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26 February 1986

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TRINIDAD-TOBAGO FISHERMEN SEIZED BY VENEZUELA

Report on Arrests

Port-of-Spain EXPRESS in English 25 Jan 86 p 1

[Article by Harry Partap]

[Excerpts] Thirty fishermen in ten boats were captured and arrested by the Venezuelan Coast Guard while fishing in the Gulf of Paria late Thursday evening. This is the first such incident since the signing of a fishing treaty between Trinidad and Tobago and Venezuela, in November last year.

A report reaching the EXPRESS San Fernando Desk said that the boats were escorted to Guiria.

It was learnt that 18 boats were fishing in the Gulf within the Trinidad and Tobago territorial waters around 3.30 p.m. Thursday, when they were rounded up by the Venezuelan coast guards. Eight boats escaped the dragnet and rushed to safety at Icacos and Cedros. The Venezuelan coast guards reportedly seized the gas lines of the captured boats and towed them into the Port of Guiria. It was learnt that five of the captured boats were banking without nets at the Soldado Rock while the other five were trawling.

Contacted yesterday, Venezuelan Ambassador Maria Clemencia Lopez-Jimenez confirmed the incident but said that the boats were within the two-mile zone which had been off limits to fishermen of both countries. She said the boats were stopped at the mouth of two rivers on the Venezuelan coast at Manamou and Macureo.

Said Ambassador Jimenez: "It was an unfortunate incident but we are working to resolve it. However, I must emphasise that the fishermen were not jailed. They are free to leave whenever they want."

Trinidad-Tobago Reaction

Port-of-Spain EXPRESS in English 27 Jan 86 p 40

[Excerpts] Cedros/Icacos fishermen who were released by the Venezuelan Coast Guard at the weekend have called for the urgent appointment of Trinidad and

Tobago consuls at Pedernales and Guiria as provided for under the new fishing treaty signed between both countries.

Yesterday External Affairs Minister Errol Mahabir said that a special mission to Venezuela would be announced this morning to sort out the problems and to facilitate the implementation of the fishing accord signed last November. The mission, which will include a representative from the Cedros/Icacos fishing community, the Ministry of External Affairs, the fisheries division of the Ministry of Agriculture, Lands and Food Production and the Defence Force, is also expected to discuss other aspects of Trinidad and Tobago/Venezuela relations. It was learnt too, that steps would be taken to have the consuls appointed at Pedernales and Guiria in keeping with the terms of the agreement.

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CSO: 3298/302

INTER-AMERICAN AFFAIRS

BRIEFS

CHAMBERS VISIT TO BARBADOS--Prime Minister George Chambers will pay an official visit to Barbados on February 24 and 25. Chambers will open the Arawak Cement plant at Checkers Hall, a joint venture project between Trinidad and Tobago and Barbados. The plant was originally to be opened by Chambers around the middle of January. The opening did not take place, although operations at the plant have commenced. This visit, the first overseas trip for this year, arose out of an official invitation extended by Barbados Prime Minister Bernard St John during the Commonwealth Heads of Government Conference in Nassau last October. [Text] [Port-of-Spain EXPRESS in English 25 Jan 86 p 1] /9274

CSO: 3298/302

BAN ON FARRAKHAN SPARKS OPPOSITION PROTEST

PLP, NLP Criticism

Hamilton THE ROYAL GAZETTE in English 20 Dec 85 pp 1, 5

[Text]

Government's decision not to allow controversial Muslim leader Mr. Louis Farrakhan into Bermuda has received quick, and negative response.

Mr. Farrakhan was banned under Bermuda's Human Rights Act, which forbids any promotion of hostility toward any section of the public distinguished by colour, race, or ethnic or national origins. Home Affairs Minister the Hon. Sir John Sharpe said that Mr. Farrakhan's speech, scheduled for December 27 at the Ruth Seaton James Auditorium, could potentially break those laws.

But Opposition leader Mr. Frederick Wade termed the banning "a tragedy" and said that it was indicative of Government's fear of any voice of dissent in Bermuda.

"They're really pushing the panic button. They've done more damage to the Country's psyche," said Mr. Wade, who said Mr. Farrakhan's message of black self-worth and business initiative would be important to Bermudians. "We're still in a period where those running the Country are motivated by fear.

"If Mr. Swan (the Premier) genuinely believes in participatory democracy then he should have allowed him to come. After all, Bermudians asked him to come here."

Mr. Gilbert Darrell, leader of the National Liberal Party, also decried the Government's decision.

"Frankly I think the Government has made the situation more notorious than it should be," said Mr. Darrell. "Two days after he had gone, we'd have forgotten about him. I think they made a mistake."

The Hon. John Stubbs, who earlier this week labelled Mr. Farrakhan a "virulent racist," said the decision was "very wise." When asked why Mr. Farrakhan had been allowed into Bermuda on previous occasions but not this time, Dr. Stubbs pointed to "the evidence that has built up" such as recent anti-Semitic remarks made in public by Mr. Farrakhan.

Imam Nashid Umrani, assistant Imam at the Masjid Mosque on Cedar Street, said that there was a deep split between Bermuda's Sunni Muslim community and the more radical Nation of Islam, which arranged for the visit by Mr. Farrakhan.

"There is no direct communication at all" between Mr. Byron Philip, who organised Mr. Farrakhan's visit, and Bermudian Muslims who do not belong to the local Nation of Islam.

"In the event he was permitted into the Country, we were going to monitor Mr. Farrakhan to make sure he didn't say anything to distort the purity of Al-Islam," said Mr. Um-rani. "In Al-Islam, there is no such concept of racial purity."

Mr. Vaughan Wright, lay leader of Bermuda's Jewish community, said: "I think the best comment is no comment. The record speaks for itself."

Mr. Max Friedersdorf, recently confirmed as US Consul General to Bermuda, had no comment on the banning.

The local faction of the Original Hebrew Nation of Israel is concerned there may be more to the banning of Mr. Farrakhan than meets the eye.

"We are concerned that this may be a part of a greater government plan to move against us," said Mr. Ben Israel, spokesman for the Nation, last night. "Minister Farrakhan is a Brother and a friend. He is well respected in the Nation."

He called Bermuda "the last vestitude of psychological domination."

People here are starving for information, not more material things. The minister also speaks about unity."

He added: "God has to be brought back into the lives of the people. And despite the controversy, Minister Farrakhan is a messenger of God."

Mr. Ben Ahron, another member of the Nation said; "I have spoken with a number of people who are unhappy about the decision."

Mr. Philip said last night he was preparing a statement, but as of Press time it was not available.

Taped Speech OK

Hamilton THE ROYAL GAZETTE in English 23 Dec 85 p 1

[Text]

Minister of Home Affairs, the Hon. Sir John Sharpe, says Government won't try to stop the playing of a taped speech by Muslim leader Mr. Louis Farrakhan at a meeting this Friday night.

"Of course not," Sir John replied when asked about the possibility.

Mr. Farrakhan was banned from entering Bermuda last week by Sir John, who was concerned the black leader's comments could cause social unrest.

Mr. Farrakhan allegedly espouses racist philosophies aimed primarily at Jews, and Sir John last week said his speech would probably break human rights laws.

However, last night the Home Affairs Minister said there were a number of considerations involved in

the decision to ban Mr. Farrakhan, but declined to elaborate.

One of those considerations might have been the fear that Mr. Farrakhan's bodyguards would be armed. "Of course there's always the question of security," Sir John said when asked about it. However he added: "It's not something I want to comment on now."

Premier the Hon. John Swan also declined to comment further on the reasons for banning Mr. Farrakhan.

Mr. Swan did say he would be meeting today with Muslim Imam Abdul Razzaq Hakeem, though he cautioned it was strictly a matter of courtesy, with the "very clear understanding Government will not change its position."

ECONOMY GROWS, BUT SLUMPS IN CONSTANT-DOLLAR TERMS

Hamilton THE ROYAL GAZETTE in English 18 Dec 85 p 21

[Text]

The consumer spending boom helped Bermuda's economy grow by 5.5 percent to a record \$1.058 billion in the 1984-85 financial year.

Figures released this week show domestic demand — consumer and Government spending and new capital projects — rose 11.1 percent, while tourist and international company spending remained in a slump.

But inflation ate away at the rise, leaving the economy 2.5 percent smaller in real constant-dollar terms.

The figures are in the provisional estimates for the Island's gross domestic product for the 12 months to March 31 this year. Gdp is the total for all production in the economy, including earnings of non-Bermudians on the Island but excluding those of Bermudians abroad.

Government warned a number of times during the year of the dangers of high consumer spending, particularly on the balance of payments, which went into deficit.

The decline in real output was the first in three years and left the economy still slumped well below the peak of 1980-81, when tourism also had its best year to date.

The size of the economy in real terms was only about the same as in 1981-82.

Domestic dollar demand in current terms rose in all three sectors:

- Consumer spending was up 8.4 percent at

- \$718.9 million;

- Government expenditure was up 11.1 percent at \$126.9 million, and;

- Money spent on new buildings and equipment was up 21.6 percent at \$208.6 million.

Increased consumer spending, which had risen nearly 13 percent in 1983-84, was helped by easy credit from the banks, a policy tightened up late last year.

Car, furniture and satellite dish importers were among the groups to benefit from the boom.

Government spending mainly rose because of pay rises and a 2.5 percent larger workforce.

House building programmes boosted capital investment during the year, with completions up one-third. Investment by Belco and Telco also helped boost the sector by more than 15 percent in real terms.

These rises were balanced by slower tourism and international sectors, where there was a small 3.3 percent rise to \$636.7 million.

Tourist spending rose just 2.8 percent to \$341.6 million. Hotel and other price increases turned this around into a fall in real terms of about three percent.

International business spending was up 7.1 percent at about \$200 million but price changes probably left the real figure neutral.

Imports of goods and services, boosted by the spending boom, were up 12.6 percent at \$631 million, a real increase of 9.5 percent.

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CSO: 3298/297

UNION LEADER FORESEES CONFRONTATION WITH GOVERNMENT

Hamilton THE ROYAL GAZETTE in English 28 Dec 85 p 1

[Text]

Bermuda's unionised workers are prepared to confront Government in 1986 over its planned White Paper on industrial relations, Bermuda Industrial Union President Mr. Ottiwell Simmons MP said yesterday.

"We are looking forward to likely confrontation with Government over its White Paper which may be followed by repressive legislation," Mr. Simmons said during an interview on his hopes for 1986.

Mr. Simmons said the BIU was not privy to the contents of the White Paper — a Parliamentary declaration of legislative plans — "but I do believe management was involved and had some influence on the Labour Minister (the Hon. Sir John Sharpe); a situation I don't take too kindly to."

The union leader said the White Paper was unnecessary because: "I think all aspects of industrial relations can be taken care of with the legislation already on the books."

He pointed to last year's relatively calm labour scene as indicative of that point.

"More consultation is taking place now; consultation that has developed over the years," he said.

"People are becoming more respectful of each other. People are dropping a lot of suspicions and fears. They're getting face to face and grappling with the real issues. That's a healthy sign for any system of industrial relations."

