inflation rate in real terms. Despite the effective outlays for investment spending in 1985, they are growing at a rate of about 39 percent, which reveals the real detonator behind the execution of the budget. The Liberal Party had better be very careful with this timebomb. Last year, 100 billion pesos slipped through in the form of reserves, documents in transit and demand liabilities, under items that had been agreed to but for which there were no funds in the treasury.

In this way, the appropriations budget, or the calculations of actual operations, conceal more than they reveal about the true fiscal situation. In spite of the hefty 42.5 percent increase in current revenues in 1985, compared to a mere 12.6 percent growth in operational spending and a similar rise in investment in nominal terms, the budget problem is still very serious, considering the amounts that are being passed on from one year to the next for payment.

Thus, the government's figures for the 1986 budget must be viewed with great caution. According to these statistics, the 27.8 percent total of projected payments compares favorably with the increase in current revenues, which will be 28.6 percent. This assertion conceals the following restrictions: a total of 100 billion pesos in deferred spending is left over from last year; it is not certain whether the foreign bonds can be sold; Congress has not approved the monetary issuance quotas or the external or internal debt ceilings; and the amount of wage increases has not yet been decided.

As for the "congestion" effect of National Savings Bond (TAN) sales that the comptroller and EL TIEMPO pointed out, it should be noted that the most difficult problem is not so much the proportion of national financial savings that will be diverted (less than 10 percent), as the tremendous fiscal cost it will entail: a nearly unmanageable 40 billion pesos next year. Finally, I would like to sum up some of the points the Liberal Party might make in the announced debate. First of all, it should demand the reform of the Organic Budget Statute, or the formulation of a new statute. Second, it should demand to be informed of how additions will be made to the 1986 investment budget. Third, it should require an explanation of the deficit of the decentralized sector, where the government's policy has failed; the government cannot point to any success in the central sector, either. Fourth, it should seek to clarify the manner in which financing will be obtained for the pent-up spending that now totals more than 100 billion pesos. Fifth, it should demand that the 1986 draft budget be presented in the proper form immediately, with projections of internal and external financing and monetary issuances. Without them, the party cannot analyze the 1986 budget. Sixth, the party should carefully study the dates by which the issuance authorization may be studied, since as the comptroller has pointed out, the current administration could fudge the imbalances in the cash flow and defer the appearance of the holes until the second half of the year. At that time, the fiscal problems would be manifested in the inability to meet operational payments. Finally, the party should receive guarantees that if it wins the election in May, it will be allowed to participate in drafting the 1987 budget. That is the final budget to be submitted by the outgoing administration.

These issues can be brought up without detracting from the item-by-item, institution-by-institution analysis that is so essential to the work of the Budget Committees, making comparisons with the so-called Equitable Exchange Plan that is supposedly guiding the administration in this task.

8926

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COSTA RICA

# POPULAR ALLIANCE CANDIDATE ON UNITY PROSPECTS

San Jose RUMBO CENTROAMERICANO in Spanish 19-25 Sep 85 pp I-III

[Interview with Rodrigo Gutierrez, Popular Alliance candidate for the presidency, by Ricardo Lizano; date and place not given]

[Text] The presidential candidate of the Popular Alliance, a coalition including the Popular Vanguard Party (PVP) and the Broad Democratic Front (FAD), Rodrigo Gutierrez, made it very clear during an interview granted to RUMBO CENTROAMERICANO that his organization represents the left-wing alternative for the country, although he believes that its program is broad enough to interest individuals who do not necessarily occupy that political position.

This leftist nature, however, does not indicate identification between that position and Marxism, Gutierrez says. This is a confusion which is deliberately promoted, according to him, by what he calls the "commercial press." In this connection, this leader was repeatedly critical, and he even took offense at one of the questions asked him by the reporter from this weekly periodical, Ricardo Lizano.

Gutierrez, who was twice the candidate of the United People Coalition, which rallied the parties of the left wing in 1978 and 1982, went on to explain the reasons he is not currently a member of that organization, which is headed today by Alvaro Montero and Sergio Erick Ardon, leaders of the Socialist Party (PS) and the New Republic Movement (MNR).

Although there are reasons currently keeping the Popular Alliance and the United People apart, Gutierrez does not exclude the possibility that they can be overcome, and that at some time a union of these two forces may come about. Such a union, he believes, is regarded as feasible by Manuel Mora, the veteran leader of the Costa Rican communists who is now a member of the Party of the Costa Rican people (PPC).

[Question] You were something like the symbol around which the unification of the parties of the left was achieved in 1978 and 1982. Why are you not with the United People now?

[Answer] Once the last elections, in 1982, were over, a process of revision of the political campaign began, and positions were adopted by Sergio Erick Ardon and Alvaro Montero Mejia revealing their objections concerning about the United People, since they believed that it had been planned as a leftist option. And in view of the campaign which the commercial press has always pursued against our organizations, creating an unfavorable image of the leftist positions in the minds of the public, they believed that the United People plan should be changed.

Basically Sergio Erick Ardon was very critical of the image and the symbol the United People represented, and the need which some of the members of that group were already urging to correct its political line. In the months which followed, it seemed that they had lost interest in the United People.

We launched efforts to maintain unity, seeking alternatives and reorganizing the unity program, and we worked in this way during 1982 and a good part of 1983 in the group called the Democratic Convergence, in which other forces in addition to those which made up the United People were represented.

Specifically, participants included Javier Solis, who symbolized the desire to organize a political movement of a popular type; Rodolfo Solano Orfila, who adopted an aggressive position within the National Liberation Party (PLN); Juan Jose Echeverria, who had organized his Radical Democratic Party (PRD); Deputy Ricardo Rodriguez, who had already resigned from the ranks of the Social Christian Unity Party (PUSC); the PVP and ourselves.

It was a question of finding points of agreement in order to draft a statement of principles, up until the time internal schism developed in the PVP. Then Alvaro Montero and Sergio Erick Ardon decided to continue with the United People undertaking, but to exclude that of the PVP.

Those of us who in that era made up what is today the Broad Democratic Front disagreed with this action, because it seemed to us that, despite the ideological differences and other problems among the organizations, it was indispensable to maintain unity. We made every effort to prevent the differences from outweighing the points of agreement, and then Montero Mejia and Ardon decided to sponsor a new political movement, and they announced this to the country.

LA NACION published some photographs of Juan Jose Echeverria together with Alvaro Montero and Sergio Erick Ardon. We adapted ourselves to certain agreements or principles we regarded as indispensable to carry a unity movement forward, such as the principle of unity with no exclusions. We believed that all of the groups which might show an interest in a joint project should participate, without conditions. Since it was a question of creating a coalition, the autonomy of each group should be respected and unity should be created around a program of struggle and not abstract principles, as has happened on some occasions, and a basic structure should be developed for achieving unity in action.

These principles were not implemented and our organization did not participate in the movement sponsored by Montero Mejia and Ardon, awaiting the development

of a new opportunity for unity. However, in November we were all surprised by the fact that, in a single legal action, Montero Mejia and Sergio Erick Ardon simultaneously petitioned the Civil Registry for dissolution of the United People Coalition and permission to create another, with only the PS and the MNR as participants.

I stated my objections to this measure publicly, in view of the fact that the United People did not represent only the interests of three organizations, but in addition, those of a large number of us others who were members of it and had voted for it, such that therefore it was something very different from the coalition recorded with the Civil Registry by the PS and the MNR.

This institution accepted their petition, and then we felt that we were now free, after having made every possible effort to achieve unity, to join those who wanted to form an alliance on the basis of the principles mentioned above.

As a last resort, we sent a letter to all the organizations. The PS answered that it would continue with the proposal excluding the PVP, the MNR sent no response, and Manuel Mora's party said that it was awaiting his return, since he was abroad. The only positive response was from the members of the PVP, and so we entered into an alliance with them, which is what we represent at this time.

[Question] What is the difference between the United People and the Popular Alliance?

[Answer] On this matter, we must adhere to what the leaders of the United People have stated. They proclaim it to be a renewal movement which does not represent the left wing, nor does it want its concepts seen as in that position.

In addition to this, in practice it pursues a policy of alliances with popular and trade union organizations which favor liberation, such as the Authentic Confederation of Democratic Workers (CATD). In the student movement and on other fronts, it maintains a position more inclined toward alliance with the PLN and toward separation from us, since they prefer this type of union to establishing one with us.

And perhaps the most important point of disagreement is the support given by the United People to the neutrality policy of President Luis Alberto Monge. To judge from an interview with Alvaro Montero which this periodical published recently, this movement supports President Monge's statement of neutrality, without further conditions. We, on the contrary, have maintained a position opposed to this for some years now.

We are a movement of a popular nature. We believe that we represent the national left wing, but that our program is broad enough, in terms of its goals, to interest sectors which are not traditionally Marxist, understanding the left wing to mean what it does throughout the world. For I believe that here, some of you journalists have undertaken to confuse what the leftist sector is with an ideological position, when it is a matter of a political approach.

Since 1890, the left wing has meant a political position. Among the liberals there are progressive sectors whose members regard themselves as leftists, and conservatives who would like to maintain the status quo, who call themselves rightists. It is precisely from this that the terms derive: those who advocated the return of the king sat to the right of the president of the assembly, and those who preferred a republican undertaking and the deepening of bourgeois democracy sat to his left.

Thus this gave rise to the terms which everyone understands, except in Costa Rica, where the insistence of the media has resulted in the belief, at least on the part of one sector of the public, that the term leftist is synonymous with Marxist.

In fact, the Marxist forces are part of the left, belonging therein because of their position, but one can find leftist sectors in the PLN, in the PUSC and anywhere factions which want change and others which oppose it exist. I believe that these are the most important differences.

We continue then to maintain the same positions in support of popular demands and in defense of democratic rights for which we fought in 1978 and 1982. Words do not frighten us. We feel that within the scheme of positions, we are on the left. Of this there is no doubt.

[Question] If the Popular Alliance is an organization to which not only leftists belong, how far are you prepared to go with the communists?

[Answer] We are proceeding together but this will be determined by political practice and, in general, the development of our project. For what is involved is a process in which a great number of forces with different, and even opposed, ideological interests will participate, but this should not be an obstacle to progress on the points of agreement.

[Question] But the Marxists propose social and proletarian revolution, in the final analysis, as their ultimate goal, although they say that this will depend on the conditions existing in each country. If you are not Marxists, surely you must be more or less clear about how far your alliance with them can go.

[Answer] Obviously. But on the level of agreement, it is the popular forces involved which will determine the path of this undertaking at each historic moment. To contemplate what will happen in 12 or 30 years, then, with a coalition in which there are Marxists and non-Marxists is practically impossible.

[Question] Will you compete with the United People when it comes to the social sectors you want to reach with your message?

[Answer] We have a very clear program. It is specific enough that we do not have to compete with the United People. We are not concerned about what sectors they are addressing. As their political message is not homogeneous, we can very often see which sectors they are trying to address. We, on the other hand, are very clear about the types of reforms we are proposing in this electoral battle.

[Question] Would you say that from the revolutionary or Marxist point of view, the United People Group has become a reformist or electoral organization?

[Answer] No. It seems to me that the comrades in the United People are trying to find their own identity, their own physiognomy. I never use descriptive terms of this sort because they are contradictory, and do not really reflect the similarities among different individuals. When one uses such terms, one runs the risk of being misinterpreted.

[Question] However, in the weekly periodical LIBERTAD REVOLUCIONARIA, the organ of the PVP, precisely in connection with the interview Alvaro Montero granted to RUMBO CENTROAMERICANO, the term reformist was used.

[Answer] But that is a position of the PVP, not mine.

[Question] Do you believe that you can reach agreement again at some future time with the forces which make up the United People today?

[Answer] Our position, and the PVP shares this point of view, is that the doors are open, not only for those in the United People today, but for other forces as well. For we are addressing the people who favor liberation and the Calderon supporters, because we believe that both groups represent the political program of the dominant class, our oligarchy, which has very specific goals for advancing capitalism, based on its concepts and giving priority to its interests exclusively.

The citizens who belong to the liberation or Calderon factions cannot defend their interests within this program. Ours, on the other hand, does indeed interpret their needs and propose proper solutions to the problem of their interests. The fact that a billion colones, which is the amount, more or less, which has been spent on political propaganda currently, distorts their viewpoint will not be a permanent phenomenon in the awareness of the masses. Because practice, life, the International Monetary Fund (IMF) and the mistakes made by the governing class, which is incapable of developing its own political program, will serve to broaden the awareness of our people.

[Question] In the short run, do you regard a merger between the Popular Alliance and the United People as feasible?

[Answer] I believe it is viable. Unfortunately, Sergio Erick Ardon and Alvaro Montero do not share this view. I have discussed this with Manuel Mora many times, and he believes it is feasible, but the fact is we have not seen this implemented in concrete undertakings. I think that it is so possible that, if they were to have the will to begin right now, we could be united.

But if there is not a desire for unity on the part of the PS and the MNR, it will be impossible to make the plan a reality, since it can only be realized if the intention to support it exists. But I say it is viable because I know the programs of the PS, the MR [sic], and I believe that there are many points

of agreement with the FAD and the PVP. And because I know the thinking of the members of the PPC, I am certain that there is, to give you a figure, 90 percent agreement.

[Question] Are you not contributing to the sponsoring of a movement which, if it should triumph, would sooner or later force you out, as has happened in other revolutions?

[Answer] I am a part of a political organization called the FAD, which has its program and its structure. We have our identity and we demand that all the other forces respect us and our independence. Our desire and our struggle is to create the conditions for social justice in this country and, as is made very clear in the government program of the FAD, this can be achieved through a proposal offering an alternative to the type of capitalism the governing class has imposed upon us.

[Question] To what type of regime does such a plan lead?

[Answer] There is no program for socialism in this country. Not even the PVP, which is Marxist-Leninist, proposes it, because in order to set forth a solution leading toward socialism, other conditions very different from those at present in Costa Rica must exist. We believe that with the political constitution and democratic and economic development, sufficient conditions exist for deepening this project, organizing it in such a way that the product of the national effort, through labor in production, will not be appropriated by a minority which, as is happening now, will hold in its hands a concentration of land and wealth. Moreover, this is the only way of emerging from underdevelopment, breaking with dependence and achieving an objective advance toward the resolution of the problems of housing, employment and education, problems which are not being met by the governing class.

[Question] Would this lead to a revolution in Costa Rica similar to that in Nicaragua?

[Answer] I do not know. It seems to me that you have the problem of making comparisons. For I believe that our program in itself already contains a definition, and I do not know if this is to be found in that of Nicaragua or that of Cochinchina. When one analyzes what the governing class has created in this country, one finds a social situation which is impoverishing more than 70 percent of the population, since there are 115,000 peasant families without land, while according to social science studies such as that of Francisco Barahona, a third of the farm holdings are concentrated in the hands of 80 or 90 enterprises. One realizes that unless there is justice in the distribution of land, the problem of unemployment for thousands of peasant families who by tradition and inclination can be nothing other than farmers cannot be resolved. There are also 220,000 families without homes, and faced with a situation like this, the governing class is imposing upon us the fulfillment of the IMF requirements, with which we are not in agreement.

This problem must be reformulated from a different point of view, and this in itself is a definition. It does appear that Switzerland is another problem for those who are interesting in studying comparative political programs or something like that. But it seems to me that the press always tries to do the same thing, because your intention is very clear. Offensives are waged against Nicaragua, Cuba or the Soviet Union, and you present them as you see them, and then everything is set forth on the basis of whether or not it resembles Cuba. It is very easy then to fall into a trap.

5157

CSO: 3248/8

DOMINICA

## OPPOSITION LEADER CRITICIZES MILITARY EXERCISES

Bridgetown SUNDAY SUN in English 15 Sep 85 p 26

[Text]

A LEADING DOMINICAN POLITICIAN has described as "total madness" the military exercises currently being carried out in St. Lucia code named *The Exotic Palm*.

Speaking at a Press conference at the Cavalier Lounge on Friday, Mr. Rosie Douglas said this was unfortunate when people in the region were literally starving.

"It is total madness to spend \$1 million on military exercises when we have our people dying in South Africa and when we cannot even contribute a cent to the ANC (African National Congress)," he said.

Mr. Douglas added that this was worse when Caribbean governments could not find money to establish the framework for intra-regional trade. He publicly congratulated St. Vincent's Prime Minister James Mitchell for his stand in refusing to participate in the ex-

ercises which involve Caribbean and United States troops.

Condemning the exercises as immoral, Mr. Douglas said that rather than try to quell an imaginary revolution, the Caribbean governments should ask Ronald Reagan to plan a real invasion of South Africa to dismantle apartheid.

Mr. Douglas also blamed many of the economic problems facing the Caribbean on the political leaders in the post war era. He felt that people like himself who were "left social democrats" could be elected as long as the objective and subjective conditions were right.

"By the objective conditions I mean the economic situation that faces the Caribbean ensures that the election of people like me are right. The subjective conditions meaning the opposition forces must be united, they must have a clear programme that people can understand, they must be clearly

nationalist and not be holding to any body in the East/West battle in terms of whether they are pro-Soviet or Pro-American," he stressed.

Mr. Douglas said these policies were the basis of his campaign and denied that it was too soon for a communist party to be established in Dominica. He referred to the results of local elections in Dominica one month after the invasion of Grenada when the leftist party received 70 percent of the votes.

The opposition member of the Dominica Labour Party declared openly that he supported Maurice Bishop, but had expressed his disfavour with the Bernard Coard faction for a long time.