"At the end of the day it's not the law, regulations or rules that govern industrial relations, it's the human relations that determine the direction industry is going to go."

Mr. Simmons said the union would continue to aim for wage settlements above the inflation rate in 1986 because wages paralleling inflation meant no improvement in the standard of living.

But he tempered that stand with the condition that it would be achieved without sacrificing national economic development.

Mr. Simmons said that stand was based on the Island's proven prosperity.

"All I know is that Bermuda is one of the most prosperous places in the world and we expect that when we produce profits we must share in them."

The union leader expected 1986 to be a busy year for construction workers, despite the conclusion of some major hotel projects. He cited long-term projects at Coral Island in Flatts Village, the BIU's new headquarters, Government's new bus garage and possibly a new National Stadium.

But he warned non-Bermudian construction workers that if there was a slowdown on the construction scene "I can expect their contracts to expire."

He said the union in 1986 would push Government to hire construction-site safety inspectors as well as to pass legislation improving health and safety legislation.

Mr. Simmons described 1985 as a calm year compared to 1981 and 1972 which were scarred by major industrial disputes. Most of

the year's disputes occurred at the Castle Harbour site which Mr. Simmons described as an ongoing plague. But after some tough negotiating, he said, the union was dealing well with the situation.

He was less pleased about the Bermuda Broadcasting Company and described the relations with it as "frustrating".

Mr. Simmons was very critical of BBC radio and television programming which denied the public open communication. They've taken away all the radio talk shows and the classic news shows."

He blamed not only former manager Mr. Michael Tyndall and the company's former Board of Directors but also the BBC's current management team which "hasn't improved the situation at all."

"There is no local cultural or education programming."

It all seems to be satellite imported US programmes which have a negative impact on our culture and enlightenment."

/9274

QSO: 3298/297

PLP, NLP VIE FOR POSITION AS PRIMARY OPPOSITION TO UBP

Hamilton THE ROYAL GAZETTE in English 30 Dec 86 p 2

[Text]

Politicians will be closely watching a key battle between the two Opposition parties during 1986 as they struggle to become the main threat to the ruling United Bermuda Party.

Premier the Hon. John Swan starts the New Year with a massive political bonus safely tucked in his pocket.

The last few months of 1985 saw him sweep to a landslide victory in an early General Election, giving him almost five years of power before he must go to the polls again.

His UBP has a massive 31-seat Parliamentary majority, the influence of a rebellious backbench has been reduced and the Opposition is still in disorder.

"Government's programmes were started in 1983 and we are going to continue those programmes. We are going to steer a very steady course that improves the social and economic well-being of all our people," he said.

But 1985 has been a landmark year, and has radically changed the face of Bermuda's politics.

The bitter in-fighting within the Progressive Labour Party which led to the expulsion of six dissidents dragged on to its final shoot-out.

The PLP Supporters for

Change group tried to drum up support for a special delegates conference to reconsider the expulsion of the six who challenged the leadership.

But they failed to win support from the necessary three branches and finally vowed to turn their back on the PLP, and set about forming a new political party.

Chairman of the Supporters group Mr. Calvin Smith split from the break-away group as they started a series of public meetings and drew up plans for Bermuda's third political party.

The move was hurriedly condemned and observers warned they would be committing political suicide and insisted there was no room for a third party in a community as small as Bermuda.

They pointed to the fate of the short-lived Bermuda Democratic Party, which grew out of an earlier split within the PLP in 1967, and survived until the next elections in May 1968 when it failed to win a single seat.

But the National Liberal Party of Bermuda was quietly launched in August and days later it unveiled a party platform and promised to transform the mould of party politics.

Its baptism of fire came just six weeks later as the

Premier announced an October 29 General Election, and insisted the emergence of the new party was an ingredient in his decision.

He said the strength of support for the fledgling party should be tested at the polls, but critics complained he was merely attempting to kill the newcomer.

But the party hung onto two House of Assembly seats as the PLP had its strength slashed to seven MPs in its worst-ever election defeat.

Within days the PLP Leader Mrs. Lois Browne Evans stepped down from the top job and was replaced by lawyer Mr. Frederick Wade who promised to revive the party's fortunes.

A shake-up of the party's line-up followed hard on the heels of this changeover. Mr. Alex Scott stood down as chairman and was replaced by journalist Mr. Ira Philip.

Senate Opposition Leader Mr. Charles Bean lost his seat in the Upper House of Parliament, and Mr. Scott joined the Parliamentary line-up as a senator.

Sen. David Allen stood down as Public Relations Officer after becoming Shadow Minister of Tourism and Senate Opposition Leader. He was replaced by Mr. Gerald Daniels.

A large-scale reorganisation of the party has already been launched as the new leadership team attempts to lead the PLP back into the political fray.

Mr. Daniels said: "We are going to be a less argumentative and a less confrontational Opposition. I'm not saying we are going to lose our punch — we are just going to be a little more skilful."

"We want to get more involved in the community. We are linking ourselves to the community and the public so that we can move together on any issues that we feel should be addressed."

"We had become, in some ways, more of media figures

than political representatives. We are now going to take a different line. We are going to get facts and information, and analyse the direction we are taking when we make statements.

"It isn't just going to be a verbal cut and slash attack — it's going to be a more positive approach."

He said the PLP was already setting goals for 1986 and reorganising its internal structure.

He added MPs would be working to familiarise themselves with the detailed workings of Government ministries, as well as getting involved with clubs and business people.

National Liberal Party public relations officer Mr. Gerry Swan said 1986 would give the new party a chance to build up its strength and become firmly established on the Island's political scene.

"I don't think we are going to be terribly obsessed with what the PLP is doing. We realise there are certain problems facing the Country and if we work to help resolve these problems then support for the party will grow."

He said the NLP had already shown it had its finger on the political pulse of the country with its criticism of recent Civil Service appointments made by the Public Services Commission.

Their attacks had been echoed by the PLP and by UBP Parliamentarians.

"We still have to finalise our party structure, although we have now built a firm foundation. There is going to be another membership drive in the New Year, and we realise there is a lot of work ahead of us."

He promised the party would be tackling a wide range of issues, including taking a close look at transport, immigration and education problems.

NLP STATEMENT ATTACKS 'SCARED' UBP, GOVERNMENT

Hamilton THE ROYAL GAZETTE in English 10 Jan 86 p 3

[Text]

The National Liberal Party yesterday issued a strongly worded attack on the United Bermuda Party Government and complained it showed a lack of self confidence and fear.

A statement, from public relations officer Mr. Gerry Swan, said a fear of competition for loyalty led to the banning of extremist Muslim leader Rev. Louis Farrakhan.

He complained the banning violated the Bermuda Constitution and was an abrogation of the rights of everyone living in Bermuda.

He added: "The haughty and outright rejection of legal drafting assistance to its own backbenchers and Opposition Members is a way of reducing competition or effectiveness in Parliament.

"The voters and taxpayers of the Country must remember they pay Government's backbenchers close to a half million dollars annually to monitor and administer the affairs of Bermuda."

He insisted Government's rejection of the scheme had nothing to do with practices adopted in Westminster but was an attempt to minimise the duties of Parliamentarians.

He said it was also wrong for three Cabinet Ministers to draw up plans for new buildings for the Legislature, Executive and Judiciary instead of the House of Assembly and Senate.

He insisted Parliament was also snubbed when the plans were unveiled at a press conference instead of being presented to Parliament.

"These episodes, which are just the tip of the iceberg, reflect the lack of effectiveness of the John Swan Government and its relationship to the management of the Country.

"To make social, economic and political progress in this Country the voters and taxpayers should know exactly what they support, and not be subjected to glib announcements about 'open Government'.

"The National Liberal Party is not suggesting that this Country be turned over to immature idealists, but that it must be known the present Government is part of a system that will not risk open Government.

"Initially, we interpreted Government's stance as arrogance but, on closer inspection, it is really a political posture that reflects a lack of self confidence and fear, and a statement of no confidence in the people of this Country."

19274

CSO: 3298/297

ATTEMPT TO FORM UNION GETS UBP GUARDS FIRED

Hamilton THE ROYAL GAZETTE in English 24 Jan 86 p 1

[Text]

Over 20 security guards at United Protective Security have been dismissed after they served notice they intended to form a union.

Mr. Fred Thomas, head of UPS, a former boxer and former UBP parliamentary candidate, gave the employees one week's notice in a letter dated yesterday.

"It's the clearest case of victimisation I've ever heard of," said Bermuda Industrial Union president Mr. Ottiwell Simmons MP. "It's very brazen. If he took advice, he certainly got the wrong advice. If he didn't, he certainly made the wrong decision. All the workers have a clear legal case against him."

However, Mr. Simmons said that the BIU was not interested, at the moment, in legal action. He said that along with Mr. Robert Johnston, BIU chief organiser, he would be seeking discussions with Mr. Thomas to clear the matter up.

"I am hoping that somewhere along the line we can sort this out and get recognition for the members," said Mr. Simmons.

Mr. Thomas had no comment yesterday except to say that the matter was "a private concern between security guards and UPS".

Mr. Simmons said that many of the dismissed guards worked at the King Edward VII Memorial Hospital and Shell Oil sites.

"If he proceeds with this, we intend to approach those

employers with the intent that they would continue working until we sort this thing out," Mr. Simmons said.

Security guards do not have a union, and Mr. Simmons said he had hoped UPS would be the first step to establishing a security guards' division under the BIU.

Mr. Thomas' letter to the dismissed employees, dated yesterday, was read to *The Royal Gazette* by Mr. Simmons:

Dear Madam or Sir:

We have been approached by the Bermuda Industrial Union that you are interested in union representation.

As stated by myself I quite agree that security needs to form a security guard association. But to go unionised is out of the question.

Therefore I find it necessary to give you one week's notice effective as from the above date to terminate your services.

As a security guard at UPS final week's pay will be withheld until full uniforms are returned to us.

Thanking you for your cooperation.

P.S. It would have been in your best interests to contact me in regard to this situation.

Yours truly, Fred W. Thomas, manager.

BRIEFS

SARNEY CURBS CONTRIBUTION EXPENSES--From now on, all financial contributions quotas owed by state-run companies and autonomous state companies to international organizations must be previously submitted for the approval of the Foreign and Planning Ministries. This decision was made by President Sarney and is aimed at controlling the expenses of the two types of companies. This year alone, the country is expected to pay 780 billion cruzeiros in quotas to international entities. [Text] [Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 8 Feb 86 PY] /12232

SOVIET DIPLOMAT EXPULSION--The Brazilian Government has discreetly requested that a Soviet diplomat, whom Brazilian intelligence services have identified as a KGB agent, leave the country. The diplomat has been charged with attempting to bribe a policeman. Based on information supplied by U.S. officials, the National Intelligence Service [SNI] has identified between 16 and 20 KGB agents among Soviet diplomatic personnel in Brazil. According to the SNI, these agents are seeking information on science and technology and above all, they use Brazil as a base of operations for espionage in other Latin American countries. [From the "Radar" column] [Text] [Sao Paulo VEJA in Portuguese 5 Feb 86 p 27 PY] /12232

IRRIGATION MINISTRY ESTABLISHMENT--"Not only Ceara state but all of Brazil will benefit from the new Irrigation Ministry." This was Governor Gozaga Mota's comments on President Sarney's decision to create an Irrigation Ministry. Agripino Maia, Rio Grande do Norte governor, believes that the creation of the Irrigation Ministry clearly shows the interest of the government in developing the northeast. [Excerpts] [Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 8 Feb 86 PY] /12232

TITANIUM DIOXIDE PRODUCTION--The Mines and Energy Ministry today signed a contract with the Vale do Rio Doce Company approving a project for the construction of a titanium producing plant to be constructed in Minas Gerais. The plant will start operating in 1988. According to Mines Minister Aureliano Chaves, its importance is great because it will create 1,000 new jobs and represent an initial profit of \$100 million. Out of the initial production of 400,000 tons of titanium dioxide 300,000 will be exported. [Summary] [Brasilia Domestic Service in Portuguese 2100 GMT 4 Feb 86 PY] /12232

ASYLUM FOR HAITIAN OPPOSITION MEMBER--Brasilia, 6 February (EFE)--The Brazilian Foreign Ministry today reported that the Brazilian Government has granted

political asylum to Haitian Deputy Edner Pageotte Andre, who belongs to the opposition and is being threatened by his country's political police. The Brazilian Embassy in Port-au-Prince has been instructed to help Jean Claude Duvalier's opponent travel to Brazil. The official report added that the Haitian Government will be asked to supply Edner Pageotte with a safe-conduct to leave the island. The Brazilian Foreign Ministry hopes that Haiti will respect the agreement on political asylum it signed in 1978 and will grant Pageotte Andre permission to leave Haiti. [Text] [Madrid EFE in Spanish 2201 GMT 6 Feb 86 PY] /12232

CSO: 3342/72

BRIEFS

RESERVISTS TO ASSIST ELECTIONS--A total of 5,000 reservists of the military forces, among them officers, noncommissioned officers, and privates, will be called up to serve 4 months in the regular army to reinforce the security plans being implemented to guarantee that the elections in March and May are held under normal conditions. Professional reservists and officers, who are undergoing training and promotion courses at the Superior War College, will also be called upon to serve. These personnel will be used mainly to guard the garrisons, for administrative duties, and, in some cases, to act as aides to presidential delegations. After they are called up, the reservists should immediately report to those in charge of the military units (battalions, military posts, and others) closest to their homes or to the recruiting districts. [Excerpts] [Bogota EL TIEMPO in Spanish 4 Feb 86 pp 1, 7 PA] /12232

CSO: 3348/417

ROBERTO D'AVILA DESCRIBES TV INTERVIEW WITH FIDEL CASTRO

Rio de Janeiro MANCHETE in Portuguese 28 Dec 85 pp 22-23

[Text of interview with television host Roberto d'Avila, by Joaquim Maria for MANCHETE, date and place not specified]

[Text] Cuban revolutionary leader Fidel Castro had not been interviewed by a Brazilian television broadcasting station since 1961. Recently, however, Roberto d'Avila, of INTERVIDEO, producer of the program "International Connection," spoke at length with the Cuban leader. That conversation will be aired on Sunday, 22 December, at 2145 hours, by the MANCHETE network. In this exclusive interview with MANCHETE magazine, d'Avila describes his meeting with Castro.

MANCHETE: How did you reach Fidel Castro?

Roberto d'Avila: Some 3 years ago, when I started the "International Connections" program, I sent a letter to Fidel Castro through Chico Buarque de Holanda. That was my first contact with Castro. Later, when I went to Panama to interview Margot Fonteyn, I sent another letter to Castro through the Cuban ambassador in Panama. And then, when I finally went to Cuba, during a dinner at the Palacio de Revolucao, I was introduced to Fidel by the writer Gabriel Garcia Marquez. There, at the urging of Chico Buarque, Frei Betto, Bresses Pereira, Nelida Pinon and other friends, Fidel agreed to be interviewed. The dinner was on a Sunday and he scheduled the interview for the following Wednesday. At the Palacio de Revolucao, where I met with Fidel at 2200 hours, we had a long conversation which went on until 0300 hours the next morning.

[Question] How did you conduct the interview? Cautiously? Or did you prefer more direct, tougher questions?

[Answer] They were all very open-ended questions. I asked about his childhood, about his early life, about the whole Cuban revolution. I also asked him about the "big wall." There was a lot of talk in Brazil at the time about the firing squads executing people after the revolution was won. We talked about the education system in Cuba. We talked about health. I asked about the CIA attempts to assassinate him and he told me about several of them. I asked about Cuba's relations with the United States and the Soviet Union and about Cuba's intervention in other countries, such as Nicaragua and Angola. The conversation lasted 5 hours.

[Question] Is Fidel really charismatic?

[Answer] Listen, I had already interviewed at least 10 chiefs of state--Mitterrand, Alfredo Gonzalez, Rodolfo Suarez, Helmut Schmidt, Giscard d'Estaing and Belisario Betancur. But Fidel Castro impressed me the most. He was extremely courteous to me, not only in the interview which he granted but because we talked for another hour after that and he even gave me permission to write a book about the interview. In this interview, he speaks about the great revolutionary leaders of this century: Mao Tse Tung, Ho Chi Min, himself. He talked about Roosevelt, who he said was a great statesman. But I haven't written the book yet and the material is not included on the program.

[Question] Fidel is an engaging leader in all the interviews he grants. To what extent can an individual with his dialectical talent steer an interview where he wants it to go?

[Answer] Well, I'm used to interviewing people. Besides, I went with a list of questions and I worked with it. As far as possible, I did not deviate from the questions which I had formulated, but it is pretty difficult, particularly when the interviewee is sensitive, polite, engaging. Anyone who gets close to Fidel is going to be impressed with him, because he really is an impressive man. No one can make a revolution without having certain qualities--much less a successful revolution.

[Question] Are you convinced that the Cuban revolution has been successful?

[Answer] You could question the Cuban model, but you can't dispute the fact that no one is going hungry in Cuba. After we returned from Sierra Maestra, he invited me to go for a stroll. We walked for an hour, along the streets, in the historic center. We began at the Praca das Armas. There, where the old city hall had been, back in the colonial era, we left the car. Fidel and his heritage director showed me the whole historical center of Cuba. It was obvious that he did this to show me how popular he is.

[Question] And how popular is he?

[Answer] When he passes, people in the street--young people, old people, children, everyone--they all shout his name. They wave. The older ones give a military salute, because he is the commander in chief of the revolution.

[Question] Is Fidel conceited?

[Answer] It's not that he's conceited. For example, I asked him if he didn't think that 27 years in power without a change, a single party and an official press would characterize a dictatorship. He took me into the streets to show that if he were not well liked, he would not be able to appear in public. And it was an impressive thing. People applauded him. Cuba is still living in a revolutionary system. You can't analyze Cuba in the same way you would a formal democracy such as ours.

They are mobilized. They are in a kind of continuing revolutionary alert. I asked him what would happen if the United States invaded Cuba. He answered that, by his calculation, for every 2 million Cubans killed, it would take 5 million Americans; such is Cuba's military mobilization.

[Question] Fidel is a tough leader. Is Fidel this way as a person?

[Answer] In our stroll through the streets, in the expedition to Sierra Maestra and at the dinner, I could see that Fidel is a very emotional guy. Before I talked with him, I had had the idea that Fidel was a very tough guy. I think that, in Brazil, we are always comparing his image with that of Che Guevara and seeing Che as a sweeter person. But all the people I talked to in Cuba, not only ordinary people but other revolutionaries from that period, told me the opposite. For example, Celestino Sanchez, a tall strong black who lives in Sierra Maestra, told me that Fidel was always more open, whereas Guevara was more disciplined, tougher.

[Question] Did Fidel say much about Che Guavara?

[Answer] Yes, he talked a lot about him, always with a very affectionate tone. He spoke of the letter which Guevara left for him. He talked about his reaction. It appeared that his relationship with Guevara was a lovely thing.

[Question] Can it be inferred from the interview, from your observations inside the country, that the Cuban revolution is Fidel Castro?

[Answer] I wouldn't say that the Cuban revolution is Fidel, but Fidel is certainly the Cuban revolution. There is a difference. I spoke with many people in the street, cab drivers, fellows sitting in bars, everyone. Havana is a very happy city. Caribbean, right? Lots of music, beans and rice--it seems very much like Brazil. Fidel is greatly respected, but in a way that is affectionate and reverent at the same time. It was a surprise, for me, to see a person who had been in power for so long and who had not suffered from the erosion that political leaders usually experience. Fidel is a guy who works very hard; he has a lot of energy. When I went around in the car with him, I saw the Havana Hospital. It is so modern, so well equipped, the hospital really could be anywhere in the United States. In the era of Fulgencio Batista, the building housed the Central Bank. When the revolution was successful, Fidel turned it into a hospital.

[Question] What didn't you like about Fidel?

[Answer] Look, Fidel gave me 6 hours of his time for an interview. Soon after that, when the sun was already rising, he gave me his own plane; he went with me on a 2-hour flight to Sierra Maestra--it is on the other side of Cuba--and we traveled another 2 hours by car, 1 hour by jeep, then by mule and by foot for another 5 kilometers. We went to the top of the mountain, 1,000 meters up. I filmed things and people that had never been filmed with a foreigner's camera. When we returned, he went out with me on the street. He showed me impressive courtesy at all times. He did not ask me to censor one thing that he had said or that I had seen. He gave me all the material

in his files. I can't say that I didn't like Fidel. Of all the chiefs of state I have interviewed, he was the one who has impressed me the most, not only because of his demonstrated knowledge of history, from the struggle for Cuban liberation from the Spanish colonialists and the era of independence to the destruction of the Cuban constitution by Fulgencia Batista--to justify the armed struggle. His replies were always lengthy--very educational. I am not in agreement with many of his ideas. I'm not in favor of a single party or an official press; in other words, I have a different vision of democracy, but I must agree with him on the fact that Cuba's circumstances are different. The country is experiencing a revolution which is still in progress; it is being blockaded by the United States.

[Question] What about Cuba?

[Answer] Cuba is a very beautiful place. A poor place, but it is a dignified poverty, do you understand? Of 100 people with whom I spoke, 90 are for Fidel. The other 10 partially support him. A cab driver said to me: "I made more money in the Batista era, but then there were many poor people who weren't earning anything. Today I make less, but everyone is happy. So I have to be happy, too."

[Question] There are apparently a large number of waiting lines in Cuba, right?

[Answer] Yes, that's true. People are already feeling the shortage of certain products. In other words, there is already a little more money, but the merchandise is lacking. But no one is ill-tempered because of the queues. It is a very normal thing.

[Question] Is Cuba making progress?

[Answer] Well, to give you an idea, they even have nuclear power stations already. Education is forging ahead. Health is a great concern of Fidel Castro. He said: "If there is an innovation in medicine, anywhere in the world, I send for it immediately." Fidel Castro's great passions are education and health.

[Question] Is Fidel well informed about Brazil?