CSO: 3298/051

DOMINICA

BRIEFS

IMPORT-TAX CUT--Rosseau, Dominica, Sunday, CANA--The Dominica government has agreed to temporarily reduce a tax on imports it said would yield a yearly 7.8 million dollars, according to the Dominica Association of Industry and Commerce (DAIC). DAIC said that the decision followed talks it had with Trade and Industry Minister Charles Maynard on the issue. "Government has decided as an interim measure to reduce the customs service charge from five to one per cent in respect of registered manufacturers under the provisions of Section 10 of the Consumption Tax Order 1984 and manufacturers operating under the Fiscal Incentives Act," a DAIC statement said. The reduction is expected to be in force "until a thorough analysis can be made on the manufacturing industries." "The interim measures are to be reviewed at the end of December 1985," according to the association. The DAIC said that manufacturers have also been granted some import duty concessions. Prime Minister Eugenia Charles, in her budget presentation in August announced the tax increase. [Text] [Port-of-Spain EXPRESS in English 7 Oct 85 p 35]

COCONUT AID REQUEST--Roseau, Dominica, Sunday, (CANA)--Dominica is seeking financial support from Canada to implement phase two of a coconut rehabilitation project, Agriculture Minister Charles Maynard said. Addressing farmers in the north eastern village of Wesley, Maynard said that government was currently holding negotiations with the Canadian government on the project. The first phase, which included the replanting of a number of acres of coconuts following devastation by Hurricane David in 1979, was estimated to cost \$C10 million. It comes to an end in 1986. Maynard said the Canadian International Development Agency (CIDA) had sent an evaluation team here recently to review the project and "is impressed with the progress of the coconut programme". He said discussions with CIDA officials indicated that phase two would be supported. He told the farmers there was a good future in the coconut industry and their investment would produce desirable results. [Text] [Port-of-Spain EXPRESS in English 7 Oct 85 p 35]

CSO: 3298/051

DOMINICAN REPUBLIC

BRIEFS

PRESIDENTIAL ESCORTS REPLACED--Yesterday, President Salvador Jorge Blanco made some changes to his Military Aid Corps by appointing a new sub chief and appointing new officials. The new sub chief of the presidential escort is Dominican Air Force Paratrooper Colonel Erasmo Batista Acosta who replaces National Police Colonel Milton Mir Gonzalez. Mir Gonzalez, who also is a doctor in law graduated from the Central University of the East, was appointed as Quartermaster General of the National Police. He is replacing Colonel Ganimedes Ramirez Perez who was promoted to general and granted retirement with pension benefits. Batista Acosta was a member of the President Escort Corp. He was replaced by National Army Colonel Cesar Carvajal. [Text] [Santo Domingo LISTIN DIARIO in Spanish 4 Oct 85 p 2 FL]

CSO: 3248/42

EL SALVADOR

BLANDON ON ORGANIZATION OF CIVIL DEFENSE

PA221513 San Salvador Canal Doce Television in Spanish 0300 GMT 21 Oct 85

[Report by Carlos Armando Rivera]

[Text] Colonel Adolfo Onecifero Blandon, chairman of the Joint Chiefs of Staff, today said that the Armed Forces continue to organize the civil defense in San Vicente and La Paz Departments. Today, 1,000 paramilitarymen were sworn in. The ceremony took place in Ilobasco, approximately 75 km northeast of San Salvador, with the participation of civilian and military authorities.

[Begin recording] [Blandon] The joint staff has a program for the organization of the civil defense at the national level. We are implementing this program by phases and by departments. We have three departments that are totally organized. They are La Paz, San Vicente, and Cabanas Departments. We will take this new plan to the rest of the departments. The plan consists of first training the instructors. This training includes some military subjects and some human relations subjects so that the civil defense will be a true guarantee for the communities that it serves. One of the main requisites that we demand from members of the civil defense is that they be volunteers and that they come from the area where they are going to serve. This guarantees that the actions of these individuals will be in line with the doctrine that the staff has established for this plan.

[Rivera] The guerrillas have proposed to the Armed Forces that there be no forced recruitment. What does the Army think of this?

[Blandon] The ceremony that we have just attended in Ilobasco is emphatic proof that the citizens are voluntarily joining up to defend the interests of their communities. I do not think that what the guerrillas are proposing makes much sense because constitutionally the Salvadorans have the obligation of serving the Salvadoran Armed Forces that have been legally established.

[Rivera] Will the Army take measures so that there will not be a repeat of such actions as those in the CEMFA [Armed Forces Military Training Center] in La Union?

[Blandon] Each of the garrisons has to implement its emergency or security plans. I would say that what occurred in the CEMFA was an action by the terrorists to gain publicity. It is an installation that has yet to be fully equipped to house a military center, and those were the conditions that helped the terrorists to carry out their attack. All the units already have their plans on how to react to attacks. We have taken other measures as you stated to precisely improve those plans.

[Rivera] What type of measures are being adopted to prevent such situations as the attack on the CEMFA?

[Blandon] We are adopting tactical measures such as medium and long range patrols around the military installations, a better control of the population living near the military installations, and some basic intelligence and counterintelligence measures.

[Rivera] Could what you just said form part of what high-ranking military chiefs referred to regarding the Army implementing new strategies in the fight against the insurgents?

[Blandon] This is a war in which tactical and strategic changes are constantly taking place. The staff permanently analyzes what is occurring, and then we reach conclusions and decide on courses of action in order to act better and more approximately. [end recording]

The 1,000 civil defense members will be distributed in different communities of Cabanas Department. They will begin their military training today.

CSO: 3248/45

EL SALVADOR

BRIEFS

NEW MEXICAN AMBASSADOR--San Salvador, 18 Oct (NOTIMEX)--President Jose Napoleon Duarte has received the new Mexican Ambassador to El Salvador, Federico Urruchua, who is the first Mexican Ambassador to El Salvador in the past five years. [Summary] [Mexico City, NOTIMEX in Spanish 18 Oct 85 FL]

CSO: 3248/45

GRENADA

MINISTER DISCUSSES AIMS OF AID REQUESTS OF U.S., FRANCE

FL141412 Bridgetown CANA in English 2005 GMT 12 Oct 85

[Text] St Georges, Oct 12--Public Utilities Minister Dr Keith Mitchell, comparing Grenada's economic problems with those of other developing countries, says they are not as chronic and could be solved within five years.

Mitchell, a leading spokesman for the island's centrist administration, said government had already identified how it wants to develop the island and was confident of obtaining sufficient technical assistance from the United States and other Western nations like France to help turn around the struggling economy.

We have a very clear view of where we have to go economically, he told the Caribbean News Agency (CANA) in an interview. We see ourselves being able to sustain ourselves economically if we achieve things like straightening out the infrastructure, getting a marriage between agriculture and tourism, and transportation.

Mitchell recently concluded visits to France and the United States to seek help to improve roads, electricity and the water system.

France promised technical assistance in the establishment of a power generating station and in oil exploration. The United States has been providing large amounts of aid to finance the completion of the new international airport, as well as infrastructural development and education since the October 1983 multinational invasion.

But Mitchell said there was a need for Washington to speed up the process of disbursing aid to Grenada.

As much as the aid had been coming, clearly we need quite a lot more and moreover, I think the whole question of the disbursement of funds has to be more vigorously pursued. I know the bureaucracy in the United States is a very tough one but I think there are ways in which we can get things done faster, he said.

Mitchell said the government was holding discussions with a number of privately owned utility companies in the United States about the possibility of entering

a partnership with the problem-ridden state-owned electricity company. The move, he said, was aimed at bringing to an end the frequent power outages in the country.

Government was not in a position to finance the electrification of some sections of the island and felt the best way to achieve this was through a marriage involving the government and the private sector, Mitchell said.

We are not selling anything, he said in response to charges by critics that the government is selling out the country to foreign investors. We are simply selling better services to the people of this country, and that is what we were elected to do.

CSO: 3298/056

GRENADA

RICKEY SINGH ASSESSES CURRENT SITUATION IN GRENADA

Bridgetown CARIBBEAN CONTACT in English Oct 85 pp 1, 8

[Article by Richey Singh: "Frustration Pervades in Grenada"]

[Text]

IN today's "free" Grenada, which remains firmly under United States tutelage two years after President **Ronald Reagan** finally carried out his threatened military invasion, the ruling "democrats" are issuing threats all around to their opponents — imagined and real — while the thousands of unemployed continue to wait, in frustration, for the promised jobs.

Since the People's Revolutionary Government (PRG) bloodily disappeared from the scene, it has been estimated that *over 3,000* Grenadians have been added to the market of the jobless, which stands, alarmingly, at around 35 percent of the eligible working population.

After a one-year interim government, and ten months after a coalition of forces was elected, under the banner of the New National Party (NNP) with the acknowledged help of "friends in the USA", the remaining batch of foreign military is taking leave, but the much-expected overseas investors are still to arrive to do business.

Are they waiting for the completion of the famous trial of "the 19" for the murder of **Maurice Bishop** and others? Not really.

**GLOOMY PROSPECTS**

With **Edward Seaga's** free enterprise showcase in Jamaica showing how "deliverance economics" cannot bring recovery, even with the highest US per capita aid in this hemisphere, outside of El Salvador, the prospects are gloomy at this time for Grenada.

In August, Prime Minister **Herbert Blaize**, declared that the "main economic thrust" of his government was the creation of "an industrial base" to ease the high rate of unemployment.

That's fine. The problem, however, is that **Blaize**, in the absence of any serious alternative, is banking heavily on President **Reagan's** Caribbean Basin Initiative (CBI) to achieve the objectives of his "economic thrust". But so far, neither the trade nor investment segment of the CBI has made any impact anywhere in the Caribbean.

So deep is the disillusionment, that the Caribbean Community (CARICOM) members, classified as CBI "beneficiaries", agreed at their summit in Barbados last

July to send off a letter to President Reagan to let him know that they need more *bankable* assurance of benefits under the CBI.

Blaize also wrongly believes that serious investment, and therefore jobs, will be forthcoming from an evolving twin-plant concept of development between islands like Grenada and Puerto Rico, where American corporate interests run the economic show and Puerto Ricans struggle with an identity crisis and dwell, some 60 percent of them, on a humiliating food stamp system.

After the failure of *Operation Bootstrap*, politicians like Blaize will come to find that to depend on the CBI or any Puerto Rican "twin-plant" strategy for development to deal with the massive unemployment, is to encourage frustration and, worse, seal their own future.

He and his NNP colleagues have managed, with a great deal of favourable publicity in and out of the Caribbean, to divest foreign investment, in co-operation with the United States Agency for International Development (USAID).

### "AIR GRENADA"

The American who started a toy factory, has disappeared. Of some 18 textile companies, at least five have already closed shop. The Grenada Beach Hotel, formerly the Grenada Holiday Inn, has been sold to private interests. There is now talk of a French company building a luxury hotel in the southern region of the island as part of a multi-million dollar project that would give the island its own *Air Grenada*!!

In the meanwhile, in the manufacturing sector alone, employment has fallen by at least 900. There have also been victimisations by the government. Ask the former Comptroller of Inland Revenue, Basil Harford, of the Grenada TUC, for example.

Labour Minister, Francis Alexis, remembered more favourably as a law lecturer at the University of the West Indies Cave Hill campus, than as leader of the now defunct Grenada Democratic Movement (GDM), is threatening "subversive elements" seeking to spread "confusion" among the people, and warning employers who engage in unfair employment practices. But he has nothing creative to offer in terms of jobs for the jobless.

His colleague, the Minister of Communications and Works, Keith Mitchell, who has earned a reputation for being loquacious, behaves as if to say something is to have it done. He has discovered, to his own chagrin over the past nine months, that after the first flush of US aid for, among other things, an airport that has been spitefully named *Point Saline*, there will be a progressive decline in official US government aid . . . not the millions he spoke about.

Mitchell has said that there were no plans for Grenada to designate — as a number of other CARICOM countries have done — BWIA as the island's national carrier. The NNP regime has however, hastened into an arrangement with the French to set up Air Grenada, and Mitchell does not see any problems, as a result, arising for either BWIA or LIAT.

### CONTROVERSY

He will learn. But let us hope not too late for Grenada's unemployed and the island as a whole. He should follow carefully the current controversy between Trinidad and Tobago and Antigua and Barbuda over "designation" and "air route" facilities.

He should acquaint himself, while Mr. Blaize is still Prime Minister, of the paper airline that's *Antigua and Barbuda Airline*, and try to ascertain — because of his own interest in a luxury hotel with the French — whatever happened to the more than US\$30 million hotel and housing complex that Prime Minister Vere Bird had negotiated a few years ago with Brazil.

George Brizan the promising Agriculture Minister, himself seems to have his own hands filled, trying to respond to the

demands of the farming community and keeping an eye on political activities by the enigmatic Eric Gairy, whose Grenada United Labour Party (GULP), like the Maurice Bishop Patriotic Movement (MBPM), is obviously not prepared to let the NNP behave as if its 14 parliamentary majority qualifies it to administer the affairs of Grenada as a one-party state.

Even a strong supporter of the US invasion, indeed a beneficiary, and defender of the NNP's regime, the *Grenadian Voice* — officially "independent" — has found it necessary to re-

mind Prime Minister Blaize in July last that there were dangers in his style of leadership.

The paper claims that Blaize was not living up to the "ideals of parliamentary democracy", pointing out that until then there had been only two sittings of the Parliament since the December elections.

The *Voice*, reflecting basically a plea from within the family, also noted that Blaize had so far held only one press conference and that he apparently was aping the previous PRG regime "by conducting a sort of government by radio".

Well, Blaize does not have to worry over the loyalty of the *Voice*. Or, apparently, the loyalty of Mitchell, Alexis and company. His worry remains his failure to come forward with any significant initiative that offers not rhetoric — that's in plentiful supply — but good reasons for hope by the unemployed and depressed.

The NNP cannot hope to hold down the whole society with threats of "communist saboteurs", or with reminders about the misdeeds of the NJM or PRG. The Blaize regime will be judged on its own performances!

CSO: 3298/056

GRENADA

MOTIONS FOR HOUSE INCLUDE REVIEW OF PRG LAWS

St Georges THE GRENADIAN VOICE in English 28 Sep 85 p 16

[Text] The Order Paper for the sitting of the House of Representatives on Friday September 27 includes a motion passed at a meeting of the Senate on September 4 inviting the House "to join in recommending to government the appointment of a commission to review (a) Legislation enacted by the People's Revolutionary Government; (b) Decrees and/or Laws made by the Governor General during the period October, 1983 to December, 1984 and to make recommendations.

In its original form, when proposed by Senator Derek Knight the motion called for a select committee of the two Houses rather than a commission but the government senators would not support it.

Other motions are: One by the minister of finance for the approach of Supplementary Estimates No 2 of 1985 and one by the leader of the opposition proposing incentives and other relief to farmers. The leader of the opposition will also ask three two-part questions seeking information about "Traveling officers" in the public service and payments made to them.

CSO: 3298/056

GRENADA

PAY BONUS OK'D FOR FARM WORKERS; CROP RESULTS CITED

St Georges THE GRENADIAN VOICE in English 28 Sep 85 p 1

[Text] Farm workers will receive a three month "Backpay" to help to brighten their Christmas and from October 1 they will receive a wage increase which amounts to approximately 25 percent.

Whereas the official wages for men and women farm workers were \$8.50 and \$7.50 respectively this will now move to \$10.50 and \$9.50 plus 4 percent contribution to the National Insurance Scheme.

In an address on Radio Grenada last week Minister of Agriculture George Brizan noted that the farmers who employ labour are themselves hard pressed as both production and prices in the country's main crops have been falling in the last five years and this position has been made even worse by fluctuation in exchange rates.

In Cocoa, Brizan reported, earnings from sales which stood at \$21.5 million for the three years 1979/81 fell by \$9.5 million in the three years 1981/83. Profits stood at \$12.0 million in 1979, but in 1983 there was a loss of \$134,679.00.

A profit of \$879,000.00 was realised in 1984. This, he said, resulted from a drop in average price per pound from \$5.07 in 1979 to \$2.25 in 1983 and \$2.61 in 1984. This caused reserves which stood at \$12.2 million in 1980 to just \$1.0 million in 1984.

Nutmeg was also in a bad position and moved from a profits from sales situation of \$3.8 million in 1978 to a loss of \$695,128.00 in 1984. In the process Fixed Deposits which stood at \$7.5 million in 1978 had been totally wiped out by 1982.

"Notwithstanding the depressing plight of farmers" the Minister said "something must be done for agricultural workers" Brizan told GRENADIAN VOICE that as a result of a meeting with the Grenada Farms Corporation an adhoc committee had been appointed since early August to consider improving the wages and working conditions of workers and the increase is the end result of these discussions. A back pay was not at first decided upon but the appeal of the workers was heard and three month back pay was agreed by all concerned.

In making the announcement Mr Brizan said that he realised that an even higher wage is desirable but the matter will be examined further and a method worked out for tying wage to production in a fair and equitable "piece work" system. He also outlined some plans for aiding the development of agriculture.

CSO: 3298/056

GRENADA

GOV'T DENIES JOB DISCRIMINATION AGAINST CUBAN-TRAINED

FL022204 Bridgetown CANA in English 2111 GMT 2 Oct 85

[Text] St Georges, Oct 2--A Grenada Government minister says the government is committed to providing employment to Grenadian graduates of Cuban universities, but won't tolerate any effort by them to sabotage the national economy.

Communications Minister Dr Keith Mitchell was responding to charges by the leftist Maurice Bishop Patriotic Movement (MBPM) that the government had refused to employ the Grenadians.

The Cuban scholarships were obtained by the former People's Revolutionary Government (PRG), in power from a 1979 coup until its October 1983 ouster in a bloody military coup that prompted an invasion by American and Caribbean forces.