[Answer] Very well informed. And he likes Brazil very much. He asked me to give him an overview of the elections in Brazil. He knows who's who; he knows that Setubal is running for governor of Sao Paulo State; he knows who Brizola is, he knows "Lula" and Ulysses [Guimaraes] and he is even informed about Rio de Janeiro's system of the CIEPs.

6362

CS0: 8142/0583

DOMINICA

CHARLES, FRENCH ENVOY DISCUSS STATUS OF DOMINICANS

FL302201 Bridgetown CANA in English 2054 GMT 30 Jan 86

[Text] Roseau, 30 Jan (CANA)--French Ambassador Gilbert Bochet held discussions today with Prime Minister Eugenia Charles on allegations that Dominicans are being maltreated in neighbouring French islands.

A statement issued by the Foreign Affairs Department said that Charles had urged the French authorities to treat Dominicans fairly and justly since they had contributed over the years to the general development of Martinique, Guadeloupe and Marie Galante.

The opposition Dominica Labour Party (DLP) last week claimed that over 100 Dominicans had been forcibly deported from Guadeloupe in the previous few days.

Dominicans have been herded together like cattle ... and shipped back home without clothes, money or their hard-earned belongings, the DLP said in a statement.

No reference was made to these alleged incidents in the statement.

It said: (Charles) also emphasised the necessity for visas to be issued to bona fide Dominican nationals and that Dominicans who have entered Guadeloupe before the necessity for visas came into place should not be unceremoniously evicted from the French departments, but given the time to collect their belongings and possessions so that they could return home in a dignified manner.

The statement quoted the French ambassador as saying that suggestions had been made for changes in the law concerning visas and residence and presumed that meetings to discuss this should take place within the next two months. This, it added, should assist in improving the present travel arrangements between the French departments.

The statement urged Dominicans holding visas and having problems to have them corrected.

People who have also been evicted without being able to regain their belongings should address themselves to the French consular agency in Roseau.

/8309

CSO: 3298/305

ECONOMY SHOWS IMPROVEMENT FOR FIRST HALF OF 1985

Kingston THE DAILY GLEANER in English 19 Jan 86 p 15

[Text]

ROSEAU, Dominica,
Jan. 13 (CANA):

The Eastern Caribbean Central Bank (ECCB) has reported a better economic performance by Dominica in the first half year of 1985 compared with the previous year.

The bank based its assessment on an improved performance by exports, because of incomplete data for a more comprehensive report.

The report cited increased exports of bananas, grapefruit, plantains and soap, but a major decline in exports of galvanized sheets.

The St. Kitts-based institution said the island's trade gap narrowed to \$39.6 million (one EC dollar = 37 cents US), an 8 per cent decline on 1984, due largely to a 10.5 per cent increase in exports and a 0.1 per cent drop in imports.

Banana exports rea-

lised \$17.9 million in earnings, a 6 per cent increase; and soap \$9.2 million, up 70 per cent against the corresponding six-month period in 1984.

"Data at hand for the first six months of 1985 do not permit a comprehensive assessment of the output performance of Dominica," the ECCB said.

"However, to the extent that export performance can be taken as indicative of general growth trends, preliminary indications are that the pace of economic growth has improved slightly when compared with the corresponding period in 1984.

Exports of grapefruit were up one per cent, plantations seven per cent, but galvanized sheets were down 91 per cent.

Looking at the state of Government's finances, the ECCB reported a strengthening of the fiscal position,

with preliminary data showing a surplus on Current Account of \$3.1 million, up from \$0.3 million.

"The estimated revenue on recurrent account was \$39.5 million, about 9.4 per cent higher than that collected in the same six months of 1984," the report said.

"Direct tax receipts grew by 21.1 per cent to \$13.7 million and non-tax revenue by a significant 174 per cent to a figure of \$6.3 million. Indirect taxes, however, fell by 13.3 per cent to \$19.5 million dollars."

Current expenditure increased by 1.7 per cent to \$36.4 million dollars.

The report cited a 14.8 per cent drop in tourist arrivals, totalling 16,075.

But cruise-ship passengers recorded for the first half of the year were 2,128, approximately five per cent higher than for the comparable period in 1984.

/9274

CSO: 3298/298

EL SALVADOR

FMLN-FDR ISSUE COMMUNIQUE ON ECONOMIC MEASURES

PA090354 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT
4 Feb 86

[Joint communique issued by the FDR Executive Committee and the FMLN General Command in El Salvador dated 3 February]

[Text] 1. Duarte's economic measures are designed to prolong the war. The package of economic measures decreed by Duarte constitute a desperate step to get more time to restructure his weakened political program and the other components of his counterinsurgency model.

The fact that Duarte is bogged down is clearly shown in the defeat of the "Phoenix" military operation by the heroic fighters of the FMLN, and in the reshuffling of the military hierarchy that the government was forced to carry out.

The government is trying to create false expectations in one group of workers and discriminate against others in order to demobilize the vigorous struggle for rights that is developing and to make way for the intensification of the repression of the movement's organizations and leaders, as is already occurring.

Moreover, Duarte's economic measures are the result of orders given by the U.S. Government and the objective of these measures, economically speaking, is to reduce the Salvadoran Government's budget deficit and to add more funds to finance the continuation of the war.

From the sweat of workers, professionals, and small businessmen, the government hopes to obtain the necessary funds to continue the genocidal acts, the disappearances, the torture, and the forced displacement of peasants. In addition to this, these measures also clearly reflect the government's wish to curry favor with the large coffee producers in order to win their confidence. It should be clear that Duarte's true social pact was made with Reagan, with the large coffee capitalists, with a handful of millionaire industrialists and exporters, and with the transnational enterprises.

Far from solving the country's problems, the black package, as it has aptly been called by the Salvadoran people, will immediately cause more [word indistinct] more profiteering, more corruption, more smuggling, more unemployment, and more war.

2. Duarte's economic package is demagogic and directed against the people. The demagogy of the black package has not blinded the people, who are directly affected by its negative consequences.

The devaluation of the colon will raise the price of raw materials and agricultural equipment bought abroad. It will also raise the production cost of most products consumed locally, which will consequently increase their prices. The prices of various products will also go up due to the increase in oil prices and the tax increases. The cost of water, electricity, and telephone services will also increase as a result of a tax that will be charged by the autonomous institutions that provide these services. There will be a cutback in already limited social programs and, as if this were not enough, transportation fares will gradually increase in a short period of time.

All of these actions will strike a direct blow at our people's standard of living, which has deteriorated considerably in the last 6 years.

The public employees' salary increase and the vague hints of a salary increase for private enterprise workers are deceptive and demagogic. First of all, the salary increase for public employees has been forced upon the government by the persistent, heroic struggle in which many workers gave their lives. That salary increase does not make up for the pay erosions over the past 6 years, let alone the increase in the cost of living generated by the economic measures decreed by Duarte.

Private enterprise workers will not receive a salary increase. The economic package worsens their situation and leaves them at the mercy of the alleged good will of the entrepreneurs, to whom Duarte suggests a salary increase for their workers at the ridiculous rate of 10 to 15 percent.

Second, it is clear to both private and public workers that they will only be able to defend their economic interests through an organized struggle, and that a true solution to their problems is not to be found in this government's plans.

The price increase in raw materials, the new taxes, and the oil and transportation prices will lead cooperativists, small- and medium-sized agricultural producers, businessmen, and industrialists into bankruptcy. They will be forced to join the ranks of the unemployed, from among whom Duarte intends to beef up his battered armed forces by forcibly recruiting people from the countryside and from the cities.

In brief, this program has been devised to prolong the war, not to seek peace.

3. Position statement by the FDR-FMLN and an appeal to all sectors:

1. We state our rejection of the economic measures that are clearly designed to continue the bloodshed in our country and to make the people finance the genocidal war.

2. We are convinced that all of the economic measures will not halt the workers' struggle, but strengthen it instead. This is the only weapon available to workers to defend their rights and interests.

3. We state our decision to struggle with our people against the effects of these measures and against the determination of this sell-out government to subject our country to U.S. imperialist plans.

4. We call on the various political and social forces to close ranks to combat the plans to prolong the war which include the economic package.

5. We point out that only in a peaceful situation under a sovereign and fair regime will there be true possibilities for a national development that favors all of the country's sectors. Our fronts are willing to seek a general consensus to accomplish this objective.

Compatriots, the FDR urges you to strengthen the organization and the struggle in defense of the nation's interests.

Salvadoran youths, the FMLN calls on you to swell the ranks of the militias and the guerrilla fronts to struggle for the defense of the country.

With unity, toward victory! United to fight until the final victory! Revolution or death, we will win!

El Salvador, 3 February 1986

FDR Executive Committee, FMLN General Command

/12232

CSO: 3248/224

COMMANDER GUTIERREZ DISCUSSES CHALATENANGO SITUATION

PA110028 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 1830 GMT
6 Feb 86

[Interview with FMLN Commander Ricardo Gutierrez, commander of the Chalatenango Region, Modesto Ramirez Central Front, by unidentified reporter; date, place not given--recorded]

[Text] [Question] Commander Ricardo Gutierrez, accept greetings from Radio Farabundo Marti. Recently, the armed forces high command revealed the dismissal of Colonel Sigfredo Ochoa Perez, who was commander of the 4th Infantry Brigade. He was transferred to a diplomatic position in the United States. Our interview wants to focus on your opinion regarding the causes of Col Ochoa's dismissal from the 4th Infantry Brigade here in Chalatenango Department.

[Gutierrez] Thank you very much Compareno. I also send greetings to all Radio Farabundo Marti companeros. Ochoa's dismissal was basically the consequence of the overwhelming defeat suffered by that colonel here in Chalatenango. However, Ochoa was not the only victim; Colonel Ramos was also removed. Together, they were a team and commanded the 4th Region, which includes the 4th Brigade as well as Military Detachment No 1 headquartered in Chalatenango Department.

It was obvious that Ochoa arrived in August 1984 with a complete plan designed by U.S. advisers. At that time, he and Monterrosa [Colonel Domingo Monterrosa, who was killed in a plane crash in October 1984] introduced the ideas of U.S. advisers regarding the implementation of counterinsurgency tactics against our people. Just 1 and 1/2 years later, Ochoa is leaving in humiliation after having been categorically defeated by the FMLN in this Chalatenango Department.

[Question] Commander, could you tell us the main elements of those U.S. tactics that Ochoa came to implement in Chalatenango.

[Gutierrez] In the beginning Ochoa came with a scheme to establish troops without barracks, and short-, middle-, and long-range patrols; and all these within the framework of a political-military plan promoted practically, like the Conara [National Commission for Reconstruction of Affected Areas] was.

This plan, initiated by Ochoa in September 1984, was divided into phases. I remember that he outlined it to journalists in late 1984 or early 1985. He pinpointed FMLN zones and what his alleged pacification policy toward Chalatenango would be. From that moment onward, he began to suffer one defeat after another.

The FMLN had the capability to readjust all its plans and tactics within the readjustment plan promoted by the FMLN General Command. Specifically, it carried out a full political-military operation to profoundly wear down troops of the 4th Brigade and Military Detachment No 1, to increase control over all of Chatalenango, keep those troops in their barracks, and inflict a large number of casualties among their ranks, especially among their officers.

[Question] Commander, could you comment on establishment in Chatalenango of civil defense, which is one of the elements of U.S. counterinsurgency strategy?

[Gutierrez] Look, Ochoa tried to generalize a plan in which he contemplated the development of a number of infrastructure projects, such as the construction of highways including the Northern Trunk Highway, and the construction of roads from Chalatenango to Las Vueltas and from Chalatenango to Arcatao.

Within this framework, they carried out a number of operations supposedly to benefit the population, but their actual aim was to establish a complete civil defense network in Chalatenango Department.

His first and last attempt was made in San Ignacio, La Palma. He headquartered a battalion there which has been profoundly exhausted by the FMLN along the Northern Trunk Highway. He thought that the people were against the FMLN and that they would be willing to join the civil defense. That was his first major defeat. The people flatly refused to join the civil defense; they refused to serve as cannon fodder for Ochoa's criminal plans. Specifically, we have not seen a single success in his attempts to establish civil defense throughout the entire department. This plan began to break down at this point.

He failed to build an effective intelligence network within our territory; he failed to create a counterinsurgency base with the support of the civilian population. This simply and plainly shows that the civilians of this department are convinced that the only solution to the crisis in our country is a just solution that should benefit the people. This heroic department which has been the cradle of dialogue and peace has clearly stated that the peace should be a just and dignified peace and not a peace based on large cemeteries of people. Our people have repudiated massacres carried out by Ochoa in this department, repudiated massive bombings against the population.

[Question] The Ocotal case, for instance?

[Gutierrez] Yes, the Ocotal case shows this very clearly. In fact, it was a contradiction within the top command. We all know this and newsmen became aware there that it was a bombing ordered by Ochoa against the civilian population in Ocotal.

[Question] Could you tell us something about another intention of Ochoa's plan in Chalatenango, which was to increase his forces and improve their quality?

[Gutierrez] Since Ochoa returned from the United States, he came here with all that enthusiasm, firmly convinced of all the theory he had received from the Yankee advisers and all the mercenaries, the soldiers of fortune. Then he tried

to implement here in Chalatenango a plan to improve his battalions and increase his forces of the 4th Region, of the 4th Brigade, as well as those of Detachment No 1. Far from improving his forces, these troops are demoralized. Recently, we heard this station carry an interview with seven soldiers who were taken prisoner on the Northern Trunk Highway. These soldiers expressed the great discontent and repudiation they feel for Ochoa, the top command, and all the army leadership.

[Question] To this moment, what is the number of casualties we inflicted in Chalatenango to the troops of the DM-1, Military Detachment No 1, and the 4th Infantry Brigade?

[Gutierrez] Taking stock of the situation in 1985, we have an almost exact count. They are approximately 1,300... [corrects himself] between 1,330 and 1,340 casualties inflicted on the troops that set foot in Chalatenango. Of these figures, 60 percent were members of the 4th Infantry Brigade and Military Detachment No 1. The other 40 percent was made up of elite battalion soldiers and other troops who have come here. They have come here only to find death in this department. In this regard, Ochoa not only subjected the troops of the 4th Region to intense physical and moral deterioration, but got them involved. Together with other troops, in clashes in which they were worn out because of the successes in the implementation of FMLN fighting tactics in ambushes, as well as in the mining of fields, the night attacks, and the raids that we have carried out during 1985.

[Question] Could you give an overall description of the territory controlled by the FMLN in Chalatenango Department, because one of Ochoa's constant claims is that he pacified Chalatenango and that our forces were spread in small groups near undefined border areas?

[Gutierrez] According to Big Mouth Ochoa, there is no war in Chalatenango and the few guerrillas left are hiding in undefined border areas. This is the story that he has been trying to sell to the high command. Perhaps the high command realized the truth and this is one of the reasons it is sending him out of the country. However, the truth is completely the opposite. Our comrades are there annihilating enemy positions on the outskirts of Chalatenango. In fact, the annihilation of the post in Veracruz neighborhood occurred less than 1 and 1/2 km from the headquarters of Military Detachment No 1, which is located in downtown Chalatenango.

I also received a report today on barricades that were erected between San Miguel de Mercedes and the Chalatenango post. Our forces, our combatants, and our comrades are on the outskirts of the city of Chalatenango and the Amayo turnoff are continuous. We also received recent information about barricades erected on the road between Amayo and Nueva Concepcion.

[Question] Also, the road from Chalatenango to Paraiso, which is supposedly part of the security belt of the enemy forces, has become part of our theater of operations.

[Gutierrez] All this theater of operations has been opened. In fact, our combatants and our cadres have not only re-opened this area as a theater of operations, but have resumed political propaganda work. We have the permanent presence of our comrades in all the towns near the road. We are in practice keeping the following towns under our control: Agua Caliente, La Reina, Tejutla, San Francisco de Morazan, San Rafael, Dulce Nombre de Maria, Santa Rita, Comalapa, and Concepcion Quezaltepeque.

[Question] And San Fernando more to the north?

[Gutierrez] Not only San Fernando but La Laguna. In La Laguna we even defeated a battalion of Military Detachment No 1, which was trying to enter deep into our territory according to Ochoa's plans.

[Question] Does that mean that during Ochoa's period here in Chalatenango our front not only increased its presence and control in eastern Chalatenango, which is the area traditionally under our control, but expanded to the west too?

[Gutierrez] That is correct. At this time, our forces are practically surrounding Nueva Concepcion. This means that they are controlling all of western Chalatenango Department. They are already controlling almost all of southern Chalatenango. This means that these troops were not only defeated in their movements and in their tactic of fighting as mobile troops, but that they are increasingly being encircled within their main positions in the 4th Infantry Brigade and the Chalatenango garrison.

[Question] I want to refer again to the CONARA plan. We also understand that Ochoa is also involved in certain actions, certain corruption, prompted by the implementation of the CONARA plan in Chalatenango.

[Gutierrez] Evidently, the government allocated funds for infrastructure and social projects in all these territories. But what Ochoa has been basically devoted to is promoting his own image. He has rarely gone to towns to carry out civic actions and to distribute notebooks and pencils to children. Regarding infrastructure projects, they widened a stretch of the road between Comalapa and Concepcion Quezaltepeque as well as some secondary roads in Nueva Concepcion, the remainder of the funds wound up in the pockets of the ranking officers. In this regard, all the funds that were supposedly for improving the people's living conditions were never seen by the people. All they have seen is more hunger, suffering, and a greater control by the checkpoints to prevent the passage of food for civilians. In sum, there have been several measures that instead of helping the people further, affected the health and social life of the population. In fact, health services are nowhere to be seen in places like San Fernando, Ojo de Agua, and [name indistinct].

[Question] Commander, during his term in Chalatenango, Ochoa repeatedly maintained that the control that he had over this department was not only military but political. However, important actions were carried out in this department. Could you tell us about the status of the political activity in this department.

[Gutierrez] Actions speak louder than words. Instead of giving you a lengthy report here, I want to note that all those who listened to Radio Farabundo Marti when it carried Msgr Rivera y Damas' pastoral visit heard the church officials witness how the FMLN controls large territories and that there are many people there--old people, women, and children--who accompanied Rivera y Damas in his pastoral visit. A delegation of [name indistinct] visited the area and the Martin Luther King Clinic was inaugurated in 1985. Subsequently, as part of a reaction, the Atlacatl Battalion came here and destroyed the clinic. We also had the honor of receiving a friendly visit from the mayor of the city of Berkeley in the United States. Later on, we held a news conference for U.S. reporters here in Chalatenango to disclose the basic principles of our front in regard to the policy of dialogue and negotiation. This means that all of this specifically shows not only the control that the FMLN has in Chalatenango but the political work done by the people's power here in Chalatenango.

[Question] In this regard, since we are talking about an unquestionable reality of power in Chalatenango Department, as well as in other extensive areas of our country, could you tell us something about the capture of the Christian Democratic Party municipal officials, which occurred during the time Ochoa was in Chalatenango?

[Gutierrez] In line with the national plan of the high command and Duarte's genocidal government, they tried to implement [words indistinct] operation the electoral farce of the local powers, and tried to strengthen local power in Chalatenango Department.

From that time on, we began to fight this farce. There was a temporary period of occupation of the territory by puppet troops. I remember that on that occasion we expelled two companies of the 4th Brigade from San Fernando. They ran to Honduras. In fact, they caused a conflict in Honduras [words indistinct] and later on, our forces retained several mayors who were in areas under our control. At that time our front had nothing personally against the mayors, but against the power they wanted to represent. This was a power that Ochoa and Duarte were using to boast about the control they had in Chalatenango. It was made evident that these mayors could survive there precisely because the FMLN allowed them to. However, we decided to retain them because they did not represent any real power; the effective power was that of the FMLN. Consequently, we proceeded to put an end to that farce about a local power which was only nominal and without any real basis to it.

[Question] It was a fake power then?

[Gutierrez] Yes, a fake power that came out of Ochoa's mouth. Then, it was clearly established that the FMLN controls vast territories despite the fact that Ochoa was boasting that he had control over the department. In addition, this was a measure that had already been used. Our front had retained mayors in the eastern region before. So, they could foresee that it was going to happen in this department. But they had no ability to stop the FMLN from taking this measure.

[Question] You told us that during this period Ochoa's troops sustained more than 1,000 casualties, [corrects himself] more than 1,300 casualties and that approximately 100 weapons of various calibers have been recovered in clashes in the past few months. These are some of the signs of the failure of this colonel in Chalatenango. How do you think the high command views Ochoa's failure in this department?

[Gutierrez] It was a total failure. Very important data exists in this. If you look at the fact that of all the troops captured here in Chalatenango, 10 percent are originally from Chalatenango, you will see that people generally repudiate the armed forces. No one wants to join the troops of the 4th Region. Recently, they had to conduct a draft by force in cities they control such as Chalatenango, Nueva Concepcion, and El Paraiso. But Chalatenango residents do not even make up 10 percent of the troops here. Most of these troops here are from Sonsonate and La Libertad. This means that the people of Chalatenango reject these troops. In addition, there is a failure in the leadership of the military plan here in Chalatenango. If this was not so, why would the high command be forced to change Ochoa and Ramos. Now, they are sending us again Gilberto Rubio. He was here before, but he did not work out either. The outlook is clear. This shows categorically the continuous and accelerated failure of the military policy of the high command's troops. They tried to sell the idea to the population that they have taken the military offensive. Duarte has been boasting about that. However, there is no indication here in Chalatenango that they have the military initiative. On the contrary, they are walking like crabs, backwards. With Operation Phoenix, they are regressing to Garcia's times in Guazapa. They had to concentrate all their troops in Guazapa, but still the FMLN is wearing them out. This means that Chalatenango is only a small example of the resounding failure of the tactics they wanted to implement at the national level.

[Question] We could say that Ochoa's defeat, just as it was for Monterrosa and (Azmitia), is a defeat of a generation of officers.