Mitchell said he interviewed the graduates, who studied a range of disciplines in Havana, including engineering, dentistry, and economics. We intend to give them a chance to help their country, and that is essentially what we are doing. We certainly think some of them can help us immediately, he said.

Some Caribbean governments have been against their nationals studying in Cuba, contending that students in the communist-ruled Caribbean state are required to study Marxist-Leninist doctrines to foment revolutionary strife on their return home.

Mitchell said the government had in place mechanisms to thwart any attempts at sabotage. He said the Cuban-awarded degrees would be evaluated by the Ministry of Education and technical personnel in other ministries before holders are given jobs.

CSO: 3298/056

GRENADA

BRIEFS

NEW STRIKE THREAT--St George's, Sunday, (CANA)--Former Grenada Prime Minister, Eric Gairy, today said he was planning to escalate a strike his union called two weeks ago in the agricultural sector. Gairy said the Solid Waste Division of the Ministry of Health will be the next section affected by the strike.  
[Text] [Port-of-Spain EXPRESS in English 14 Oct 85 p 36]

CSO: 3298/056

GUATEMALA

USAC RECTOR ON HUMAN RIGHTS, ELECTIONS

Guatemala City PRENSA LIBRE in Spanish 1 Sep 85 Sunday Supplement pp 6-7

[Interview with University of San Carlos Rector Dr. Eduardo Meyer Maldonado, by Danilo de Leon, in his office; date and time not given]

[Text] For the purpose of hearing his thoughts on the difficult problems the country must face at this time, we requested an interview with the rector of the 300-year-old University of San Carlos, Dr Eduardo Meyer Maldonado.

A single phone call was enough to arrange an immediate meeting with him in his office on the university campus.

After the usual greetings, he offered us a cup of coffee. Then the conversation began, touching on current issues in politics and the economic crisis.

From his office one can look out on an enviable view, below which the students move back and forth on campus. The volcanoes Fuego and Agua cap the scene.

"I don't understand how anyone would want to destroy this beautiful country, where the landscape is a veritable gift from nature," he commented. Then he spoke of antitheses, noting that "the brilliance of the day is contrasted with the rioting in the streets" that took place at various points in the city this week.

In view of the constant interruptions by phone calls--there were at least 20 during an hour's conversation--we decided to speed up the interview.

The rector became emphatic in his response regarding the observance of human rights in the country, and his voice rose when he mentioned the repression the Alma Mater has faced in recent years. More than 1,000 victims, including students, professionals and workers, have lost their lives, while others were kidnapped or had to flee the country after receiving threats.

"I love life, but I also love other people's lives," he said, "and what makes me happiest is being able to share time with my family." Here is part of the dialogue:

[Question] What is your opinion of the present political situation?

[Answer] I view it with great consternation, because the different political sectors are merely trying to win votes; they are forgetting about the country's future. This is perhaps the most difficult and destabilizing political and economic period we have experienced in the last 30 years. In this regard, I think we should delve further into the matter, and instead of thinking only of the ideological aspect, perhaps we would be better off with a national conciliation government that would forget about the political parties for a while and solve the people's most pressing problems once and for all.

There is no doubt that the time has come for us Guatemalans to solve our problems in a civilized manner, through dialogue. All of us must give a little so that we can reach a national consensus. The fact is, Guatemala should not pay the price for the political thought of a person or group of people; our collective thinking should converge to save it from the abyss that lies before it. The most urgent need at this time is to regain our stability, and with maturity and understanding we must bring back respect for human beings.

[Question] How would you approach the idea of national conciliation in a broader way?

[Answer] In my view, if the nation is going to accelerate its development it must have peace and political, social and economic tranquility for at least 10 or 15 years to give the country a chance to heal its wounds. In this way, the most representative forces in the country could draw up a political program to govern jointly during that period, or for a longer period if the conditions are right. This might prevent the resurgence of the destabilizing movements and the frequent coups that have wreaked so much havoc in this country. Of course, there would have to be an appeal to the most able and moral people to participate in the project, so that the country's national and international image will be as favorable as possible.

[Question] That seems to be the best idea, but unfortunately, the cards are now on the table for the elections on 3 November, with the participation of eight presidential candidates and many different twists in the ideological spectrum. . . .

[Answer] That is true. At present all we see is confrontations among the political sectors, because each one wants to garner the largest possible number of votes, at all costs. A pragmatic analysis, however, leads me to think that at least three groups will be very close in the vote count. Unfortunately--and this does not mean that I have a negative point of view--the void and blank ballots will win the elections. I hope I am wrong, though, for the sake of the process itself.

I also believe that the frustration of the silent majority, which so far has been unable to find any satisfactory niche in the ideological spectrum and is also the group hardest hit by this crisis, should be taken into consideration. As you can see, the pressure cooker has begun to boil over, and we already have the examples of the street riots and the bus burnings. If these people are not listened to, if only one political party is going to govern, the country will not emerge from the overwhelming crisis.

Sometimes one thinks that history opposes the idea of a conciliation program, but we must not forget that there are always surprises. One example is a person who widely broadcast his position as a democratic leftist aligned with the smaller groups of that ideology, and then ended up joining the extreme right. This means that in politics, there are no fixed laws. It is possible, then, that in the 3 November elections the longed-for conciliation will not take place; but it may well happen in the run-off elections. It would be a very positive development for a national conciliation government to take office in January.

[Question] I understand that you talked to Mr Culross about the observance of human rights in the country. Is that right?

[Answer] That word is so over-used that I prefer to replace it with the term individual rights of persons. But let us get one thing straight to begin with. As a doctor, and as a Catholic Christian, I believe that we humans are vested with a certain dignity. The rich man, the poor man, the humble man, we all have it. And when people are in one way or another assaulted, in word or in deed, are denied the benefits to which they are entitled, or are paid unjust wages, then their rights are being violated. Not to mention those whose very lives are taken. The daily press is the best indication. Every day we read about people who have lost their lives violently or who have been kidnapped.

We talked with Viscount Culross very frankly about this issue. We discussed the indiscriminate repression the residents of this country have had to endure at the hands of various sectors, and of course the people from the university who have been murdered over the past few years, including Dr Edgar Leiva Santos, who was killed right here on campus in June. We also talked about the people from the different schools of this university who have had to flee the country to save their lives. We discussed the escalation of violence, which is opposed by the rector in particular and the university in general. We also talked about the unwise foreign policy of the United States, which has had a negative impact on the country's social and economic situation. On this point, perhaps a clarification is necessary. We believe in democracy, but unfortunately a group of creditors has made several Latin American countries, including Guatemala, pay the consequences of their loans to members of corrupt governments. Now the people of Guatemala must pay for those funds, which are languishing in American banks. This has accentuated our poverty even further, and has led to unemployment, violence and crime.

Regarding the specific accusations we have lodged with the authorities about human rights violations in this country, the rector, as legal representative of the university, has assumed responsibility for the documents. I noted that in the national dialogue I called upon Guatemalans to make the maximum sacrifice for the sake of stabilizing the country and putting an end to the repression of citizens. I repeated to Mr Culross my idea that within the next 15 or 20 years, this country should have a new society.

[Question] During what period did the most human rights violations take place?

[Answer] It was during the government of President Lucas that the university and the country in general suffered the most. The figures indicate that there were more than 400 deaths, according to the records I found when I became rector. But the figures have gone up to more than 1,000 people, including those who have disappeared.

The repression against the university declined considerably after the coup of 23 March 1982, although I regret to report that the aggression has not ended. On one occasion a dean disappeared, and he was released after extensive negotiations. Then the disappearance of 14 student leaders was reported, and we had no news of them after going to the authorities and reporting the incident to several international organizations. Later on a few of them turned up, and they refused to discuss their ordeal in detail.

It is unfortunate and reprehensible that these measures are being taken against the university, because it is only trying to carry out its functions of education, research and service. As an institution, it has never taken sides at all. Anyway, I feel that the university authorities should report incidents of violence against people here at the university, or against Guatemalans in general, whenever they occur.

[Question] On one occasion, a presidential spokesman insinuated that the campus was a center of drug addiction . . .

[Answer] I think he was being untruthful in making such an allegation against the 300-year-old University of San Carlos. We have never planted, cultivated or processed drugs. On the contrary, one of the functions of the Alma Mater is specifically to participate in the country's political, economic and social affairs. Not only now, but always in the past the university has contributed to the search for solutions to the nation's problems. In this regard, its opinions have always been respected and accepted by conscientious people.

There is no denying, of course, that of the 51,000 students who attend classes here and the 6,500 employees who work here there may be individuals, as in any social group, who violate established rules.

[Question] What is your opinion of the economic crisis?

[Answer] That matter has many facets. The university proposed a variety of solutions in the national dialogue. We presented a document which explained that direct taxes should be stimulated more and indirect taxes should be discouraged. We also suggested the centralization of the buying and selling of foreign exchange in the Bank of Guatemala, the inclusion of foreign exchange that has not entered the country, the outlawing of certain exchange transactions, the repatriation of capital, the reduction of public operational expenditures but not of investment, and the elimination of confidential spending. We also included a proposal to cut down on the purchase of luxury goods, stimulate exports, combat usury and protect consumers through price controls, among other measures. Some of these ideas were implemented and others were not. The document is very extensive, and it contains short-, medium- and long-term solutions. Those who propose only wage raises as a solution forget that this aspect must be combined with coordinated measures to

find real solutions to the crisis. Otherwise, we will fuel the unquenchable fires of inflation.

[Question] How do you view the country's neutrality in the Central American conflicts?

[Answer] I agree with the neutral stance.

[Question] Do you agree with Nicaragua's exportation of subversion to the countries of Central America?

[Answer] Nicaragua is conducting its government as it sees fit. I respect the Nicaraguans' decision, and I am in favor of non-intervention in the affairs of other countries and the self-determination of peoples. I think that the subversion is coming from other countries, other powers.

[Question] Whom do you blame for this country's poor image abroad?

[Answer] Much of the blame goes to the governments that have taken power through fraud.

[Question] What is the responsibility of the last two governments?

[Answer] The governments and we Guatemalans are all to blame for what is happening in Guatemala, simply because we do not commit ourselves to the country; we behave with a negative conformity that has not contributed to dynamic action or helped the country function positively. Moreover, there has been a terrible lack of social sensitivity on the part of some sectors, and a tremendous disparity between the haves and the have-nots. This has been one of the main factors contributing to the increase in confrontations.

[Question] What is the university doing to resolve the crisis?

[Answer] First of all, we have dedicated ourselves to changing the university's image in carrying out its goals and objectives. In addition, we have stressed that the university is not a political party, nor is it the place where revolution is fomented. We are perfectly aware of our proper political and social role; it does not involve violence, but rather positive dialogue and the conciliation of interests among Guatemalans. Within this context, we have offered the government our services in finding a solution to the crisis, with comprehensive, scientific studies on the various problems that beset the nation. Unfortunately, on many occasions that effort has not borne fruit.

But there are solutions to the crisis. For example, the national sectors with the greatest financial capacity could reduce their profit margins temporarily, and then we could all make an emergency sacrifice to stabilize the country. For this purpose, personal or special interests must be forgotten for the sake of the unity of all sectors. As I recall, many people or groups have tried to claim credit for the national dialogue, but it was the university that took the lead after Black Monday, and I stated: "Gentlemen, we must avoid a confrontation among Guatemalans. We must have a national consensus." Then came the dialogue, which unfortunately failed. Believe me, this has been one

of my greatest frustrations. In any case, we are willing, I reiterate, to find a solution to the crisis.

[Question] Why did you not run for president? If I remember correctly, you were nominated by more than one political party.

[Answer] That is true. Three or four political parties offered me the same choice; but my friends at the university agreed with me that the best thing would be to serve out my term as rector of the University of San Carlos. My wife and I agreed to accept the will of God, and here I am, doing my difficult but satisfying job, to which I was elected by the university community.

If you are referring to my political position, I will say that it has not changed. I consider myself a nationalist with democratic ideals. I do not want to go into details, but I can state that I was offered the nomination for president, vice-president, mayor and congressman.

[Question] Were these rightist or leftist groups?

[Answer] Well, you leave nothing to the imagination. Four different groups were kind enough to make different proposals, which I finally refused. The fact that I have never before participated in this kind of political activity influenced my decision.

[Question] Wouldn't you like to form your own political party?

[Answer] From what I can see, you seem to have telepathic abilities, or at least you can predict the future. I may participate in the formation of a political party, one which would unite those of us who do not fit in the existing framework. Our thinking inclines toward the parallel formation of a political, labor union and cooperativist training institute, not for the purpose of attaining political power, but for preparing the cadres the country needs to bring about the overall development of the nation. The lack of leadership has been cited on many occasions. We intend to fill that vacuum in the near future, within a context of social, democratic and nationalist ideals. At present, some parties are touting their youth groups, but these young people really do not understand social problems, and the only thing they succeed in doing is disappointing the voters.

[Question] What is your opinion of the bus burnings and street riots?

[Answer] The spark has been ignited. I warned of this at the last meeting we held at the presidential mansion; on that occasion, I stated that flyers were circulating that incited rebellion, but no one listened to me. Now my only hope is that the different sectors will be able to prevent a confrontation that could do away with the process toward democracy.

[Question] What would you do if you were the chief of state?

[Answer] That is a difficult question. I think that the chief of state must be overwhelmed with problems. If I were in his shoes, I would call together the different sectors of the nation to discuss the crisis and seek an urgent

solution to the problems. Poverty among the people of Guatemala has gone beyond acceptable limits. The only thing the raise in public transit fares has accomplished is to highlight the tremendous social injustice in this country. I would propose ceiling prices for basic consumer items, a study of wage increases, and other measures aimed at stabilizing the country.

[Question] If the situation deteriorates, what will happen to the state of siege?

[Answer] The declaration of a state of siege is at the discretion of those who govern the country. But I would like to comment that there is a feeling of anarchy, of a lack of anyone who could orient, guide and organize the country in the search for a solution to our problems. The existence of problems is not a calamity; the dangerous thing is not having the ability to solve them. I recommend dialogue.

[Question] Another dialogue?

[Answer] The previous experience was unpleasant. Some say that the dialogue failed because one of the parties with the most at stake wanted it to. But I would like to make it clear that if there is a government, it is up to that government to orient the different political situations. They--the government--have the real power. We--the people--only have formal power. I would like to emphasize the fact that if we do not seek a dialogue, we will fall into the abyss.

The university is, as always, willing to offer its support to the search for solutions to national problems.

[Question] Do you fear another coup?

[Answer] I can't give you a specific yes or no answer. The rumors abound, but whatever is said in this regard is pure conjecture. When it comes to a change of government, only those who bring it about know for sure. As Gen Lopez Fuentes said on one occasion: "The government's secret information services always know something about these cases."

[Question] Was the decision to close the money exchange offices a good idea?

[Answer] Yes. That was one of the measures recommended by the university. The idea is to prevent speculation on foreign exchange and to keep the money changers from setting the price of the dollar on their own. I think that still other measures are needed to bring all the foreign exchange earned on exports back into the country. It is important for the government to take drastic and vigorous steps in this regard. Furthermore, certain exchange transactions should be outlawed.

[Question] Did you participate in riots when you were a student?

[Answer] Of course. I was a student leader in the medical school and in the medical youth movement. I was also a representative on the Higher Council and vice-president of the Association of University Students (AEU), and of course

during those days I participated in protest demonstrations regarding things that needed to be changed in this country. I particularly recall the day when three fellow university students were killed at the corner of 11th Street and 6th Avenue. I was afraid and began to run.

Later, in 1962, I became an expert on throwing tear gas cannisters back at those who had thrown them. After those events, several of my friends had to flee the country.

[Question] Which political groups will make it to the run-off elections?

[Answer] I think the Christian Democrats and the coalition headed by the National Liberation Movement will. Four months ago I would have said the Christian Democrats and the UCN [expansion unknown], but you know what happened to them.

8926

CSO: 3248/533

CONSUMER PRICE INDEX INCREASES ANALYZED

Guatemala City EL GRAFICO in Spanish 1 Sep 85 p 5

[Article by Jorge Mazariegos de Leon]

[Excerpt] The cost of living for a Guatemalan family rose by 16 percent between January and July of this year, according to the Consumer Price Index (IPC) figures compiled by the National Statistics Institute.

Although the IPC revealed a very sharp rise in the cost of living in the initial months of the year, the prospects for the end of 1985 are much better.

Indeed, according to the projections and the performance of this economic parameter, by the end of this year the cost of living will have gone up by 38 to 40 percent over the 1984 figure, according to "conservative" official statistics.

After a 108.8 percent increment in the General Index of Consumer Prices between the base year (1983) and 1984, the IPC soared in January 1985 to 114.2 percent. It rose again in April to 116.8 percent, and reached 131.8 percent in July.

The April rise in the price of goods in the basic basket after a threat of new taxes was the primary factor in the IPC's hefty increase, as the cost of living shot up 16 percent in just 7 months.

Official projections based on data from the National Statistics Institute indicate, however, that the cost of living will have increased by 38 to 40 percent over the 1984 total by the end of this year.

A key factor in this jump was the recent increases in the price of gasolines and urban transit fares, which will undoubtedly drive the IPC up higher, to 157 or 159 percent.

According to the IPC, the food and beverages category, in which all the products in the basic basket are classified, has undergone the largest increases.

In fact, after averaging 108.5 percent in 1984, this sector rose by 115 percent in April and climbed to 134.3 percent in July.

The "other consumer spending" category, in which items such as soaps, toilet paper and toothpaste are classified, rose by a considerable amount.

In 1984 it was 114.3 percent higher than the 1983 figure, but in January 1985 the Price Index for this category reached 139.3 percent, and by July it had climbed to 160.6 percent.

It is expected that between August and December of this year the indices for other sectors, such as clothing and shoes, housing expenses, fuels and lighting, transportation and communications, reading and recreation, will have risen substantially. This is because many items have been taken off the essentials list, such as books and utensils, and the price of gasolines and urban transit fares have gone up.

For example, in housing expenditures, under which fuels are classified, the IPC was at 96.3 percent in 1984. In June it was at 113.3 percent, and it is expected to skyrocket to 150.2 percent because of the gasoline price hike.

Another category that is expected to jump by a large percentage is that of transportation and communications.

In 1984 the Price Index was pegged at 105.9 percent over the 1983 level. In July of this year, it was 125.1 percent, and by the end of this year it is expected to have climbed to 148.2 or 150.4 percent, due to the increase in fares and the prices of spare parts and lubricants.

In general terms, this will be a gloomy year for Guatemalans, since the high cost of living will soar even higher, and as a result, our currency will lose its buying power.

The nation-wide Consumer Price Index compiled by the National Statistics Institute is based on the relative weights yielded by the National Income and Expenditures Survey that was conducted between 1979 and 1981 and the prices that were listed as of March and April 1983.

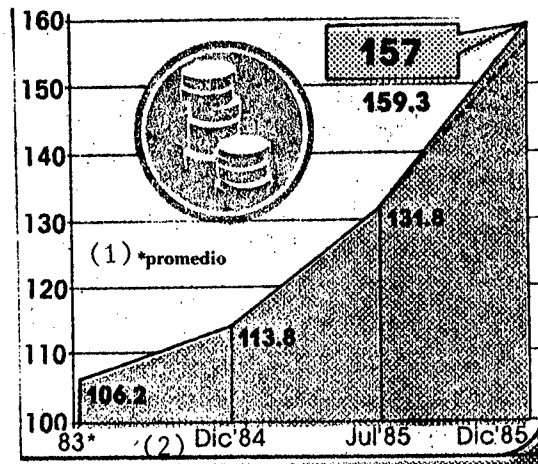
Clearly that index does not take into account the increase in the cost of living that occurred between 1972 and 1982; according to the University of San Carlos, the IPC doubled between 1972 and 1980, going from 100 to 246 percent.

The upward spiral of prices aggravates the deteriorating living conditions of major sectors of the population, and indirectly promotes social decay.

It should be noted that 43 percent of the population of Guatemala lives in a state of abject poverty; 27 percent suffers from malnutrition, and only 30 percent is free of poverty.

The rise in the cost of living can only drive these vast sectors deeper into poverty. Thus, the problem of price hikes and the decline in the currency's buying power should be of the utmost concern to the officials in charge of the economy.

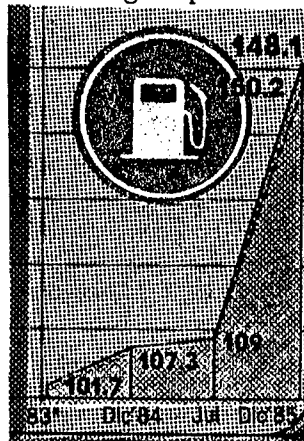
General Price Index



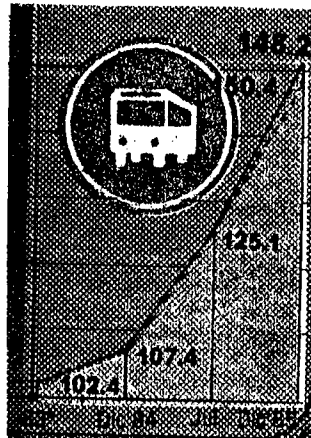
Key:

1. Average
2. December

Housing Expenses



Transportation and Communications



8926

CS0: 3248/533

GUATEMALA

BRIEFS

2,753,572 REGISTERED VOTERS--There will be 2,753,572 registered voters participating in the elections next November and December, according to the final figures provided by the director of the Registry of Citizens, Mario Guerra Roldan. The electoral official told EL GRAFICO that after purging the electoral rolls of duplicate names or deceased voters, the number of people eligible to vote in the upcoming elections comes to 2,753,572. Of that total, 1,719,668 are literate voters for whom voting is mandatory in these elections. Of the total of literate voters, 1,059,908 are men and 659,760 are women, according to Mario Guerra Roldan. He also indicated that the total number of voters who are unable to read and write is 1,033,904. Of that number, 609,892 are men and 424,012 are women. Guerra Roldan stated further that the department of Guatemala has the most voters, with 772,847 people eligible to cast ballots. It is followed by San Marcos, with 186,215; Quetzaltenango, with 166,195; and Huehuetenango, with 164,276 eligible voters. Escuintla has 157,948, El Quiche has 114,094, and Alta Verapaz has 103,776 voters. These figures are final, and are part of the purged electoral rolls, stated Guerra Roldan. [Excerpt] [Guatemala City EL GRAFICO in Spanish 13 Sep 85 p 8] 8926

CSO: 3248/533

HAITI

OPPOSITION LEADER KILLED IN CLASH WITH POLICE

PA161414 Paris AFP in Spanish 1527 GMT 12 Oct 85

[Text] Port-au-Prince, 12 Oct (AFP)--A Haitian opposition leader, Lionel Laine, critically wounded Tuesday during a shootout with the police, died at midnight the same day at the Port-au-Prince military hospital, according to a communique released by the chief of police of Port-au-Prince, Colonel Albert Pierre.

Last Tuesday at Carrefour, a suburb southwest of Port-au-Prince, security forces clashed with a Haitian opposition group who, according to the police, had entered the country clandestinely to engage in "terrorist activities." Besides Laine, who was critically wounded on that occasion, another opposition leader, Jacques Bernardin, also known as Raymond Bernardin and Jean Verdieu, was arrested by the police, who are still searching for the other members of the opposition group.

The name of Lionel Laine, a Miami-based Haitian exile, was mentioned last November when he was arrested together with several other people, mostly agricultural workers, who were released last April by President Jean Claude Duvalier. According to information circulated at the time in Port-au-Prince, he was supposed to have secretly traveled to Haiti to meet with an opposition group he had joined. They were arrested by French gendarmes on 2 November 1984 when their boat was anchored at Saint Barthelemy Island, in the Lesser Antilles. The Haitian Government then officially denounced a "plot obeying Marxist-Leninist designs."

Laine, who was 45 years old at the time of his death, had entered the anti-Duvalier opposition early in the 60's, when he was a student of medicine in Port-au-Prince. Exiled in France, he continued his studies in Toulouse, the southwestern part of the country, where he earned a medical degree. Leaving for New York late in the 1960's, he founded the National Democratic Progressive Party [Partido Nacional Democratico Progresista], of which he was secretary general. In 1978, he established his residence in Miami, and later was employed by the U.S. Government, while at the same time he offered medical assistance at a Haitian "boat people" camp.

CSO: 3248/43

NETHERLANDS ANTILLES

VENEZUELA TO PAY \$11 MILLION PER YEAR FOR LEASE OF REFINERY

The Hague ANP NEWS BULLETIN in English 26 Sep 85 pp 3-4

[Text]

The Hague, September 26 - The Shell oil refinery on Curacao has been saved from closure with the signing of a basic takeover agreement between Shell and the Netherlands Antilles government yesterday, a Shell spokesman said here last night.

The deal, still to approved by the Antillean parliament and Shell shareholders, involved the handover by Shell of the refinery and three related companies for the symbolic sum of one Antillean guilder each, the spokesman said,

The three related companies are the Curacao Shipping Company (CSM), Curacao Oil Terminal (COT) and the Shell Sales Company (SNAV).

Earlier this week the Antilles signed an agreement with Venezuela to lease the 320,000 barrels per day plant to Venezuelan state oil company PDVSA for 11 million dollars a year for an initial period of five years, renewable for two-yearly periods.

The state oil company intends to refine about 150,000 barrels per day of Venezuelan crude at the refinery and will axe some 500 jobs of the 1900 workers at the plant to cut costs.

Drawnout Wrangle

The two agreements are the culmination of a long drawn out wrangle between the three parties since Shell first announced closure plans for the loss-making refinery in March, after failing to reach agreement with Venezuela on terms for supplies.

In recent weeks the fate of the refinery, Curacao's main source of revenue and employment, hung in the balance as the Antillean government first rejected a Venezuelan draft leasing agreement because of its stringent conditions, while Shell initially rejected an Antillean answer to its takeover offer at the weekend.

In the basic agreement signed in Willemstad yesterday Shell abandoned its former condition that the Antillean government pay an additional 5.5 million dollars for its COT and SNAV companies and buy the oil still present in the installations.

In return the Antillean government agreed to waive compensation claims for environmental damage.

Takeover of the refinery and the Curacao Shipping Company is to be completed by October 1, while the takeover deadlines for the SNAV sales company and Curacao Oil Terminal (COT) stand at November 1 and December 1 respectively, the Shell spokesman said.

#### Liberia Here

Antillean Prime Minister Maria Liberia is due in the Netherlands today for talks with the Dutch government on the refinery's electricity and water installations, which the Antillean government is to modernise in accordance with the Venezuelan leasing agreement.

Liberia yesterday estimated the costs of modernisation at some 18 million dollars, and is to ask the Netherlands for aid in financing the operation.

But Dutch trade ambassador Emile van Lennep emphasised at the weekend that the financial side of the takeover was the responsibility of the Antillean government.

He said then the Dutch government maintained its stance that there was something wrong with the takeover agreement if commercial banks were reluctant to stake a financial claim, underlining earlier statements that the Dutch government was only prepared to participate in a transaction if it was financially viable.

CSO: 3200/3

NETHERLANDS ANTILLES

BRIEFS

FULL OPERATION OF REFINERY IN 6-8 WEEKS--Venezuela's state oil company will begin to refine crude oil at the Curacao oil refinery it took over from Shell as soon as the first shipments of unrefined oil arrive. Officials say the first shipment of crude oil is expected to arrive aboard Venezuelan tankers today. They add that the refinery, now being called Isla, will be in full operation in 6 to 8 weeks. Venezuela's state oil company took over the former Shell refinery earlier this week after it reached an agreement to lease the plant for five years from the Netherlands Antilles Government. [Text] [Bonaire Trans World Radio in English 1130 GMT 4 Oct 85 FL]

CSO: 3200/4

7 November 1985

NICARAGUA

BARRICADA EDITORIAL CRITICIZES OBANDO Y BRAVO

PA211245 Managua BARRICADA in Spanish 18 Oct 85 pp 1, 3

[Editorial: "Disguises of Totalitarianism"]

[Text] "The measure is a Sandinist step to totalitarianism."  
(Larry Speakes, Reagan's spokesman)

"It seems that we are taking steps to totalitarianism. It worries me."  
(Cardinal Miguel Obando y Bravo)

"Only those who are plotting against the revolution should be afraid.  
As a worker it does not affect me." (Juan Bonilla Godinez, a Tecnicsa  
worker)

The previous remarks were made yesterday by the three quoted figures after  
the decree on the state of emergency that restricts some citizen's rights  
in Nicaragua was issued.

One's attention is particularly drawn to the absolute similarity between  
the remarks of U.S. President Ronald Reagan's spokesman and Cardinal  
Miguel Obando y Bravo. In the case of the first, it is logical that the  
aggressor responsible for the criminal war against our people should try  
to justify his criminal actions by accusing the revolutionary government  
of "totalitarianism," which is a charge that generally precedes the  
imperialist aggressions.

The legitimate right to defend a revolution, the achievements obtained  
in the past six years, and especially the protection of what is most  
precious--our freedom and sovereignty--are barefacedly distorted by the  
U.S. Government in order to justify its policy of open military interference  
in Nicaragua.

However, the case of Cardinal Obando is different. What is the concern  
of the cardinal and where does he get the idea that the revolution's  
right to defend itself is a step to an alleged totalitarianism? It can  
be understood that the Reagan administration, the main protagonist in  
the crimes against Nicaragua, should try to justify its crimes. But can  
the cardinal justify his silence about a war in which thousands of

Christians have been killed? Why does he permit himself the luxury of ignoring a war when thousands of mothers are crying for their sons and there are thousands of orphans in our country?

In truth, the cardinal's position is not surprising because it is consistent with his behavior: He ignores the aggression as such. He presents the mercenaries as "brothers with whom we should hold a dialogue." (Ronald Reagan also calls them brothers.) He makes statements justifying the activity of the mercenary bands.

We must remember a number of events that have been taking place with regard to the war of the aggression in open challenge to the revolutionary legality. Let us view them:

--The unsuccessful boycott of the electoral campaign by the parties that are satellites of the Yankee embassy.

--The shameless justification of the mercenary war and the economic blockade imposed by Reagan by rightist politicians and leaders of the COSEP [Higher Council of Private Enterprise].

--The pressures on producers by COSEP leaders with the objective of destabilizing the national economy.

--Cardinal Obando's indulgent attitude toward the manipulation of his religious status by the FDN [Nicaraguan Democratic Forces] Somozist guards, who refer to him as "our cardinal" on their counterrevolutionary station and the fact that Cardinal Obando officiated his first mass as a cardinal in Miami for the mercenary leaders.

--The political campaign against the Patriotic Military Service and the people's right to defend themselves conducted by the cardinal himself, in addition to his demanding legal recognition for the mercenaries.

--COSEP'S provocations aimed at legitimizing the mercenary forces, and honoring and presenting as their banner the name of counterrevolutionary leader Jorge Salazar, the FDN'S maximum "hero."

--The demagogic campaigns of the "uncommon leftists," who in combination with rightist forces have tried to influence the workers' rank and file to create economic instability.

--The attitude of treacherous politicians who openly applaud all kinds of Yankee attacks and pressures against Nicaragua, such as the recent break of relations announced by [Ecuadoran president] Febres Cordero following U.S. orders.

--The disregard for the country's laws by the officials under the cardinal's orders who are in charge of conducting his personal propaganda.

These and many other actions disguised as "freedom of enterprise," "freedom of religion," or "freedom of expression" are the internal harbingers of the only totalitarianism that some groups are trying to implement in Nicaragua: the Somozist guards' totalitarianism, with their garrisons and torture rooms; the totalitarianism of the capitalist exploiters and of the large estates plundering land from peasants; the totalitarianism that Reagan is trying to impose in Nicaragua with his marines [preceding word in English] and mercenaries as he did in Grenada.

In order to deter this "internal front" of totalitarianism and to continue hitting the mercenary forces, we implemented the state of emergency which, as the Tecnicsa worker said, "should only be feared by those who are conspiring." How could a state of emergency decreed to defend their achievements and reject their enemies [adversely] affect the people?

CSO: 3248/44

NICARAGUA

INDIAN LEADER ON GOVERNMENT MEASURE, AUTONOMY

PA171634 Paris AFP in Spanish 2119 GMT 16 Oct 85

[Text] Paris, 16 Oct (AFP)--Marcos Hoppington, the second in command of the Indian MISURASATA [Miskito, Sumu, Rama Sandinist Unity] said in Paris today that his organization regrets the Managua government's suspension of certain rights, "because it will actually worsen the internal situation" and "put arms in the hands of those who are seeking to topple the Sandinists."

Hoppington, who visited Paris to participate in a solidarity meeting with the Indian peoples, told AFP that this measure does not in any way affect the situation of Indians in the Atlantic coast region, because they in fact have no guarantees.

He added that MISURASATA, which unites the Miskito, Sumu, and Rama Indians under the leadership of Brooklyn Rivera and claims to have 2,000 armed men, is nevertheless willing to resume negotiations with the Sandinist government on the autonomy statute that were interrupted in August.

Hoppington denounced the intransigency of the Sandinists, because they have no real willingness to negotiate with MISURASATA. However, he also pointed out that differing internal viewpoints in this regard exist within the government's leadership.

The Miskito leader said: "Our people are determined to further their struggle, regardless of the consequences." He pointed out that MISURASATA does not seek to topple the Sandinist government, but rather to achieve genuine autonomy.

Hoppington pointed out: "If we reach an agreement with the government, we would be willing to defend our territory against any foreign aggression; that is, to defend Nicaragua."

He asked: "If we have nothing, what can we defend? A revolution of Creoles adopting the same contemptuous position toward the Indians displayed by previous rulers who did not hesitate to kill and carry out atrocities?"

He also pointed out that MISURASATA is not seeking an alliance with the U.S.-supported Nicaraguan Democratic Force (FDN).

Hoppington added: "They are the same people who exploited and humiliated us for years; it is inconceivable to think that we would now help them take over power at the expense of our blood."

MISURASATA and the Managua government differ mainly on the concept of what autonomy should mean to 186,000 Indians in Nicaragua.

To the Indian organization, the autonomy statute, which was unilaterally drafted by the Sandinists, is simply an "administrative reorganization" that would divide the Indian territory into three regions actually under central government control.

Specifically, MISURASATA is demanding a clear demarcation of Indian territory, the right to establish a self-defense force of its own, to elect local and regional assemblies, establish an administrative structure of its own that would, however, remain under the authority of the central government, respect for their beliefs, way of living, and agrarian structure, and joint exploitation of natural resources. However, MISURASATA would allow the Sandinist Army to occupy areas to defend national sovereignty.

Hoppington pointed out that this should be achieved through a lengthy process and that a resumption of the dialogue is in the hands of the government.

CSO: 3248/41

PANAMA

LEGISLATIVE COMMITTEE TO INVESTIGATE SPADAFORA MURDER

PA032019 Panama City EL SIGLO in Spanish 3 Oct 85 p 24

[Text] Legislators of the different political parties yesterday morning met at the attorney general's office to offer the attorney general, Manuel Jose Calvo, all the support of a parliamentary committee, which will coordinate efforts with that office to solve the Spadafora case.