[Gutierrez] And these were the young officers who were not of Garcia's stature. They had to use all their efforts. This means that all of them were completely defeated. This is not only a defeat of officers, but of the tactics that the Yankee advisers forced them to implement. Now their main tactic is to use airborne troops, who are being defeated by the FMLN. Now they are increasing massive bombings, and actions against the population; they are also using the scorched earth policy. Then what is left for them to use? They have no chance to snatch the military, political, and ideological initiative away from the FMLN.

[Question] Commander, does the defeat of these infantry tactics necessarily involve an increase in the high command's air warfare against the people?

[Gutierrez] It necessarily does because they have no other recourse left. Their infantry can no longer enter the territory under our control without sustaining very high casualties, which they cannot withstand. The infantry troops are increasingly pulling back; they are being forced to adopt defensive position

around their garrisons. The only thing left for them to do is to conduct massive air bombings. However, the FMLN is starting to defeat that. In 1986 we expect to take great leaps in annihilating the war means and defeating those tactics. It is only a matter of time.

[Question] We have given a general outlook of the situation in Chalatenango on the occasion of the removal of Col Sigfredo Ochoa Perez from the 4th Military Region. Would you have anything else to say to the Farabundo Marti listeners?

[Gutierrez] Just to say that as we met Ochoa Perez, we are awaiting now Gilberto Ruiz, rather, Gilberto Rubio. We are preparing the same sort of reception for him. We also hope that it would not be too late for Rubio to meet Perez in the United States, in Washington. There, they may have better (?plans).

[Question] Thank you, commander Gutierrez. This was an interview for Radio Farabundo Marti.

/12232

CSO: 3248/224

NNP ADMINISTRATION ASSAILED BY OPPOSITION ORGANS

Celebration of 'Invasion'

St Georges INDIES TIMES in English 26 Oct 85 pp 1, 3

[Text]

THE puppet NNP regime has scored a first in the history of mankind. It has become the first regime in an independent nation to celebrate the invasion of its country with a public holiday.

Time was when Empire Day, Coronation Day, and other such colonial days were celebrated in Grenada. During those times, however, the country was always under the thumb of the colonial rule. The British governor had this as part of his duty. Even while he and the handful of neo-colonialists drank champagne and whiskey to celebrate the masses stood aside watching and waiting for their day of liberation.

Now NNP has moved to implant a new colonial history on Grenada. Not satisfied with being installed in power by the Yankees, they have decided to put on the full costume of the colonial ape. If you dress and act like the master, you might

be taken for him, NNP believes.

After this new shameless mimicry, who will the NNP face in the world? The United Nations voted 108 - 8 against the invasion. So, the gang of 8 (U.S. and its Caribbean tin band) will help the NNP in its celebration.

Governments around the world which considered any possibility of changing their position on NNP as a puppet regime would now see the real nature of the non-native party.

Another shameful October 25 is being written into our history books by elements who have stepped on the graves of our liberation fighters from the Caribs of 1651 to Bishop of 1983.

The real Grenadian people will never celebrate this holiday with the colonial stooges. Their new holiday will disappear as rapidly as the fake popularity and power the Yankees gave them last December.

Freeing of Mongoose Gang

St Georges INDIES TIMES in English 9 Nov 85 pp 1, 2

[Text] NNP Regime seems to take please in political spite and stupidity. This week, the nation was [portion omitted] NNP Regime seems to take pleasure in political spite and stupidity. This week the nation was greeted with the bizarre news that Paul Scoon, acting on behalf of the Government, asked the Queen to release the Mongoose Gang.

Thousands of Grenadians thought that they had not heard right only to see Pram and company walking bit and bold around the town.

The Mongoose Gang had all been serving jail sentences which were put on them as a result of crimes they had committed over many years. The gang had terrorised thousands of people. Once you opposed Gairy, it was licks.

The nation remembers the case of Clarence Ferguson. He was pulled off a bus and brutally beaten while his young daughter was assaulted and had to witness the savagery.

The list of those who suffered the Ferguson fate is long. Yet, the NNP has chosen to completely ignore the political history of the Mongoose Gang and sent them back in town.

One person, on hearing the news, pointed out that NNP was the liquid of life for Gairyism. First, they brought no charges against him. Later, they allowed him to rebuild his base among the agricultural workers by squeezing out AGWU. Now, they have given him back his Mongoose Gang. The only thing missing, the man said was for Blaize to fall and Gairy to step back in as Prime Minister. "And NNP doing every thing for this to happen" he added. "Blaize is the best Gairyite in Grenada" the angry man ended.

No doubt the British Government must be embarrassed about NNP making the Queen perform such a duty. It certainly is not queenly to release Grenada's most notorious criminals of the past twenty years on a royal visit. People are asking whether the Grenadian tax payers spent a million dollars to welcome the queen and all they got in return was another knighthood for the buffon in Government House and a freed Mongoose Gang. What a reward!

The NNP Regime is not satisfied with feeding the nation's high unemployment, no development, poor services, and a stagnant economy. Now they have added political instability to the diet. The Now for Now Party (NNP) must be still looking for a base and hope the Mongoose Gang will come over to them to increase their numbers. It is said that NNP released the Mongoose Gang just because they were jailed under the Revolution. They wish to spite the PRG and MBPM.

NNP is however, sowing the wind they better get prepared to reap the whirlwind in due course.

Meantime, while NNP released the Mongoose gang, they continue to persecute trade unionist Chester Humphrey. People are asking how could the Mongoose Gang be released and Humphrey still remains in Jail, now hospitalized and near death. Who should be given clemency, if any? As usual, the political spite of NNP is blinding them to all realities.

Weakened Support for NNP

St Georges GRENADA GUARDIAN in English 9 Nov 85 pp 4, 7

[Editorial]

[Text]

THERE is no doubt that there is widespread dissatisfaction within the ranks of the ruling New National Party.

There is much talk about who would succeed Prime Minister Herbert Blaize: it is nothing less than a 'dog-eat-dog' situation that is taking place within the orbit of Government. More and more those political opportunists within Government are "barking" louder and louder as to who would take control.

But Grenadians know very well that those who harbour the idea within them are incompetent to lead this country - and it would be, for them, a dream that will never come through.

The political wranglings that are presently taking place within the NNP administration was expected because, even the smallest child in Grenada, understood that that synthetic Government would not last very long, at least its full term in office. They do not possess the grit and the gumption to administer; they are simply weaklings and mis-

placed opportunists; they do not have a vision of development for Grenada; they are considered 'square pegs in round holes.'

N.N.P. is so unpopular these days that one wonders, with concern, how further down the drain of disrepute they would lead this country.

A poll recently indicate that N.N.P.'s term is overdue. (7 out of 100 say yes to N.N.P.).

The entire populace, especially the farm workers; the youths and the senior citizens are screaming out for help. "How long! how long before we are out of this mess we found ourselves?" The citizens of the nation cry. The wantonly spending of taxpayers money is again great concern everywhere in this country.

While they are engage in their childish manifestation; divisions and quest for political power and the evident mismanagement of this country, Grenadians by the thousands are becoming more and more confident that the Grenada United Labour Party, headed by Sir Eric

M. Gairy is the only party to lead this country in a reputable manner. And so, citizens are registering daily to become members of the Party.

We appeal to you don't be

left out, it is later than you think.

Already, GULP has a 61 percent support to administer the country's affairs. Within months it is expected to rise to at least 75 percent.

Record Incompetence

St Georges GRENADA GUARDIAN in English 7 Dec 85 p 4

[Text]

OUR beloved nation has found itself in a somewhat grave situation since the New National Party (NNP) was put into power just over one year ago.

Grenadians at home and abroad are bowing their heads in shame and disgrace by the irresponsible behaviour and lack of competence of the NNP administration, in dealing with the affairs of this nation.

When we take a look at both the domestic and foreign policies of the NNP we realise that they lack credibility.

No Government, in the history of Grenada, has ever caused so much frustration, starvation and poverty to Grenadians in so short a time. No Government has ever been so guilty of so much open victimisation in such a short time.

The Governments domestic's policy is

highlighted as one of quarrelling and fighting among themselves. They have failed to demonstrate to the citizens of Grenada, Carriacou and Petit Martinique that they have the necessary qualities to lead. Instead, they are bent on selling out Grenada to foreigners; they are single-handedly refusing to give the 'poor' and struggling people of the nation opportunities to develop themselves; they are a bunch of opportunists whose priority is to victimise workers in nearly all the sectors of our economy; they have adopted the principle of 'the rich get richer and the poor get poorer.'

Similarly, in foreign policy matters they have cowardly failed to support the calls made locally, regionally and internationally for the Americans to have permanent bases on the

island by virtue of the
Americans 'sacrificial'
rescue mission to us
at a time when we were
held in the clutches of
communist oppression.

Truly after one year, there
are more miseries; there
are more problems (New
National Problem - NNP);
unemployment continues
to rise and the social
environment, by leaps
and bounds, continues

to degenerate to the
detriment of our chil-
dren and future genera-
tion.

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CSO: 3298/299

BLAIZE HIT FOR MISSING OPPORTUNITY IN REAGAN MEETING

St Georges INDIES TIMES in English 26 Oct 85 p 8

[Text] Blaize efforts to see Reagan reminds us of the man who sold all his belongings to go to the promise land. After a journey of three years, he arrived at the spot he was told only to see a strip of desert. He returned penniless and to no home, having given up all he had to enter this false promise land.

It took Mr. Blaize two years, almost one as Prime Minister; two cancellations of appointments by the President; five visits to the U.S. (three as Prime Minister); and the most neo-colonial mouthings before he got to see his mentor and saviour.

At the end, all he got was 20 minutes. This is what is called a coffee break meeting. All there is in such a meeting is an exchange of handshakes and pleasantries, time for one cup of coffee and parting best wishes. Nothing serious is even discussed in such a short period.

No wonder the radio Silent Night Grenada reported that the highpoint of the meeting was one sentence: "The Prime Minister invited President Reagan to visit Grenada at a time convenient to both parties".

Once again, the P.M. presented no development projects, came out with no new pledges of assistance for developing the economy.

The Prime Minister has once again showed Grenadians that he either does not bother with serious discussions with world leaders or he does not have the mettle to do it. As usual, he comes out of the meeting with both hands swinging.

One observer said maybe the P.M. practiced his "please God" and "God bless America" so hard that he forgot about everything else, including how to ask for development assistance.

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CSO: 3298/299

GAIRY REVIEWS UNION DEMANDS, EXHORTS WORKERS

St Georges GRENADA GUARDIAN in English 9 Nov 85 pp 9, 10, 13

[Article headed "Sir Eric Speaks....."; no other identifying data given]

[Text] "Our Union, the Grenada Manual, Maritime and Intellectual Workers' Union, has a very strong and valid case for its demands of \$12.00 takehome pay for every male field worker per day, and \$11.00 for every female field worker, with 10 days work per fortnight with reasonable backpay.

The Union's demands include a 60% (sixty per cent) pay rise for all other categories of workers to cover "security guards;" "copracutters;" "diatillers," "boilers and mechanics" in sugar and rum factories; "propagator workers;" "Cocoa fermentary workers;" and all others involved in cocoa, banana, nutmet and sugar cane.