The committee is made up of legislator Luis Gomez, who presides over it, and legislators Argenida de Barrios of the Labor Party, Simon Quiroz y Quiroz and Francisco Artola of the Authentic Panamenista Party, Ernesto Cordova of the Republican Party, Jaime Fernandez of MOLIRENA [Liberal, Republican, and Nationalist Movement], and Raul Ossa of the Christian Democratic Party.

The president of the Legislative Assembly's investigating committee, Luis Gomez, said the committee will work together with the attorney general to clarify the facts related to the murder of guerrilla Hugo Spadafora, and thus contribute to the country's social peace.

"We are not using the Legislative Assembly's investigating committee for political purposes, or to compete with the Attorney General's Office. The purpose of our committee is to analyze all information related to the Spadafora case and to avoid conjectures, as we cannot afford to make mistakes, because it is up to us also to safeguard the Panamanian people's security," Luis Gomez declared.

Attorney General Manuel Jose Calvo, in turn, declared to the different communications media that while he remained in Chiriqui, none of the witnesses in the Spadafora case claimed to have been threatened by the Defense Forces, nor were they visited by the reporters.

CSO: 3248/31

PANAMA

SEARCH FOR IDENTITY OF SPADAFORA KILLERS DISCUSSED

PA092155 Panama City EL SIGLO in Spanish 9 Oct 85 p 1

[Text] The need to seek a formula that fully satisfies the hopes of the Spadafora family in finding out once and for all who killed former guerrilla Dr Hugo Spadafora was noted yesterday in a closed-door meeting in the "Trensado" Room of the Atlapa [Atlantic-Pacific Convention Center].

Bernardo Cardenas, minister of commerce and industries who represented the executive branch, presided over a meeting at 0900 yesterday which was attended by Manuel Jose Calvo, the attorney general; Marcos Gregorio McGrath, archbishop of Panama; Carlos Hoffman of the CONEP [National Council of Private Enterprise]; Gilbert Mallol of the CAPAC [Panamanian Construction Chamber]; Roberto Roy of SPIA [Panamanian Association of Engineers and Architects]; and the members of the Ad Hoc Commission of the National Assembly.

Despite the fact that in the early hours of last night the participants in the meeting were tight-lipped on the points to be discussed, EL SIGLO was able to learn from a highly reliable source that President Eric Arturo Delvalle is very interested in seeking formulas to clear up the murder of Dr Spadafora, without violating current laws, and for this reason he sent Architect Arosemena [Presidential Secretary Ramon Arosemena] to the meeting.

Among the proposals that will be made to the Spadafora family today is the hiring of private investigators to be paid with publicly raised, nonstate funds; giving the Spadafora family the power to name a special prosecutor to investigate the case without ruling out the possibility of having Dr Winston Spadafora, a lawyer, serve as this special prosecutor; and the creation of a commission made up of honorable people who could give public certification of the honesty of the investigations.

EL SIGLO learned that Honorable Legislators Francisco Artolo and Jaime Fernandez have resigned from the National Assembly Ad Hoc Commission, thus joining Honorable Legislator Simon Quiroz y Quiroz. It is expected that Honorable Legislator Raul Ossa will also resign. Although they are not members of the commission, these parliamentarians were present at yesterday's meeting.

CSO: 3248/31

PANAMA

BRIEFS

CHIRIQUI GUERRILLA CELL RUMORED--San Jose (Special)--There are rumors that a guerrilla cell has emerged in Chiriqui in the wake of the ill feelings caused by the assassination of Dr Hugo Spadafora Franco, which occurred 2 weeks ago. The previous information is gathered from serious reports obtained by Radio Monumental here in Costa Rica from Costa Rican travelers who recently returned from Chiriqui. According to information obtained by Costa Rican journalists, it is rumored that there was an attack several days ago on a garrison in David in which two members of the Defense Forces of Panama were killed. Asked about the resignation of Panamanian President Nicolas Ardito Barletta, President Monge declined to make any comment.  
[Text] [Panama City EXTRA in Spanish 2 Oct 85 p 1 PA]

CSO: 3248/31

PERU

BRIEFS

PRESIDENT ON PRICES, DEBT--Peruvian President Alan Garcia said that the prices of staples cannot be lowered and that the people must continue to bear this burden because the prices of staples will continue to increase regularly, in accordance with the conditions. He also said that the situation is improving but very slowly. We hope, he said, that the inflation will not increase as much as we expected. Speaking about the foreign debt, he said: Under no concept will my government accept the IMF'S involvement in the domestic affairs of Peru. We will plan how much we can pay in line with our economy, but without foreign impositions because they go against Peru's sovereignty. [Text] [Havana International Service in Quechua 2200 GMT 16 Oct 85 PA]

CSO: 3348/100

ST LUCIA

PLP ORGANS SAYS GOVERNOR, COMPTON WILL SOON STEP DOWN

Castries CRUSADER in English 7 Sep 85 p 1

[Text] When the Royal Yacht Britannia sails away from St. Lucia in late October the curtain will fall on a stormy era of politics in St. Lucia. Her Majesty the Queen will regret to see her Governor-General Sir Allen Lewis, her entrusted representative on the island throw in the towel on account of waning health and a desire to move into quiet retirement.

At the same time Prime Minister John Compton who has hinted from time to time that the last General Election was indeed his last, will treat this Royal Visit as his swan-song fading in royal music instead of the boos and cat-calls of the St. Lucian public. The Prime Minister has already told his Party that he will not be contesting the next elections and last Tuesday night Executive Meeting of the United Workers Party almost boasted a full-house attendance.

The Party discussed the question of succession and the fate of the Party if it faced a General Election without the Captain who has led the Party for the past twenty years at its head. Some Party Stalwarts were not hopeful of the Party's chance and Minister Mason had indicated elsewhere that he will seriously consider standing down also when the Prime Minister makes his final move.

The discussion of a replacement for the Prime Minister proved very tricky and those who thought that Party Chairman Henry Giraudy was in for an easy passage were slightly shocked to find that the idea posed some problems. Both the perennial Deputy George Mallet and the over-anxious Romanus Lansiquot were mentioned as possible replacements. Some Party members were less than enthusiastic about the suggestion that Minister Lansiquot should be considered. To date the problem is still unresolved but we can be sure that when the Queen waves her gloved hand to say farewell to St. Lucia next month she will be quietly drawing the curtain down on a controversial era of St. Lucian politics.

CSO: 3298/052

ST. LUCIA

PLP ORGAN DERIDES SLP CONVENTION, HUNTE POLICY

Castries CRUSADER in English 14 Sep 85 pp 2, 5

[Editorial: "The Dennery Debacle"]

[Text]

The putrid smell from the S.L.P.'S Dennery Convention is just starting to surface. The leadership of the S.L.P spent the better part of last week trying to get front-line members of the Party to deny the Crusader story that the Convention had effectively split the Party into warring camps. It was ominous that Mr. Hunte's invitations to lunch did not budge any of the Labour stalwarts. Both Mr. Josie and Mr. Modest had made categorical statements emphasising the need for an alliance. Messrs Foster and Cenac had frequently and openly called for dialogue. Mr. Butcher and Mr. Jn. Baptiste had made it clear that the future of the Opposition was bleak without an accomodation. It is only the habit of manipulation which propels Mr. Hunte to seek to influence these men away from their strongly-held views.

Democracy indeed took a bitter blow at Dennery and there has been much talk about taking the Party to Court on the question of the undemocratic and

unconstitutional nature of the last Annual Conference. Certainly Judge Glasgow's earlier judgement in a previous case might come close to disbanding the entire Party as an unconstitutional non-starter. But certain front-liners in Labour argue with merit that such a step is totally undesirable at this stage of Opposition politics.

It must be a source of great concern to the rank and file of the Labour Party that two or three persons in the top hierarchy of the Party, including the Political Leader, would be prepared to endanger the cohesion of the Party in an effort to prevent dialogue between Opposition Parties. The interest in slopping this dialogue was so intense that all democracy and all constitutionality was abandoned for this cause.

Some delegates charge that an Agenda was circulated among the documents sent to all delegates to the Conference and the Agenda was changed without

the prior knowledge or approval of the Executive or the Conference. They claim further that the outgoing Chairman abused his authority at the beginning of the Conference by openly canvassing for a particular candidate in the person of the out-going Political Leader. When the Deputy Chairman Tom Walcott took over the Chairmanship of the Convention he also abused the authority of the chair and used his position to canvass his own personal views on a matter contained in a resolution which was to be debated later on according to the circulated agenda. Some further objection was taken to Mr. Walcott's identification and selection of persons to be coopted on the Central Executive when this is the prerogative of the Conference as a whole. This constituted a further abuse of authority.

It has now become an accepted technique of manipulation for Conference delegates to be rounded-up willy-nilly, irrespective of the constituency they reside in. Most of the South Castries delegates hailed from Choiseul as was the case at the Corinth Convention. Delegates to the Conference were never given an opportunity to discuss the work of the Party between Annual Conferences although Mr. Guy Ellis of the Voice took it upon himself to conclude in an article following the convention that the Leader had performed satisfactorily - a conclusion that delegates had not confirmed. The entire proceedings were so irregular that even Mr. Hunte himself at a Press Conference following

the Convention claimed that the Convention had given him a mandate to proceed to reorganise and contest elections alone when the Convention never really took any such decision. It might well be wishful thinking on Mr. Hunte's part but it is disturbing for a Party Leader of all persons to misread the conclusions of his Annual Convention.

Something must really be rotten in the body politic of the St. Lucia Labour Party when almost the entire leadership of the Party is in favour of a fundamental position and the feeling of the Convention floor appears to run contrary to their position. In proper democracies this is a classic case for the resignation of the leadership if the point at issue is fundamental enough. What is even more alarming is that the stand of the hand-picked delegates to the Convention cannot be supported among the rank-and-file of the Party all over the island. This is the main reason why Mr. Hunte cannot take to the platforms with his spurious mandate for isolation and division.

Oddly enough the divisiveness of Mr. Hunte and his odd bunch is serving to bring about a spontaneous expression of public feeling among the ground supporters of both SLP and PLP and, contrary to the sentiments expressed in Guy Ellis' Voice article, the drift of public opinion in the Parties flies firmly in the face of Mr. Hunte's isolationist policy. The surge of anti-Compton and anti-UWP feeling is strong enough to cause a

sizable swing-of-the-pendulum vote in a general election.

This swing is predicated on the non-performance of the Compton Administrative and on a rash of anti-people Government policies. But such a swing is also predicated on the identification of a plausible and viable alternative to the bankruptcy of the United Workers Party. If the Opposition come up with the type of PACKAGE that can fire the imagination of the electorate then the wind will sit fair for an Opposition victory. Sad to say Mr. Hunte's dog-in-the-manger attitude has done little to make such a package

a reality. His close advisers all have personal axes to grind and their esoteric position has already alienated the sympathies of the Labour Movement around the country.

The past three years of Comptonism has disgusted both UWP supporters and opposition elements.

They have seen clearly the PLP message that Comptonism is not people-oriented and they have endured the selfishness and self-seeking of the Government incumbents. They have watched at close hand the inadequacies of the UWP ministerial crew and they can sense the high level of disgust and resentment which the Prime Minister has for his own Ministers. The die is cast for the outright rejection of the UWP but the Opposition must put its act together and TIME IS NOT ON THEIR SIDE!

ST LUCIA

# LANSIQUOT ATTACKED FOR STAND ON NATIONAL YOUTH COUNCIL

'Totalitarian Style'

Castries CRUSADER in English 7 Sep 85 pp 2, 3

[Editorial: "Lansiquot's Ugly Fascism"]

[Text]

There is something particularly ugly and dangerous about the Minister of Youth and Community Development. One can forgive him his superficiality and his inanity. One can even look with wry amusement on his insistence that he could restructure St. Lucia and redefine St. Lucian values with a pot of white paint. As a matter of fact one could applaud his energy and single-mindedness in a milieu of Ministers desperately short on ideas and the capacity to implement ideas. But one cannot forgive the quality of a mindless automation that he reveals.

The unfortunate incident surrounding the formation of the National Youth Council has given us yet another opportunity to see the Minister with his fangs bared. He has lost all decorum, all balance and all control and used the media to orchestrate a vicious attack on the newly-formed National Youth Council. Few persons were

interested in the burden of his argument for or against the formation of the National Youth Council but many persons saw his tirade as a vicious attack on Mario Michel whom Mr. Lansiquot perceives as a challenger for his Castries East seat. Whether this perception is true or false the Minister should not have left so much room for doubt as to his real motives.

There was a curled-lip intolerance about Minister Lansiquot as he called on the people of St. Lucia not to attend the Opening Ceremony for the formation of the National Youth Council. He torpedoed any justifiable argument he might have had in respect of the procedure used for the formation of the N.Y.C., by branding Mr. Michel and others as promoters of alien ideologies. The Minister is so one-dimensional about his All-American-Guy posture that he neglects to show the humanity and the liberalism which ought to be at the core

of the democratic way of life. Instead of this, he rants about "alien ideologies" with a passion and hysteria which recalls the

worst days of Mc Carthyite fascism in the United States. Sensitive political observers detected in Mr. Lansiquot's true-blue right-wing stance, a predilection to play to the gallery. He wanted to let the sentiments wing their way on the air-waves to the U.S. Embassy in Barbados, and later to the President's ear. He wanted to let President Reagan himself get the word that this uppity young man who challenged Prime Minister Compton for the leadership perch in the United Workers Party is now making a pitch as the All-American successor to Mr. Compton now that the Prime Minister is singing his swan-song.

Mr. Lansiquot promoted himself as the custodian for the ideological rectitude of the Youth of St. Lucia. He told the fathers and mothers of St. Lucia in so many words that Mr. Mario Michel and his ilk are being manipulated by foreign powers and they are threatening to pollute the minds of the youth of St. Lucia and that is why they are literally hijacking the National Youth Council. He beat his breast saying that he would not sit idly by and allow such persons to corrupt the minds of St. Lucian Youth. The hysteria mounted and the fascism flared as he laid down his edict in totalitarian style - ANYONE WHO ATTENDS THE OPENING CEREMONY OF THE NATIONAL YOUTH COUNCIL WILL BE DEEMED AN ENEMY OF THE STATE! What arrant nonsense! What rubbish? What an insult to St. Lucians

who over the years have fought to preserve their basic rights and freedoms! Now Minister Lansiquot in the finest tradition of dictatorship, arrogance and tyranny tells our people that they will be branded as ENEMIES OF THE STATE if they attend a meeting of the N.Y.C to be held at the CSA Centre in Sans Soucis.

Minister Lansiquot's hysteria and his Fascist threats are far more alien to the St. Lucian sensibility than anything Mr. Mario Michel and his N.Y.C. colleagues have so far produced. This was no slip-of-the-tongue. It was no veiled threat. It was the sick expression of an empty mind blown up by an exaggerated sense of its own importance. Sound reasoning and balanced judgement have no truck with this kind of vanity and St. Lucians must beware of the dangers that lurk behind the apparently simplistic urge for power and self-promotion.

Minister Lansiquot cannot be the custodian of the mores and values of St. Lucian Youth because he has not yet come to terms with himself. He is plagued with hang-ups and insecurities.

He has no firm ideological moorings. His promotion of the American dream is not rooted in an abiding feeling for democracy, justice or equality but rather because it is the "going thing". The safe route to grasping and holding political office As a Minister he has energy but little sense of direction or purpose. He can latch on to a catch-phrase like DISCIPLINE or THE DEMOCRATIC WAY OF LIFE and beat the hell out of it but he is not fine-tuned to

the aspirations and development goals of St. Lucians.

At a time like this when the weaknesses of the United Workers Party threaten to undermine our State and the neuroses of Prime Minister Compton has left us without proper succession, it was a timely and revealing flash of tyranny on the part of Minister Lansiquot. It showed St. Lucians that there is an ugly and dangerous side to Mr. Lansiquot's clean-cut, nice-boy image. His anachronistic neck-tie might well be simply

an ambition-string. His jacket might well cover a number of personal inadequacies and the unmistakable energy and zeal he displays could be the animus he needs for unleashing his tyranny on a gullible people. Minister Lansiquot's statement was one of the most dangerous outbursts coming out of St. Lucia's politics and the sons and daughters of ST. Lucia must beware lest empty vessels make the most dangerous explosion in our social and political life.

### Misguided Ideology

Castries CRUSANDER in English 14 Sep 85 p 9

[Article by Carlos Jose]

[Text]

Minister Lansiquot's Anti-National Youth Council Statement a fortnight ago could best be dubbed as "pappyshow". No serious Government Minister interested in the welfare of his country and people, would sound such an alarm to the world.

Minister Lansiquot claims to be speaking on behalf of his Ministry, but well placed sources informed the Crusader that almost the entire Ministry do not support the Minister's ceaseless diatribe with the N.Y.C.

The Minister's pronouncement two weeks ago that "anyone who supports the formal launching of the N.Y.C. is an enemy of the Western World and the Government of St. Lucia", was nothing short of "unprofessional rubbish". His tone of speech smacked of

an air of arrogance, contempt, selfishness, pride and conceit. His presentation lacked any touch of professionalism.

His accusations that the N.Y.C. was hastily formed and that it was null and void could best be described as "elegant lies".

That a Minister can descend thus low in his criticism of a duly constituted organisation is high ranking insanity; and one wonders whether the Minister does not need a mental check-up?

Lansiquot's obsession with the N.Y.C. hinges on one simple point, and that is the young people elected on the executive are not stooges or lackeys of the United Workers Party. If the members of the executive were members of the U.W.P. Youth

Arm, Minister Lansiquot would have cherished the idea of the formation and not criticism would have been launched at it.

If Lansiquot is making a speech to his Foreign Master in the White House in an effort to secure their approval and promotion as Mr. Compton's successor, surely he is choosing the wrong avenue for such posturing.

Not even President REagan can prevent a diversion of opinions, views or ideologies in the United States. So what nonsense and absurdity about a group of people promoting "doubtful" ideologies.

Minister Lansiquot himself is in a state of "doubt" with no ideology, no morale and lacks the qualities for Ministerial material. His spell at the Jaycees has apparently not taught him his toes from his nose.

In his vain effort at promoting the N.Y.C. as a communist satellite, the Minister blatantly lied to the Nation, when he said that the N.Y.C.'s first act was to send five young St. Lucians to Moscow to attend the Youth Festival. It appears that the Minister was too busy glaring at his rival in Cabinet, and did not take time to check the facts, or did he deliberately twist the facts for his own self interest?

It was the National Preparatory Committee which selected five young people for the Moscow Youth Festival. The National Youth Council had absolutely nothing to do with the selection

of youth to Moscow, Check your facts Mr. Minister. The Minister bereft of any logic, naive in his thinking but burdened with his own political illiteracy, tried to convey to the world that our young people should only be friends to the Western World and should have nothing to do with the Eastern Bloc. What the Minister fails to realise is that countries of the Western World not only have diplomatic ties with Moscow, but also have trading and cultural links.

The death of young Samantha (U.S. Citizen) made headlines on C.N.N. news, including every other network across the United States. Samantha had written to the late Soviet leader, in a plea for peace against any nuclear war. She later received a personal invitation from the Soviet leadership and visited Moscow. She was later hailed as one of the world's youngest ambassador because of this single act. It is strange that the Western World did not refer to young Samantha as a person of "doubtful" ideology but crowned her with honour, even after her death.

It appears that Minister Lansiquot badly needs a trip to Moscow, to enable him to acquire a clearer ideological perspective and a broader view of the international community.

It is not the N.Y.C. which is Null and void but the Minister himself who like an empty vessel just kept the most noise," a fortnight ago. May this vessel be filled before the launching of the N.Y.C.

7 November 1985

ST LUCIA

## YOUTH GROUP SLAMS SLP FOR FORMING 'DISCIPLINARY' COMMITTEE

Castries CRUSADER in English 21 Sep 85 p 8

[Text]

The statement by political Leader of St. Lucia Labour Party Julian Hunte that the S.L.P. is to establish a disciplinary committee to deal with members who are holding secret talks with other people aimed at weakening the S.L.P. has provoked immediate reactions from the general public.

A group of young people from the North of the island who call themselves, Frustrated Youth Movement in a hard-hitting statement condemned Mr. Hunte, Mr. Walcott, Mr. Poyotte and Mr. Lesmond for refusing to join hands in unity with the R.P. and called on Mr. Hunte to resign.

The statement said, "We the frustrated Youth Movement of the state of St. Lucia have strongly condemned Mr. Hunte, along with Mr. Walcott, Mr. Poyotte and Mr. Lesmond for refusing to join hands in Unity with the R.P. so as to topple the corrupt regime which is now teaching our policemen to be more aggressive in War

Games." It continued, "We the Frustrated Youth Movement are now calling on the Party Leader Mr. J.R. Hunte to send in his resignation along with his colleagues."

The statement also called on the Executive of the S.L.P. to recognise the party and to find a leader who would join hands in unity with the people.

The statement adds, "The F.Y.M. will not support any leader or leaders who are against uniting the working class people, the F.Y.M. also condemns the Compton Government for holding War Games in St. Lucia when there are problems he should be dealing with, like unemployment."

The Frustrated Youth Movement further condemns all other countries taking part in the War Games and calls on the people of St. Lucia to join hands in Unity for change of Government.

CSO: 3298/052

LABOUR PARTY ORGAN RAPS MITCHELL FOR WAR-GAMES STAND

Kingston THE DAILY GLEANER in English 18 Sep 85 p 7

[Text]

KINGSTOWN, Sept 17, (CANA)

The Labour Party which took St. Vincent into the Regional Security System (RSS) three years ago, has criticised the James Mitchell Government's decision not to participate in the pact's first exercises which ended in St. Lucia yesterday.

The Star newspaper, organ of the Labour Party, said the country's absence was "not clearly thought out and dangerous to national security."

The one-year-old Government of the New Democratic Party, says it is against the militarisation of the region — the country has no army — and consequently decided against participating in the war games, code-named 'Exotic Palm.'

In an editorial, the Star said the question was not whether St. Vincent and the Grenadines needed an army

or had one, but whether its policemen and women could be called upon to perform the duties of an armed force in defence of the country or to ensure the preservation of law and order.

"It is the height of governmental irresponsibility and folly to keep our men untrained and ill equipped and expect them to perform properly in a crisis situation," the Star added.

The Star was of the view that men should not be expected to expose themselves to danger with the risk of loss of life, without training, when such training was available.

"In fact," said the newspaper, "it is criminal negligence to keep them in such a state of unpreparedness when training is available and necessary and no alternative form of training is locally provided."

CSO: 3298/053

ST VINCENT AND THE GRENADINES

VINCENTIAN ARTICLES TAKE ISSUE WITH MITCHELL POLICIES

Isolationist Trends

Kingstown THE VINCENTIAN in English 13 Sep 85 p 2

[Article by E. M. Richards]

[Text]

Political Analysts are watching Prime Minister James Mitchell's Isolationist Policy and wondering whether his one-manism and his celebrate Abstention from regional togetherness are not signs of a possible recurrence of another Grenada Experience in the Caribbean. It is interesting to note that when L.I.A.T. needed new planes and other regional Heads of Government, being satisfied with the almost perfect performance of the British Avros decided on buying Avros, our Prime Minister Mitchell alone wanted to buy an untried French Aircraft. Any wise or Psychological smart Prime Minister will not openly bite the hands of a Benefactor like Britian who gives us Aid and buys our Bananas, but left to Mitchell, the Avros would have been replaced by the French A.T.R.42.

The second point that baffles Analysts is that while all other Caribbean Countries are about to take part in a military exercise in St. Lucia with Britian and the United States, St. Vincent alone is not participating. No one is

pushing Mr. Mitchell to establish an independent army. The only military body on which this country can depend for its defence is the Police Force. Why not give selected men in the Force additional training by letting them participate in the joint exercise? When Mitchell takes these types of Isolationist stand and St. Vincent experiences another Union Island Uprising don't blame Barbados and the rest of the Caribbean if help is not forthcoming. When also Mitchell embarasses the mighty U.S.A. and Britian don't blame the U.S. if his hopeful Winter Vegetables project becomes still born and Aid is reduced.

The third point of interest is Sugar. The production of this commodity is now dead having been killed by the Prime Minister in defiance of the Company Law of this State which requires the passing of a Resolution in General Meeting followed by the appointment of a liquidator to dispose of the Company's Assets of which Government is the largest shareholder.

Parliament, it is said, could do no wrong and the St. Vincent Parliament headed by a dictatorially inclined Prime Minister

can now Import Sugar from Russia, Timbuctu or Cuba and all may appear well. Rumours are being circulated that soon ships from a Country that exports Revolution in the region will be calling at our Kingstown port to off-load cheap sugar. The day this happens Vincentians will be called upon to decide whether we can sacrifice security for cheap sugar and whether, from now on, we must accuse all bearded men as belonging to the same Ideological Fraternity.

Over the past year, while Vincentian Employers have been banding their bellies to pay Tax and reducing their work force thereby increasing unemployment a reaction which will also increase crime rate, our Prime Minister has been travelling around the World more often than any of his counterparts in the Caribbean. Vincentians cannot see Mr. Isolationist in his office where piles and piles of correspondence are bound to build up and where this gentleman should be planning the best use to which our country's resources could be put. Instead, he is always on the move using taxpayers

money to see the world and showing little result.

Continuing in the Vein of his Isolationist philosophy and Policy Mr. Mitchell has just returned from Colombia with a high powered delegation of ten. He hopes to sell Colombia Starch and probably buy among other things, Cement forgetting the presence of the Arawak Cement Plant in Barbados. If Mitchell were to develop a good relationship with other Regional Leaders and if Caricom were to have any meaning St. Vincent can never produce enough starch of the correct quality to satisfy regional demand. The relevant figures were given us by his own Minister of Agriculture Marcus DeFreitas.

On a closing note we have learnt that Charity begins at home. Mr. Mitchell and his Isolationist Policy is viewed as another step to fragment Caricom and to isolate St. Vincent and the Grenadines from the rest of the region. If we love Mr. Mitchell, as was demonstrated at the polls recently, we must rebuke him when we think he is going wrong and he must be prepared to correct his errors of face the consequences.

Kingstown THE VINCENTIAN in English 13 Sep 85 p 9

[Article by Cecil D. McIntosh]

[Text]

Although it is quite true that unemployment is a world-wide problem, I am of the opinion that our NDP Govt are not concentrating sufficiently on efforts to find solution for this number one national difficulty in St Vincent. No really feasible and worthwhile proposals were offered in the 1985-1986 Budget. Instead of launching a serious programme in confrontation with the country's greatest enemy, our Prime minister and his Ministers are spending far too much of the country's time and money on overseas jaunts which are resulting in minimal achievements. As a Christian Nation, we have to regard unemployment as a very grave matter indeed because we are our brother's keepers. Hundreds of families are now simply smelling hell while our politicians are having a grand time. It serves no useful purpose to play a fiddle while Rome burns. As things stand at present, there is sufficient cause for alarm. If no definite moves are made, in a few years time what occurred in Central American countries will take place here. Our only hope now is that our Govt will wake up before it is too late. Believe it or not, a storm is coming.

... Three basic causes of unemployment well known to our Govt are: -

(1) The population explosion or uncontrolled population growth. (2) The disgraceful high rate of illiteracy estimated to be as much as 80 percent. (3) State ownership of the country's land with an anti-foreign land

ownership and development policy.

1. BIRTH CONTROL. The main cause of the trouble is the uncontrolled population growth, the failure to have the population stabilized. The only hope for reducing unemployment lies in bringing population growth to zero. It is clear as noonday, even to a numskull, that as a country's population is allowed to increase, its unemployment will get worse. Industrial development aside from population control would serve only as an interim and short-lived palliative. For the situation to be properly adjusted, we must have both extensive and intensive industry coupled with a balance between births and deaths. But the headache is that in an age and in a country where sexual permissiveness is popular and the propagation of Homo Sapiens almost outstrips that of the Droscophila, population control will be a very real problem. Birth control legislation which has always been aimed at the family actually misses the point, because the chief source of trouble is not the family but the teenagers and unmarried adults. These are the culprits who are making the population increase by geometric progression. Teenage pregnancy and illegitimacy will have to be the chief targets for control. But the measures to be introduced for correcting the situation will have to be exceedingly severe and punitive where and when necessary. Birth quotas should be fixed not only for families but also for unmarried persons, and any

and every deviation from the regulation quota by teenager or adult should be treated with the sterilization needle. As it has been estimated that our present population of 110,000 will be doubled by the end of this century (within the next 15 years), drastic and effective steps will have to be taken now to prevent such a suicidal and famine precipitating increase. Opposition to very strict birth control measures enforced where and when necessary by the sterilization needle is actually tantamount to disrespect for the survival of the nation. If we do not view this matter seriously now, and act accordingly, we might very well find ourselves by the end of this century in the same position in which the Jews found themselves when the Roman armies under Titus besieged Jerusalem.

2. **ILLITERACY.** Some people argue that educational programmes and campaigns carried out all over the island would show the people the importance of and necessity for population stabilization. But they forget that reason and logic meet with satisfactory response among educated people but meet with no appreciation by uneducated and illiterate people. In any case, such programmes would require the passage of several years for completion, and in the meantime the population would have been greatly increased if not doubled. Nevertheless, a genuine drive should be made to stamp out illiteracy.

3. **STATE LAND OWNERSHIP.** The folly of the nationalisation of the country's land was demonstrated recently in the acquisition of the

Orange Hill Estates from foreign investors who would have made a most significant contribution to the development of St Vincent and in the reduction of unemployment. These estates as well as many others, Windward and Leeward, lie undeveloped and in some cases idle. State ownership of land or business is a hopeless mistake. Government's incompetency has been demonstrated in all the West Indian islands and in Africa. All we have is either stagnation or retrogression. St. Vincent's agricultural and industrial development depends entirely on the competency, management and finance of foreign Companies. To boast: "ORANGE HILL IS OURS NOW" is mockery of a nation's desperate need for employment and development. "OURS NOW" to have the land idling with hundreds, even thousands, of people out of work, is provocation to intelligence. A lease to the Danes with their programme of agro-industry - manufacture of cheese, butter milk, canning, electricity, model farms - would have been a godsend to St. Vincent, a programme bound for success. Imagine the folly of rejecting the Danes' development proposition to have it replaced with a hopeless Winter Vegetables Project. And it is this chasing out of the Danes that has made necessary the multitude of overseas trips by the Prime Minister searching for finance to do for St. Vincent at the nation's expense what would have been done by the Danes with no loans to be repaid and serviced by an already tax burdened people.

ST VINCENT AND THE GRENADINES

GLOVE FACTORY OPENS; MITCHELL DISCUSSES INVESTMENT POLICY

Kingstown THE VINCENTIAN in English 13 Sep 85 p 1

[Text] A new Glove Factory has been opened on the premises previously occupied by the Caribbean Glove Factory which closed down--approximately three years ago in 1982. The new enterprise was officially opened earlier this week. Like its predecessor it is operated by American Investors Prime Minister James Mitchell was present at the opening.

Mitchell said that his Government since it came into power had been seeking investors interested in this field. The new investors are Neil Ash and the Manager is Leonard Firemann. The Ash's Family Business is said to have been in Glove making for over fifty years. The Minister said as a result of the interest shown The Development Corporation was able to proceed with negotiations and he was pleased that the manufacture of gloves had started again. With reference to the Textile Industry in general Mitchell said that this Government was working towards quotas for production of garments and other Textiles for the United States Market. The Prime Minister stated that if his Government could get hold of the opportunities that are available for the making and supplying of garments for the U.S. market and can negotiate the necessary protection to take advantage of that situation a number of local people would gain employment in that field.

All the Gloves Manufactured in St. Vincent are for the United States Market. Manager of the Factory Firemann said "There's nothing we manufacture here to be sold in the island."

Firemann said under the Tariff Programme everything that comes in must be worked on and returned to the United States, and sold to other markets. According to him, one of the reasons for this is the small Caribbean Market in Gloves. He said that he didn't think that the entire Caribbean Glove Market could substantiate the need for a Glove Factory.

In under one year's time a maximum of two hundred workers are to be employed at the Factory. At present thirty-five people are employed but the demand for two hundred thousand dozen gloves per year will require a bigger work force. The Manager said production at this point is at its absolute minimum, for the

simple reason that they are training most of the staff. He said they will bring to St. Vincent professionals, in the field of Glove Making, from the United States to aid in the training process.

Firemann said that the success of the Factory depends entirely on the staff. He noted that if they can produce the Factory will be a success. He expressed satisfaction with the way in which the training was going. Workers are expected to be paid good wages according to Firemann. He said the Company is not prepared to hold any worker at a minimum wage. He noted that his feeling had always been that if anyone is to be held at a minimum wage they are no good to the factory and the job is no good for them.

The Glove Factory is situated in Botton Town on the Reclamation Site.

CSO: 3298/053

ST VINCENT AND THE GRENADINES

BRIEFS

**POLICE APPOINTMENTS**--The change in the Leadership of the St. Vincent and the Grenadines Police Force has resulted in some alteration in its administrative structure. Former Deputy Commissioner Randolph Toussaint has been appointed Acting Commissioner. He replaces Felix Constantine who has been sent on leave. Toussaint has taken personal responsibility for traffic which was previously under an Assistant Commissioner. The Movement for National Unity, whose Leader is Dr. Ralph Gonslaves has hailed Toussaint's appointment as a step towards the control of crime which has been on the increase. The article on the subject in the Movement's organ Unity also expressed the view that more, better trained policemen were needed to cope with Law enforcement here. [Text] [Kingstown THE VINCENTIAN in English 13 Sep 85 p 1]

**LOCAL-GOVERNMENT STUDY**--After holding a series of internal meetings the Committee established by Cabinet to recommend the most appropriate form of Local Government in Saint Vincent and the Grenadines is now ready to solicit views from the general public. The meetings of the Committee have so far been taken up with matters of procedure and preliminary discussions on the most efficient means of completing its task.' At the last of these meetings it was decided that the Committee would first travel to the Leeward side of mainland St. Vincent on Thursday 19th September in order to get the views of the residents there. According, on that date, i.e. September 19th Chateaubelair, Spring Village, Troumaca and Rose Hall. The Committee expects to travel throughout St. Grenadines compiling views and suggestions which could help in its task. Individuals and organisations are also being invited to make written submissions to the Committee. The deadline for such submissions has been set at October 30th. The Committee is endeavouring to make its recommendations to Cabinet by year end and it is asking for support of the public. [Text] [By K. V. John] [Kingstown THE VINCENTIAN in English 13 Sep 85 p 9]

CSO: 3298/053

SURINAME

BRIEFS

AVIATION ACCORD WITH BELGIUM--Amsterdam, September 27--Surinam and Belgian delegations signed a bilateral aviation agreement in Brussels today, a spokesman for Surinam Airways (SLM) here confirmed. Details of the agreement, which is still to be initialled by the foreign ministers of the two countries, were unavailable. Belgian authorities declined to comment on the deal. Pending a definite decision on landing rights, Belgium recently granted Surinam Airways permission for a weekly DC-8 flight between its Paramaribo capital and Ostend during the coming winter season, SLM said. KLM, Royal Dutch Airlines, and Surinam Airways will begin negotiations next week on the continuation of an aviation accord between the two countries which expires on November 1, a Dutch aviation service spokesman said today. [Excerpt] [The Hague ANP NEWS BULLETIN in English 28 Sep 85 p 4]

CSO: 3200/1

TRINIDAD AND TOBAGO

PRIME MINISTER CHAMBERS TO VISIT JAMAICA IN NOVEMBER

Port-of-Spain TRINIDAD GUARDIAN in English 11 Oct 85 p 1

[Text] Prime Minister George Chambers will pay an official visit to Jamaica next month during which he will deliver the feature address at the graduation ceremony of the University of the West Indies (Mona campus).