You Can do damage to over 3,000 (three thousand) workers and their families and, of course, yourself who are now working for "Starvation wages" by breaking the legitimate and justifiable strike. You can also do damage to the workers' case for the above rates of pay with backpay, by encouraging your family to go to work and break the strike. But all who break the strike or help to get it must get their due punishment one day.

You can help our case by speaking to the individual strike-breakers at a convenient time and place. Remind them of the high cost-of-living; remind them of how God has always helped in these matters for the poor, inspite of strong opposition; remind strikebreakers that they are the lowest-paid workers in Grenada today; let them know that Agricultural workers in Dominica are demanding \$30.00 per day; let them know that other people are in sympathy with the Union's case for them, and that they should be ashamed to work for anything less than \$12.00 take-home pay per day and \$11.00; let them know that most farmers are willing to pay \$12.00 and \$11.00 per day but would not pay if they can get strike breakers to work for the \$9.60 take-home pay they are offering.

Please note: At a discussion with an Agricultural employer held at Sam's Inn on the evening of Wednesday, October 16, the following occurred:

Employer: "My first concern is, of course, my lands. The people came after."

Union Need: "What? Are you saying that your lands are more important than the workers?"

Employer: "Of course. Definitely. You must understand that the lands were here before the people. I must consider my lands before them."

Union Head: "Well, well, I always knew that people like you have absolutely no consideration for my people, and that's why you are trying so hard to keep our Union off, and want to deal with a dead union--Charlie Wood's Union."

The employer referred to above is said to have been born in Grenada, but he is a naturalised Englishman, lives in England. He comes over twice yearly to River Antoine and feeds his workers with "sweet-talks" which some of them seen to drink. River Antoine is not an agricultural farm. It is a factory (like the Grenada Sugar Factory in Woodlands) and is manufacturing rum and copra. The workers are, therefore, entitled to a 60% increase on their present rates of pay with full back-pay which our Union will continue demand for them, strike or no strike.

People in every walk of life are in sympathy with your case and are behind you for getting your increased rates of pay and improved conditions of employment. All are praying for your success. They admire your determination. Please do not yield, for if you yield your case will be lost, and your position as a worker would become like a 'roach in front fowl'--all workers in the Agricultural Industry would be treated like dogs.

More and more workers are now getting to realise how difficult it is to feed a family on "starvation" wages being paid by employers, and, therefore, the few workers who were breaking the strike on some of the farms are now joining fully in the strike. Therefore, please hold on until the strike is over, and all workers are happy with their increases and 'back-pay' in hand. May God bless you.

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CSO: 3298/299

GULP ORGAN OFFERS ANALYSIS OF NNP INTERNAL DISSENSION

St Georges GRENADA GUARDIAN in English 30 Nov 85 pp 1, 3

[Text]

THOUGH some people are firmly convinced that Mr. Herbert Blaize is the weakest leader Grenada has known and, most likely, the weakest the British Caribbean has known, yet it is felt he is the best within the structure of the political quadruple known as the New National Party.

Prime Minister Blaize, they say, would do better behind the desk dealing with documents of various types or dealing with accounts but be it as it may, each

of the others within the structure of the N.N.P. is much weaker in every way.

GUARDIAN refers to the N.N.P. as a sort of political quadruple because besides George Brizan, Francis Alexis and of course Herbert Blaize, there is this wagging-of-the-dog Keith Mitchell whose political ambition is apparently without limitation nor control.

In the N.N.P.'s upcoming convention it is expected that the G.N.P. bloc would vote solidly in support of

Blaize's leadership in the Party and Government, and

there are many erstwhile supporters of N.D.P. and G.D.M. who are likely to support Blaize simply because of the conduct or misconduct of the others.

Among the many things the Party members have against Francis Alexis is the fact that on the occasion of the visit of a Royal personage to the University Campus at Barbados, Francis, refused to shake hands when his turn came for extending his hand and, yet, on the occasion on the opening of Parliament he took the Oath

of Allegiance to Her Majesty the Queen, Her heirs and successors which portrayed a very significant compromise of his ideological posture maintained by virtue of his ideological commitment, throughout his university life.

People are expressing the view that Francis has displayed too many instances of weakness and a lack of a sense of responsibility.

It may be true that Herbert Blaize did not display a true sense of political honesty when he was trying to get Grenada into a unitary Statehood with Trinidad and Tobago. But, at least, Mr.

Blaize does make an effort to be politically honest most times, although he does not always succeed, as in the case of his advocating the American departure from Grenada. Left alone, it is felt Herbert

Blaize would have taken the other side of the picture.

On the other hand Brizan, who is now taking a low profile in the race for N.N.P. leadership has never been sufficiently straight forward to support his deceased leader Maurice Bishop in the open although he played a very effective role (behind closed doors) in Bishop's regime. It is also said that Brizan was firstly attempting to join the Grenada United Labour Party, and held talks with George Hosten and others until he was threatened by a letter in the

New Jewel Movement's publication. He was always known as weak in nature and a coward in behaviour.

Brizan's low profile in the race for leadership of the N.N.P. could be because of his assessment of his unpopularity within the perimeter of the N.N.P. itself. Or is

there some political conspiracy in the making in which he expects to emerge the victor? Let's wait and see.

Prime Minister Herbert Blaize's addresses might be an insult to the high standard established by former Prime Minister Sir Eric Gairy.

But, at least, he is honest in trying his utmost though he seldom succeeds in his presentation with anything nearly commensurate with or fitting the occasion.

Some people think that his addresses and gab do not do justice to standards established and maintained by a former Prime Minister.

On the other hand, in dress, Keith Mitchell goes out of his way to imitate a former Prime Minister but people say that he looks much better being himself in the manner in which he has been accustomed to dress - ordinary. Mitchell is not even one of the leaders within the Party structure, but he believes in, and is now trying the proverbial policy of "the tail wagging the dog." The various means he uses to attain victory in politics clearly demonstrate his weakness. A strong politician

goes to the people speaking the truth always, using his intelligence, his personality and his charisma (providing he had them).

This convention race for Party leadership is interesting for several reasons. If, by conjecture, Mr. Blaize should loose the leadership of the N.N.P. in the convention, it does not necessarily mean he must step down from his elected office of Prime Ministership. The Party head does not necessarily and automatically become the head of Government. For an example during the ill-fated West Indies Federation Norman Manley was the President of the winning Party, but sir Grantly Adams was the Prime Minister of the Federation.

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CSO: 3298/299

IMF REPORT REVIEWS 1985 SHORTFALLS IN AGRICULTURE

FL201828 Bridgetown CANA in English 1656 GMT 19 Jan 86

[Text] St Georges, 19 Jan (CANA)--Agriculture, the main foreign exchange earner for Grenada, experienced more difficulties last year although the government here took several measures to boost the industry, an IMF report said.

According to the report, just released here, the share of agriculture in the gross domestic product (GDP) fell from 21.9 percent in 1981 to an average 18.5 percent in 1982-84 and was estimated at about 17 in 1985.

The report noted that traditional export crops such as cocoa, nutmet and bananas were experiencing difficulties, with the only bright spot being exports of fresh fruit and vegetables.

The Grenada Government has moved to strengthen the agricultural sector with incentives, including the phased elimination of the export tax, and a number of projects.

The report said that production of cocoa fell from 6.4 million pounds in 1981 to 4.4 million in 1984 but recovered to an estimated 4.7 million last year.

The average price received by cocoa growers declined by 17.4 percent between 1981 and 1985 despite some price support from the Grenada Cocoa Association and the recent recovery in the cocoa export price.

Because of declining prices, farmers have tended to use a minimum of inputs and hired labour in cocoa production and the condition of cocoa fields has deteriorated, the report said.

However, it indicated that the use of fertilizers in the cocoa industry increased substantially because of a price subsidy financed by foreign grants.

The Canadian International Development Agency (CIDA) is financing a multi-year cocoa rehabilitation project in Grenada aimed at replacing low-yielding trees on 10,000 acres, as well as providing assistance to improve the operations of the Grenada Cocoa Association

On nutmegs, the report said that production was expected to decline last year by almost one-quarter because of what it called the cyclically low yield. But

it noted that a strengthening of world demand for nutmegs in 1984-85 together with bad weather conditions in Indonesia--the largest producers--led to a recovery in world prices for the commodity.

This enabled the island's nutmeg association to raise prices to growers by 50 percent in the last financial year.

Commenting on developments in the banana industry, the report said that the downward trend in production which began in 1979 continued in 1984-85 with the average price paid to growers declining in 1982 and showing a partial recovery in 1984-85.

The low growers prices contributed to a reduction in the use of fertilizers and to inadequate treatment of the leaf spot and moko diseases, which adversely affected productivity and fruit quality, it added.

In an effort to combat the disease, the Grenada Banana Cooperative Society, with assistance from the British Development Division, initiated a banana rehabilitation programme in mid-1984 aimed at restoring 500 acres of unproductive fields by providing subsidized credit for purchases of fertilizers and pesticides.

The Grenada Government from the beginning of 1984, also started providing subsidized fertilizers to farmers, financed by a grant from USAID.

In an attempt to reduce wastage and improve quality, the field packing of bananas was increased from 42 percent of exports at the end of 1984 to 55 percent of exports in mid-1985. It was projected to rise to 60-65 percent of exports by the end [words indistinct].

The report stated that in recent years production of fresh fruit, particularly avocados, bluggos, plantains, paw-paw, sopodillas and soursops, rose considerably in Grenada as farmers shifted resources away from traditional crops.

The shift was partly in response to an increase in demand for fresh fruit from Trinidad and Tobago.

In addition, the IMF said that production of root crops and vegetables which are mainly for domestic consumption remained largely stable last year.

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CSO: 3298/299

STATE ENTERPRISES SHOW DECLINE IN PROFITS FOR 1985

Port-of-Spain TRINIDAD GUARDIAN in English 20 Jan 86 p 5

[Text]

ST GEORGE'S, Jan. 19, Cana — Grenada's State enterprises which were built up during four years of leftwing rule, recorded a small deficit in 1985 after their combined current account operations showed a surplus in 1982-84.

The capital expenditure of these enterprises was significantly curtailed last year by the Blaize Administration pending the preparation of a programme for divesting them.

The Government is now considering the recommendations of a group of experts who looked at the performances of 28 State enterprises.

Between 1981-82 the leftist leaders established 23 State enterprises in agriculture, agro-industry, tourism, and small-scale manufacturing while there was also a substantial expansion in the activities of some of the existing

public utilities.

Noting that the financial performance of these enterprises varied widely during 1981-85, a report by the International Monetary Fund said that in general those such as the Grenada Port Authority, the Central Water Authority, the Grenada Telephone Company, and the Marketing and National Importing Board recorded modest current account surpluses.

The report said this reflected mainly tariff adjustments (except for the Central Water Authority which has not raised tariffs since 1981), and the Marketing and National Importing Board's monopoly on the importation of bulk rice, sugar, powdered milk, and until recently cement.

The IMF stated most of the other public sector enterprises in Grenada have been operating at substantial losses.