This was confirmed yesterday in a statement by the Trinidad and Tobago Ministry of External Affairs.

Following is the text of the Ministry's statement:

"The Rt. Honourable Hugh Shearer, Deputy Prime Minister and Minister of Foreign Affairs and Foreign Trade, announced today that the Honourable George Chambers, Prime Minister of Trinidad and Tobago, will pay an official visit to Jamaica next month.

The programme for the visit is now being prepared in collaboration with the Trinidad and Tobago Minister of External Affairs.

During his visit Prime Minister Chambers will be guest speaker at the University of West Indies (Mona Campus) Graduation Ceremony on Saturday, November 16.

The Government of Jamaica is looking forward to this visit which will give the Jamaican people the opportunity to welcome Prime Minister Chambers.

This will be the first occasion on which a Prime Minister of Trinidad and Tobago is paying an official visit to Jamaica and will provide an opportunity for discussions on bilateral and regional matters at the highest level."

CSO: 3298/063

7 November 1985

## TRINIDAD AND TOBAGO

## GOVERNMENT TEAM NAMED FOR COMMONWEALTH MEETING IN NASSAU

Port-of-Spain TRINIDAD GUARDIAN in English 11 Oct 85 p 1

[Text]

TWO Government Ministers will accompany Prime Minister George Chambers at the Commonwealth Heads of Government Conference in Nassau, Bahamas, from October 16 to 22.

The Ministers are Mr. Errol Mahabir, Minister of External Affairs, and Mr. Ronald Williams, Minister of State Enterprises.

The delegation, which will be headed by Mr Chambers, is due to fly out for the conference on Monday or Tuesday. Included in the delegation are two Trinidad and Tobago High Commissioners — Mr. Reginald Dumas, High Commissioner to Barbados, and Mr. Knowlson Gift, High Commissioner to Jamaica.

The other members of the Trinidad and Tobago team are Mrs. Annette Des Iles, Permanent Secretary to the Prime Minister; Mrs. Theresa Lewis, Secretary to the Minister of Finance and

Planning; and Mr. Basdeo Maharaj, Public Relations Officer, Ministry of Industry, Commerce and Consumer Affairs.

The Trinidad and Tobago delegation will return here on October 23 for members of the team to assist in the preparation for the arrival of Queen Elizabeth II on November 1.

The Queen accompanied by her husband, Prince Philip, will arrive abroad the Royal Yacht Britannia, but the Prince will depart for London on the night of November 1.

Mr. Mahabir is expected to leave for the Bahamas before the rest of the team as he will attend meetings of officials normally held prior to the opening of the conference.

The last Commonwealth conference was held in New Delhi, India, and chaired by the late Mrs. Indira Gandhi. This conference will be chaired by Bahamas Prime Minister Sir Lynden Pindling.

CSO: 3298/063

7 November 1985

## TRINIDAD AND TOBAGO

## MAHABIR SEES NO PANACEA IN NASSAU UNDERSTANDING ON TRADE

Port-of-Spain EXPRESS in English 14 Oct 85 p 1

[Text]

**EXTERNAL** Affairs Minister Errol Mahabir said yesterday that if Trinidad and Tobago's Caricom partners felt that this country had let them down on the question of trade, it simply meant that Trinidad and Tobago had joined the club.

Mahabir addressed the 23rd Annual Conference of the PNM San Fernando West Constituency of which he is parliamentary representative. The conference was held at the Palm's Club in San Fernando. Mahabir said: "It has been said in some quarters in the Caribbean that Trinidad and Tobago had let down its colleagues on the question of trade. Well, if we have done so, then we have simply joined the club."

Mahabir referred to the Nassau Understanding and his call for a revision of this document. Said he: "We will be deluding ourselves if we simply believe that the implementation of the Nassau Understanding is the answer to the problems in the Caribbean."

Mahabir added: "It may be the answer to some countries who themselves have employment problems, but it will create problems for Trinidad and Tobago. We will have serious problems over and above those that we have. I feel there is a need for a dispassionate review of the Nassau

Understanding, the whole trade regime and the original aims and objectives of Caricom."

Mahabir said that there was need for bilateral discussions between Trinidad and Tobago and other Caribbean partners. He said the process had started, pointing out that only a few days ago, the Ministry of Industry and Commerce held discussions with its Dominican counterpart on trade matters.

Said Mahabir: "In all these bilateral discussions, Antigua has requested bilateral discussions with us on a number of issues. But the common thread that runs throughout all the proposals for bilateral discussions is the opening of the market of Trinidad and Tobago to Caricom goods. Now that is what the treaty provides for. There are many other factors, there are many other areas which we in Trinidad and Tobago have an abiding interest. He said that one such area was the question of air services.

Mahabir said that bilateral discussions with Antigua should begin after October. He said that Prime Minister George Chambers would find in Nassau later this month, an agreement with St Kitts/Nevis designating BWIA as the national carrier.

CSO: 3298/063

TRINIDAD AND TOBAGO

CENTRAL BANK ISSUES QUARTERLY ECONOMIC REPORT

Port-of-Spain TRINIDAD GUARDIAN in English 12 Oct 85 p 1

[Article by George Harvey]

[Text] A \$172.8 million raised on the Japanese market has helped in pushing the national debt through direct borrowing by Government to a record \$3,606.4 million up to the end of June this year.

This is revealed in the June 1985 Quarterly Economic Bulletin of the Central Bank of Trinidad and Tobago.

The bulletin shows that Government borrowed nearly \$400 million during the period April-June, increasing overall debt by \$293.6 million above the January-March total. Major portion (\$223.5 millions) was obtained locally through a special issue of Treasury Bills (\$218.5 million) and \$5 million from sales of tax-free saving bonds.

Repayment on loans during the period totaled \$104.2 million of which \$84.2 million went to external borrowing. Foreign debts of \$2,206.7 million account for 61.2 percent of the national debt.

The bulletin, in an overview, paints a picture of the national economy on the upturn--but still in a depressed state.

It states: "The adverse financial and economic changes which have characterised the performance of the economy since 1983 eased somewhat in the second quarter of 1985 as indicated by movements in several of the key areas of domestic production and economic activity in general."

Positive upbeat economic signs:

--Rise in crude oil production by 2.8 percent from January-April 174,200 barrels per day (bpd) to 179,100 bpd in June. This has pushed overall production by more than nine percent above the first six months for 1984.

--Central Government recorded a cash surplus of \$39.8 million. Its first quarterly surplus in more than three years and compares overwhelmingly favourably with deficits of \$987.8 million for January-March this year and \$119.1 million for April-June 1984.

--Government revenues for March-June totalled \$2,333.2 million--an increase of 3.5 percent above the comparative period for 1984.

--Stabilisation of foreign exchange reserves with \$2,109.4 million up to the end of June, a minimal \$1.9 million above the previous quarter. The first increase in 18 months. Reserves fell by \$357 million during the second quarter last year.

--Sugar production of 81,300 tonnes was 25 percent above last year and the first increase in production since 1976.

--Continuing marked improvement in merchandise trading with the country showing a favourable balance of \$606.7 million for the first five months of the year.

#### Tight Liquidity

Performances of the gas-based industries were mixed. Fertiliser and methanol production increased. The Bulletin pointed out: "However, output of iron and steel remained depressed. Compared with the corresponding period of 1984 and first quarter of 1985, output of primary iron and steel products decreased by 24.3 percent and 1.6 percent respectively."

Money and Finance: The Central Bank bulletin states that the tight liquidity conditions which prevailed previously "eased somewhat during the second quarter of 1985 owing to substantial reduction in lending by commercial banks."

It further pointed out, "As a consequence of the fall in credit and a sustained lowering of the net domestic budget deficit, the money supply remained depressed."

Commercial bank credit fell by 1.7 percent (\$120.9 million) during January-May this year in contrast to a 2.4 percent increase (\$160.6 million) over the same period last year.

CSO: 3298/063

TRINIDAD AND TOBAGO

PICKET-LINE VIOLENCE CONTINUES; PRESS SCORES UNIONS

Tire Company Developments

Port-of-Spain TRINIDAD GUARDIAN in English 10, 11 Oct 85 p 1

[Editorial Report] A 10 October report by Francis Joseph says eight employees of the Caribbean Tyre Company Limited who returned to work on the 7th "were attacked and suffered property damage over the past 48 hours." The attacks, according to the report, took the form of fire-bombings of homes and cars and physical threats to individuals. According to the 11 October story, the company issued an ultimatum to striking workers to return to work or face dismissal. The striking workers are reportedly given until the 15th to report back to work.

Government Talks

Port-of-Spain TRINIDAD GUARDIAN in English 10 Oct 85 p 1

[Text]

SENATOR Russell Martineau, Minister for Legal Affairs, and Mr. Overand Padmore, Minister of National Security, will hold two meetings with the representatives of the labour movement. The first will be today at 4 p.m. and the other at 2.15 p.m. tomorrow at the Ministry of National Security, Knox Street, Port-of-Spain.

The meetings have been called to discuss the question of violence on the picket line and are a follow-up to discussions held recently between Mr. Padmore and Senator Martineau and the Employers' Consultative Association.

Meanwhile Minister of Labour, Social Security and Co-operatives, Mr. John Donaldson, held talks yesterday with a joint delegation of union branch officers of the Caribbean Packaging

Industries Ltd and Metal Box (Trinidad) Limited.

The meeting was held at the request of the Oilfields Workers' Trade Union (OWTU) which represents workers at both factories. The OWTU team was headed by Mr. Cecil Paul, 2nd Vice-President of the union.

According to a statement from the Ministry yesterday the discussions were cordial and they touched on matters of a general nature as they affected both companies.

Minister Donaldson undertook to "continue to do what could be done to assist the parties in resolving their differences" and, according to the statement, he will arrange to meet with the managements of the respective companies shortly.

## Workers' Fears

Port-of-Spain EXPRESS in English 8 Oct 85 p 3

[Text]

**ALL Trinidad Sugar and General Workers Trade Union General Secretary Sam Maharaj said that workers in the country were scared to join trade unions because of the fear of losing their jobs.**

Maharaj addressed the installation of officers ceremony of the union at the Rienzi Complex in Couva on Sunday. He said the most serious problem facing the workers was the question of lack of employment opportunities.

Said Maharaj: "Because of this situation, workers are scared to join unions, for fear of losing their jobs and this, in turn, opens the door to exploitation by some unscrupulous persons." Maharaj said that Government had removed subsidies from basic necessities and commodities while increasing direct and indirect taxation.

Said Maharaj: "The industrial relations situation in the country had deteriorated to the extent that even the credibility of the Industrial Court is being challenged by a state company on the advice of the Government." Maharaj

added: "The very government that authorised and introduced the Industrial Relations Act which was responsible for the creation of the Industrial Court, is now appealing against the decision of the same court."

Maharaj hit out at Prime Minister George Chambers who had advocated "dialogue instead of confrontation in industrial relations matters. Said Maharaj: "You tell me what dialogue we must enter into if after three years of dialogue we end up with Government instructing a state company to appeal a wages award by the Industrial Court."

Said Maharaj: "Dialogue had prolonged the pain and punishment on the sugar workers."

## Accusation Against Employers

Port-of-Spain EXPRESS in English 11 Oct 85 p 48

[Article by Heather Hollingsworth]

[Text]

**GEORGE WEEKES, president general of the Oilfields Workers Trade Union (OWTU), yesterday accused employers of themselves perpetrating acts of violence in situations where there was industrial unrest.**

Weekes said this was done with the aim of blackening the trade union movement and paving the way for a "military solution" to the present economic problems.

Weekes was speaking at a press conference at the OWTU's Port of Spain headquarters, House of the People, Henry Street.

He said that employers wanted to bring about the intervention of the police and the army as was done in 1970 and 1972. Whenever employers wanted a law to be changed, he said, "they orchestrate a conspiracy" and use the media to create in the minds of the people the impres-

sion that peace is being disrupted, and there is a breakdown of law and order.

He felt it was significant that with "all the talk of violence on the picket line, not one drop of blood has been shed," neither has any one been penalised for the alleged offences.

Experience, he said, had shown that companies, both with and without the knowledge of the people involved, hire people to attack and burn the homes of work-

ers and employers. Arrangements are made beforehand to ensure that there is no serious damage done, and fires are quickly extinguished. These workers/employers are then often compensated for the minimal damage done to their property, he maintained.

Said Weekes: "You think we so stupid to burn down people house when the first thing they will say is that it is the OWTU? We not so stupid."

The union leader expressed the belief that the employers would have their way with the desired "military solution. He added that the trade union movement

did not have the same clout with the Government as the Chamber of Commerce and the Employers Consultative Association, therefore, unions had no recourse but to unite. "No unity," he said, "is like having AIDS; you bound to die!"

He added that he has already called on the president of the Trinidad and Tobago Labour Congress to meet with members of the Council of Progressive Trade Unions in an attempt to forge this unity.

He appealed to the Prime Minister, in the national interest, to organise a consultation on the issue. This consultation would comprise

members of the Government, the trade unions, and the employers, and would have as its purpose the making of recommendations for the solution of the problem.

Weekes also queried the need for a committee to be set up by the Ministry of National Security to investigate the issue of violence on the picket line, in the face of what he felt were so many other instances of real violence. Statistics, he said, "have proven that there has been an increase in murder, rape and burglary, but no committee has been set up to investigate and bring forth solutions to that problem."

### Communist Involvement

Port-of-Spain SUNDAY GUARDIAN in English 13 Oct 85 p. 3

[Article by SUNDAY GUARDIAN special correspondent: "The Marxist Threat to Democracy and Freedom"]

[Excerpts] WHY a committee on violence to tell us what we already know?

Why not a call to the Commissioner of Police to tell him to do his job when acts of violence are committed on picket lines...or anywhere else for that matter?

Why is it that the police are so eager to pounce on badly parked cars and to drag them off to an impounding location even while some owners plead and occasionally scream and cry, yet hardly anything is done when professional pickets and their associates badger, block, abuse, threaten and extend their hatred in physical assaults on people and property?

And when in the face of all the violence that has been taking place at strikes, especially in the past weeks, the Prime Minister could have the audacity to suggest a committee, then clearly he is avoiding the issue and only confirming in our minds that a policy of partiality is being given to the Police Service. The police are being deliberately curbed and kept back from doing their duty so that the law is seen no longer to be the imposing structure whose eyes are shielded from temptations from the left or the right, but something that favours those getting preferential treatment from Cabinet dictates.

It is not as if the people in the PNM itself are not aware of the problem.

Individuals on the picket line organised by the Oilfields Workers' Trade Union at Caribbean Tyre Company Ltd. in Point Fortin, have openly, brazenly and unreservedly threatened people with death of a most gruesome sort. Reports have been made. Persons have been identified. Yet nothing is done.

At Caribbean Packaging Industries, the identities of the chief perpetrators of violence are known. Yet they remain free and unfettered.

At Metal Box, there is hardly a single car of those working on the premises which does not bear scratches, dents and other signs of warfare. Some officials have even been verbally abused in traffic situations miles away from the scene. The abusers have been clear and undisguised in their identities. Complaints have been made. Once again, no action is taken.

Yet, if a fraction of such abuse were hurled by the average citizen, inadvertently at any policeman, action would be swift and stern. Why the double standards?

We do not believe the police are afraid to do their duty. But we believe a big factor in what is taking place is the approaching general election which many seem to feel is coming before March of 1986. Unlike Williams who knew how to be stern without losing support, the Chambers Administration has opted strictly in favour of its avowed policy of staying in its crease, especially when elections are approaching.

\* The committee to investigate violence in industrial relations is another similar cover-up. Once again they will be playing for time, getting the details of incidents of which the police already have fullest data. What is required is not more examination, not an over-kill in terms of search and assessment, but a strict application of the law.

It is because certain people in the labour movement are aware of this weakness of our Government that they have decided to take exploitative action. They know that the Government is weak and afraid, and is deliberately staying the hands of justice in an effort to curry favour. But not only is this currying of favour earning the disgust and the contempt of the public, but it is not-so-subtly undermining law and order in the country, and engendering a breakdown of the system.

And this is what the mavericks in certain unions are aiming at doing because, make no mistake about it, certain key unions are filled with out-and-out Marxists, communists of the most rosy shade of red, who travel to Cuba and to the Eastern Bloc countries on a regular basis to have their energies and batteries fully charged. These red-lining creatures have decided that 1985/86 is the ideal time to push for a change in ideological position of the country for the simple reason that things are going bad and when things turn bad, it's the best time for revolutionaries, whether in the labour movement or elsewhere, to make their bid.

And observe with what impudence this onslaught on law and order is being conducted. At every strike scene there is violence. At every negotiation demands of a totally unrealistic level are still being sought. Absolutely no attention is paid to productivity. The whole objective is to put the employer in the worst possible light and under the greatest pressure, with no attention paid to economic realities or the fact that the trimming and cutting is no less trenchant at management level itself.

Because let's face it, the country is in deep economic trouble and losses are surfacing everywhere. Companies losing millions of dollars are in no position to pay 30 and 40 per cent increases yet, as far as the militant unions are concerned, only one thing matters, — exorbitant wages.

The communists in our labour union movement are aware that in any such major push for a change in ideology pressure cannot be applied indefinitely because even now the rank and file in the unions are getting a bit tired of the absurd rhetoric and lies, the deception, the deliberate misleading, the hatred, the venom, and above all the cowardly violence meted out at the weak and the defenceless.

It is for this reason that the militants are trying to hasten their pace, to snatch the headlines, to grab the TV coverage, to publish their papers, pamphlets and notices, and to do their all to render what's left of the mixed free enterprise system as an incompetent order responsible for all the woes on the economic plenum.

The pattern of ire is the familiar one, except that it is being whipped into a frenzied crescendo with accusations of inflation and unfair practices being heaped at the door of private enterprise. This dishonest, deceptive and misleading approach by the communists in our unions, pays no attention whatsoever to the imbalance between wage and output; nor the bedrock truth that the outsize wage increases were earlier parts of the plans of the nefarious to take the system to the breaking point.

Their advisers in Moscow told them that runaway wage increases — which, by the way, the USSR does not permit its workers — and rising income never last forever. Sooner or later in this world of change and cycles, any economic upturn peaks and drops. At that stage, any adjustment can be charged by the local comrades as a failure of the system, and time to introduce a new order.

## ELECTIONEERING

This is exactly where we are at present, with the comrades clamouring for blood, and the electioneering Government unable to resist, or to take a stand on principle. Actually, an approach of placation has been going on, with the authorities unwilling to uphold law and order in the strike zones; while halting divestment of the dozens of government companies and actually spreading the net to embrace more.

In a sense the union comrades and the power-oriented Government are converging, one for ideological change, the other for political durability. Unfortunately, freedom and democracy are being brutalised in the process, so that injunctions have to be taken out to protect the very rights supposedly "freely" defended by law and the Constitution.

The wicked comrades bent on introducing a Marxist regime continue using labour and disputes as opportunities to spread chaos and disenchantment, suffering, violence, and mutual hatred. Settlement of disputes, and recognition of economic realities, are in no way the objectives of the red-lining unions. Instead, the aim is to fan the ferment to provide the ideal, seething setting for the one-day general strike planned for later this month.

If this scenario succeeds, not only would democracy and freedom be at risk, but the very Government itself.

## Blast at Industrial Relations Act

Port-of-Spain EXPRESS in English 14 Oct 85 p 7

[Article by Heather Hollingsworth]

[Text]

**THE EMPLOYERS Consultative Association (ECA) and the Trinidad and Tobago Labour Congress support proposals for amendments to the Industrial Relations Act (IRA) that have been agreed to by the Tripartite Committee. The position of the Council of Progressive Trade Unions (CPTU) however is that the act is beyond repair.**

The Tripartite Committee has almost finished its work on the proposals for an amended Industrial Relations Act. Chairman of the Committee, Dr Zin Henry, said that agreement has been reached on the structure and powers of the Industrial Court, the structure of the Registration, Recognition and Certification Board and measures relating to breakdowns in negotiations as well as those designed to ensure the expeditious settlement of disputes. The only outstanding areas are in relation to the definition of a worker, appointments at the Industrial Court and victimisation for trade union activity.

The Committee has however not been meeting for the past month as a result of a decision taken by the Trinidad and Tobago Labour Congress to have no further meetings until the Severance and Retrenchment

Bill has been passed in Parliament.

Even the current turmoil on the industrial relations scene does not make the ECA feel that there is further need for any substantial amendments to strengthen the Act. ECA Director Robert Robinson said the only changes he would wish to see are in the Trade Disputes and Protection of Properties Ordinance, with only consequential changes being made to the IRA.

Cecil Paul, president of the CPTU, made the point that both the IRA and its precursor the Industrial Stabilisation Act were passed at times of extreme upheaval in the country.

The Oilfields Workers Trade Union (OWTU) even fought against the enactment of the IRA, taking the matter as far as the Privy Council. Paul feels the IRA is "not in the best interest of good industrial relations".

## Security Minister's Comments

Port-of-Spain EXPRESS in English 15 Oct 85 p 1

[Text]

**"YOU cannot expect to deny people their legitimate expectation and not expect a reaction from them as a consequence."**

So said National Security Minister Overand Padmore in a wide-ranging address to the 23rd Annual Conference of the San Fernando West Constituency of the ruling People's National Movement. The conference attracted some 670 participants under the chairmanship of Byron Carrington. Parliamentary Representative Errol Mahabir had earlier addressed the meeting.

Padmore said it was not a responsible action for people not to honour negotiated agreements. Said he: "The economic development of the country can only take place on the basis of both parties honouring agreements they had entered into freely. They were not imposed. The Government was not

a party to it." There was the refusal of management to meet and talk when people's basic interests were involved.

Said Padmore: "In the view of the trade union leaders, when you sever a worker, that is, you put him out of employment, which means to say that he ceases to be an income-earning citizen and at the same time, you refuse to pay him all of his benefits that were negotiated under the industrial agreement. The trade union leaders are saying you are manifesting a form of violence against workers."

The Minister added: "But we must consider the point. We are now dealing with negotiated arrangements and failure to honour negotiated arrangements. If we are saying there are difficulties why we cannot keep the agreement, then we must sit down and negotiate with the leaders of the trade union."

Port-of-Spain EXPRESS in English 16 Oct 85 p 7

[Text]

**EXTERNAL Affairs Minister Errol Mahabir has urged the trade union movement to use the machinery of the tripartite body to hold dialogue on the state of the economy.**

Mahabir addressed the 23rd Annual Conference of the San Fernando West Constituency of the ruling People's National Movement. He is the parliamentary representative for the constituency. The meeting was held at the Palms Club in San Fernando on Sunday last.

Said Mahabir: "There has been a call for dialogue by the trade union movement with the view of having the general economic situation in the country discussed. I support that call, but not for all

the reasons that that call was made. I support the call principally because it was the general situation in the country and an anticipation that the time has come when there would be turmoil on the industrial relations scene that we agreed about three years ago to establish the tripartite body."

Mahabir said that the tripartite body comprising labour, business and government decision makers had discussed several issues including the state of the economy, prices, wages, retrenchment and unemployment. He said several important papers have been prepared for consideration at the tripartite talks.

Said Mahabir: "Unfortunately

for reasons best known to themselves, some of the unions in the country, which started to take part eventually dropped off. The discussions remained with the Labour Congress, the Employees Consultative Association and the Government."

Earlier, Mahabir expressed concern over the extent of retrenchment that was taking place. He renewed the call for employers to "try as far as possible to use retrenchment as in action of last resort." Mahabir added: "We must be concerned about the industrial relations climate in Trinidad and Tobago. We must get the clean message that we cannot continue to have the same amount of increases."

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TRINIDAD AND TOBAGO

## CARONI SHORT ON OPERATING FUNDS; WORKERS UNHAPPY

Shortage of Money

Port-of-Spain SUNDAY EXPRESS in English 13 Oct 85 p 3

[Text.]

AFTER a crucial cost-cutting exercise, state-owned Caroni Ltd will still need some \$229 million in order to meet its operating expenses in 1986.

This was disclosed by Caroni's general manager Russel Wotherspoon at the graduation exercises of the company's apprenticeship scheme on Friday evening. Wotherspoon said that Caroni Ltd was required to reduce its dependence on the Treasury by some 25 per cent to 50 per cent in 1986. But, after the most stringent cost-cutting exercise this dependence could only be reduced by eight per cent.

Wotherspoon told the audience at Sevilla Club that the company's expenditure forecast for 1986, including the wage award made by the Industrial Court earlier this year, was \$400 million.

The Industrial Court award had cost the company some \$56 million in 1986. But Wotherspoon explained that the company's income forecast from all sources including the foodcrop programme was merely \$171

million. He said the Central Government would be asked to provide \$229 million from the Treasury.

Said Wotherspoon: "The fear we have today is that the Central Government may not be in a position to provide the \$229 million. We will then have to seek to reduce expenditure in all areas."

He added that the apprenticeship scheme has to be curtailed because of scarce finance. He said that the company was looking at a shortened apprenticeship scheme but could not say much on it at the same time.

Wotherspoon said that an increase in sugar production would mean that the company would have a greater absolute loss. He added: "After satisfying our sugar outlets we can only get about \$226 TT per tonne of sugar on the international market. No country in the world can produce sugar at that cost."

Wotherspoon said that the company would have to put much emphasis on its food crop programme in the future.

Labor Problems

Port-of-Spain EXPRESS in English 17 Oct 85 p 44

[Article by Harry Partap]

[Text]

**STATE-OWNED Caroni Ltd is reportedly stuck with over 380,000 pounds of rice paddy and losses amounting to about \$40,000 as the National Rice Mill at Carlsen Field allegedly refused to accept delivery of the paddy.**

Caroni Ltd's food crop and agricultural manager Lyle Donawa confirmed yesterday that the rice project was "in serious danger" but was hopeful that the matter would be resolved to allow delivery of the paddy.

Rice mill workers refused to handle the rice until they had the assurance of the Ministry of Agriculture, Lands and Food Production that their conditions of service and job security would not be affected by the transfer of the mill to the control of the National Flour Mills. A report said that workers at the mill had been previously under the employment of the Agriculture Ministry, but

since the mill had been moved to the State Enterprises Ministry they demanded some assurance that they would not lose service.

A Caroni Ltd spokesman said that the rice crop project had yielded some 500,000 pounds of paddy. Over 380,000 pounds had been ready for milling but now had to be kept at the company's Orange Grove store-rooms awaiting clearance from the rice mill. So far, the company has lost between 30,000 and 50,000 pounds of rice paddy, costing some \$40,000. A further 120,000 pounds of rice paddy had to be left in the fields because of the delivery problem at the mill. This rice, it was learnt, may be lost if the rice mill problem is not solved urgently.

The rice is of the high quality starbonnet strain which was ideal for

packaging and was superior to that imported from Guyana. A report said that the National Flour Mills, which controls the rice mill, had assured Caroni Ltd that its facilities were ready to receive the rice. A date was set for the intake but this was shifted.

By this time, Caroni had already started the harvesting process.

The EXPRESS San Fernando Desk checked last week with National Flour Mills chairman Jack De Lima on the situation at the rice mill and the demands of the workers but was told there were no problems at the mill. De Lima told the EXPRESS that the mill was operating on schedule with two shifts to meet the demands. He invited the EXPRESS San Fernando Desk to visit the mill, saying, "We have no problem there at all."

Government 'Bungling'

Port-of-Spain EXPRESS in English 18 Oct 85 p 8

[Editorial: "Caroni Suffers Another Blow"]

[Text]

**IT MUST be a matter of concern to the taxpayers of this country that State-owned Caroni Limited will lose money on its rice crop only because the bureaucratic machinery at the Ministry of Agriculture, Lands and Food Production has failed in its obligation to the workers at the National Rice Mill.**

The reports are that the rice mill workers want an assurance from the Ministry of Agriculture, Lands and Food Production that they will not lose any benefits in the handing over of the rice mill to the National Flour Mill. This appears to be quite a simple demand from workers who may have reasons to believe that their job security and conditions of service have been at stake.

We hate to believe that the Ministry of Agriculture, Lands and Food Production and the Ministry of State Enterprises did not discuss the future of the rice mill workers with the National Flour Mill before the transfer of

ownership took place. Now, why should the rice mill workers have to hold Caroni's rice to ransom in order to be favoured with a letter explaining their future?

It is this kind of bureaucratic bungling that is slowing down productivity and creating roadblocks to industrial peace in this country.

Caroni Limited produced 500,000 pounds of rice but before the first grain was sold, a bureaucratic tug-o-war forced the loss of some \$40,000. So that out of a harvest total of half a million pounds of rice paddy, 120,000 pounds are left in the fields and 380,000 pounds are stuffed in the Orange Grove store house of the company, principally because the Rice Mill refused to accept the crop.

The history of the rice mill continues to expose a traditional lack of co-ordination among state enterprises and government departments. The rice mill was originally under the control of the Ministry of Agriculture, Lands and Food Production and run by a board of directors. This board never really

functioned and it was disbanded during negotiations with the National Flour Mill for the eventual takeover.

It is interesting that both Caroni Limited and the Trinidad Islandwide Rice Growers Association (TIRGA) had expressed an interest in operating the mill. In fact, Caroni Limited, which had entered into full-scale commercial production of rice, submitted proposals for operating the mill. The company was prepared to seek funding from the Caribbean Development Bank.

We cannot yet understand the rationale of the Ministry of State Enterprises in finally deciding to hand over the operations of the rice mill to the National Flour Mill. The mill in Caroni's hands was the first step in effectively reducing government's subsidy on rice.

Caroni Limited cannot afford to lose a single cent of its projected income because of the constraint of the 25 - 50 per cent cut in operational costs demanded by the Ministry of Finance. General Manager Russel Wotherspoon said last week that the company's operational expendi-

ture for 1986 would be \$400 million. Of this amount, the income from all sources including the food crop project was \$17 million. Therefore Caroni Limited will need \$229 million from the public treasury in 1986.

It is no secret that the way out for Caroni Limited lies in its diversification programme. It must concentrate on feeding the nation while continuing to grow sugar to meet its quotas and domestic demand. Mr Wotherspoon alluded to the fact that the company would lose more money if it produced more sugar. This apparent contradiction is based on the current price of \$226 per tonne for our sugar. No country, the general manager observed, could grow sugar at that price.

Faced with this demand to cut expenses, Caroni Limited must be very disappointed that it would lose \$40,000 from its rice crop. We believe that Caroni Limited has been making the effort to pay its way but if the supporting infrastructure fails to carry out its functions, then each time the company makes one step forward, the system could send it sliding two steps down.

TRINIDAD AND TOBAGO

BRIEFS

FULL ONR-NAR MERGER--The Oropouche constituency of the Organisation for National Reconstruction (ONR) is likely to adopt a resolution calling for the party to be disbanded and merged fully with the National Alliance for Reconstruction (NAR). The motion will be moved at Saturday's Annual Conference of the ONR Oropouche constituency to be held at the St Benedict's College in La Romain. Constituency Education Officer, Chan Sookoo, said the motion was certain to succeed. The motion pointed out that full integration into the NAR will remove polled rivalries. The action will allow the NAR to concentrate both financial and physical resources on the marginal seats as well as dispel the existing notions of a coalition party. The motion also said that total unity would settle the question of the allocation of seats and enhance the image of a truly nationalist party. The constituency pointed out that the only way to beat the PNM was through a "one-to-one" fight. [Text] [Port-of-Spain EXPRESS in English 9 Oct 85 p 7]

DPRK TRADE MISSION--Port-of-Spain, Oct 10--A three-man North Korean trade delegation has begun a five-day visit here aimed at discussing bilateral cooperation between North Korea and Trinidad and Tobago. The delegation is led by a director in North Korea's Trade Ministry, Bae Gyonghak. The External Affairs Ministry said that between today and Sunday, the mission would meet External Affairs Minister Errol Mahabir, Industry Minister Senafor Wendell Mottley, State Enterprises Minister Ronald Williams and businessmen. [Text] [Bridgetown CANA in English 2026 GMT 10 Oct 85 FL]

CSO: 3208/065

VENEZUELA

#### BRIEFS

QUARTERLY IMPORTS DATA--The Central Office of Statistics and Computer Science (OCEI) has reported that during the 1st quarter of this year, imports rose by 4.1 percent, that is, by \$2.166 billion, over the same period last year. Imports of electricity machinery rose by 48.4 percent; those of machinery, attachments, and tools rose by 30.9 percent; those of industrial machinery rose by 30.2 percent; and those of fuel and lubricants rose by 18.4 percent. Imports for the agricultural and livestock sector rose by 12.5 percent. Imports for industrial raw materials dropped by 3 percent. Imports of raw materials for the agricultural and livestock sectors, dropped by 7 percent and 4 percent respectively. [Summary] [Caracas EL UNIVERSAL 29 Sep 85 p 2-1]

NEW OIL DISCOVERY--The Petroleum Corporation of Venezuela has announced the discovery of an important deposit of light crude in the center of Lake Maracaibo. The initial tests produced 3,600 barrels daily of 42 API oil. [Summary] [Caracas EL UNIVERSAL in Spanish 21 Sep 85 p 1-1]

IRON, STEEL EXPORTS--The Orinoco Iron and Steelworks (SIDOR) will obtain \$300 million from exports this year. According to Rafael Angel Carrasquel, the company's trade vice president, SIDOR will sell 1.2 million tons--50 percent of its production--abroad. Carrasquel said that SIDOR has diversified its market, which includes other clients in addition to the United States. He added that Cuba currently buys 30,000 tons, which could be increased to 100,000 or 200,000 tons next year. [Summary] [Caracas EL NACIONAL in Spanish 17 Sep 85 p A-1]

AMBASSADOR TO IRAN APPOINTED--Jose Rafael Zanoni has presented his credentials as new ambassador to Iran before the President of the Islamic Republic of Iran Hojjat ol-Eslam Seyyed 'Ali Khamene'i. Present at the ceremony were Foreign Minister Ali Akbar Velayati and Miguel Raidi Raidi. [Summary] [Caracas EL NACIONAL in Spanish 1 Oct 85 p D-4]

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