/9274

CSO: 3298/299

GOVERNMENT TO STICK TO 'JOBS FOR GRENADIANS' POLICY

Kingston THE DAILY GLEANER in English 27 Jan 86 p 7

[Text]

St George's, Grenada, Jan 26,
Cana

Grenada's Labour Minister, Dr Francis Alexis says that he intends to continue his stance of not allowing expatriates to take up jobs which should be reserved for Grenadians.

He told CANA that Grenada should follow a recent decision taken by Trinidad and Tobago, which announced a package of "no-go areas" for non-nationals in the distributive trade.

"The concept of no-go areas for non-nationals is not peculiar to Grenada at all. It is quite commonplace. Every country in the world indeed has that sort of policy," he remarked.

During 1985, the Grenada Ministry of Labour repeatedly turned down applications mainly from Indian and Syrian businessmen who were trying to bring relatives into the country from their homeland to work at their stores.

Dr. Alexis indicated that within the next few days officials from the Ministry of Labour would be meeting with the Grenada Chamber of Commerce and Industry at the request of the private sector body to discuss the question of job opportunities for expatriates.

He spoke of the Chamber being unhappy over what he said was "the plethora of non-nationals' undertakings in areas which properly can be and indeed have been zoned for nationals".

"There can just simply be no easing up on that policy of areas being zoned for nationals and non-nationals not being allowed therein, and easily the first such area would be the distributive trade," he remarked.

Dr. Alexis mentioned complaints from Grenada's second largest town of Grenville concerning "unfair trade practices" on the part of non-nationals who "deliberately undercut in areas where nationals operate and hijack prices where non-nationals are not operating."

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CSO: 3298/299

REACTION TO ELECTION FROM OVERSEAS CITED, CRITICIZED

Spokesman Rejects Charles' Comments

Georgetown GUYANA CHRONICLE in English 12 Dec 85 pp 1, 4

[Text]

A SPOKESMAN for the Government of Guyana has dismissed as being "singularly unfortunate, uninformed and inappropriate," a statement allegedly made by Ms. Eugenia Charles, Prime Minister of Dominica, on the recent general elections held in Guyana.

In her statement, broadcast on C.B.C. radio in Barbados Tuesday Ms. Charles said she was "deeply concerned about the reports of electoral fraud in Guyana." She did not feel Caricom Heads of Government should come to Georgetown and she will ask them not to do so.

She also said she found it difficult to understand why the Guyana Government cannot accept an observer team for the elections — even from the Caribbean Community of which Guyana is a member.

The spokesman for the Guyana Government noted that Ms. Charles's comments on the elections were, on her own admission, based on "reports." It was therefore all the more remarkable that, without waiting to inform herself of the factual situation, she should have so imprudently rushed to judgement. He rejected, as absurd and unacceptable, the im-

plications of her statement on this point.

He said the Government was preparing a detailed statement on the conduct of the elections. This statement, which would contain responses to opposition allegations, would be indispensable to the formulating of an intelligent opinion.

With respect to Ms. Charles's statement, that she would not be coming to Georgetown to attend the next Caricom Heads of Government meeting, the spokesman noted that Ms. Charles had some months ago announced her intention not to attend, on the ground that "her enemies were in Georgetown." He observed that it was Ms. Charles's right to decide which country she would or would not visit, but her decision on this score would hardly be a matter of earth-shaking significance and was certainly of no interest to the Government of Guyana.

The spokesman said that the Government's position with reference to Guyana's sovereignty and its rejection of any meddling by foreigners in its internal affairs had been clearly articulated on several occasions. It was therefore, Ms. Charles's problem if she did not understand the Government's position. He could do nothing about that.

The spokesman said that any person following the election campaign intelligently could have been in no doubt about the overwhelming popular support for President Hoyte. That overwhelming support was reflected in the votes cast for President Hoyte and the PNC on Monday last. The Government rejected as being completely untenable opposition complaints about the conduct of the elections which were free and fair.

Charles' Congratulations

Georgetown GUYANA CHRONICLE in English 14 Dec 85 pp 1, 8

[Text]

PRIME MINISTER Mary Eugenia Charles of Dominica who in recent days received a flood of cables from Guyana expressing concern about certain statements attributed to her, yesterday congratulated President Desmond Hoyte on his overwhelming victory at the polls.

Several business, religious and cultural groups had cabled Ms. Charles this week advising her not to interfere in Guyana's internal affairs. Their cables were prompted by reports on regional radio stations quoting her as expressing concern about the conduct of the December 9 elections in Guyana.

However, in her congratulatory message to Cde Hoyte yesterday, she said that judging from the telegrams that she had received from institutions in Guyana, "I appear to have been misquoted, once again, by the media."

Shortly after receiving the cable from Prime Minister Charles, President Hoyte responded expressing his sincere thanks.

Following are the texts of Prime Minister Charles's cable and of Cde Hoyte's response.

"Congratulations on your overwhelming victory at the polls. From telegrams that I have received from institutions in Guyana I appear to have been misquoted, once again, by the media. I am not prepared to let the media make my foreign policy for me and I presume you are in the same position.

"When asked what my thoughts were on the Guyana elections, I replied that I had not heard the

results—that was on the morning of the 10th. I was told that there had been mishandling of a candidate and a journalist and that there had been mass rigging.

"My reply was that I was not prepared to judge without the facts and I could not take them from hearsay. I was also told that independent observers had not been allowed to witness the elections.

"I replied that in my opinion (repeat in my opinion) it was a good thing to allow observers since it prevented the accusations of rigging and that I myself would always welcome observers to see the way in which elections in my country were conducted.

"I have never called on the Heads of Caricom not to hold the Summit in Guyana. I have always been too busy looking after the affairs of Dominica to burden myself with consideration of the affairs of any other country unless specific request for assistance is addressed to me from an official channel.

"I wish you success during our term of office and continued good relationships between our two countries."

Reply to Miss Eugenia Charles:

"Sincere thanks for your kind congratulations on my recent victory at the polls. I wish to let you know that I ought to meet every reasonable demand of the opposition as regards electoral changes, and that the campaign I ran was clean, honest and above-board. The overwhelming

public support I attracted since my accession to the presidency was reflected in the heavy voting in favour of me and my Party.

"I am putting together detailed documentation and other material on the conduct of the elections. This will be available to all who are interested and will provide a complete refutation of the wild generalised allegations being made by the Opposition.

"I do look forward to consolidating and expanding the good relationship between our countries and co-operating fully in all efforts to strengthen Caricom and promote its objectives."

(GNA)

PPP Organ on U.S. 'Whitewash'

Georgetown MIRROR in English 29 Dec 85 p 4

[Text]

THE United States administration has attempted to white wash the December 9 elections fraud in Guyana. A report monitored in Guyana quoted the US State Department with saying that although it is apparent that 'some irregularities' took place, there is 'insufficient evidence' to conclude that these were of a magnitude to have changed the ultimate outcome of the elections.

This is the type of White House behaviour that led Jamaican political analyst Dr. Carl Stone to conclude that the United States pursues 'narrow political self-interest'. Had there been a conservative pro-Reagan opposition in Guyana with a chance of winning a fair election, he argued, the United States might well have rallied its client states behind the removal of the PNC. But since the alternative is the PPP, the rape of democracy in Guyana is entirely ignored.

The State Department went

on to state that the electoral reforms were encouraging but insufficient to preclude allegations of fraud by opposition parties and by civic organisations. 'Had the Guyanese government permitted international organisations to observe electoral proceedings, much of the confusion and doubt would have been eliminated.'

The State Department expressed hope that the Guyana Government will address allegations of fraud by investigating serious charges and by taking appropriate action if irregularities are subsequently confirmed.

The United States said it maintains 'correct relations' with the Guyana government, but would welcome the opportunity to improve relations if certain areas for increased co-operation can be identified.

Government on Compton Remarks

Georgetown GUYANA CHRONICLE in English 21 Jan 86 p 1

[Text]

A GUYANA Government spokesman has dismissed as being "inappropriate, unacceptable and curiously pathetic" the recent statement attributed to Mr. John Compton, Prime Minister of Saint Lucia, on the recent general elections in Guyana and other matters relating to Guyana's domestic affairs. This statement was broadcast last night over CANA Radio, Barbados.

He said that Mr. Compton was being absurd in making statements that were not

based on any knowledge of the facts. The Government of Guyana in the circumstances had no hesitation in rejecting them as being ridiculous.

The spokesman noted that Guyana had never sought to interfere in the internal affairs of Saint Lucia and would not brook any interference in Guyana's domestic affairs by Mr. Compton or any other foreigner. He deemed Mr. Compton's behaviour to be nothing short of "ill-advised officiousness."

PNC Slap at Compton

Georgetown GUYANA CHRONICLE in English 1 Jan 86 p 1

[Text]

A SPOKESMAN for the People's National Congress (PNC) has described as being "beneath contempt", both Mr. John Compton, Prime Minister of Saint Lucia and a statement made by him about the recent general elections in Guyana.

In his statement broadcast on CANA radio, Monday night, Mr. Compton reportedly made certain ill-founded criticisms about the recent general elections and otherwise sought to involve himself in Guyana's internal affairs.

The PNC spokesman said that both Mr. Compton and his statement were beneath contempt.

It was remarkable, he observed, that a man who purported to be a lawyer should essay to make such large and presumptuous pronouncements about another country without being in possession of any concrete facts.

He categorised Mr. Compton's statement as being "the hallmark of wilful ignorance, if not stupidity."

The spokesman said that Mr. Compton might well fancy himself to be "a large fish in his little pool in Saint Lucia," but as far as the Guyana people were concerned, Mr. Compton

was "a cypher in Guyana."

Mr. Compton, the spokesman added, could best occupy himself by ensuring that his little speck of dust did not blow away. If he were to do that, we in Guyana would be better able to preserve our little mudpile.

He said that the PNC rejected Mr. Compton's criticisms completely as being ill-founded. The People's National Congress, he stressed, would never concede that a foreigner had any business attempting to meddle in Guyana's domestic affairs. (GNA)

/8309

CSO: 3298/307

GOVERNMENT, OPPOSITION DISPUTE ELECTION ROLE OF MILITARY

'Libel' Charge From GDF

Georgetown GUYANA CHRONICLE in English 13 Dec 85 p 1

[Text]

THE Chief-of-Staff has noted with regret a most irresponsible statement dated December 10, 1985, alleging that the Army personnel were involved in "violence and collusion" during the elections just concluded, a release from the office of the Chief-of-Staff said yesterday. The release said: "Among the signatories to the statement are Anglican Bishop George, Roman Catholic Bishop Singh and Assistant Secretary Singh of the Guyana Bar Association.

The Chief-of-Staff rejects these allegations as being a gross libel on the loyal and dedicated men and women who serve this country faithfully in the Guyana Defence Force. There is absolutely no truth in these wild and bizarre allegations.

The Chief-of-Staff congratulates the units of the GDF which were on duty on their sterling performance during the elections and reiterates his confidence in their faithfulness, impartiality and dedication to Guyana. He deplores this vicious and unwarranted attack upon the Army personnel by persons who have partisan political interest to serve and is, moreover, of the opinion that such mean and unsavoury behaviour cannot conduce to the welfare, well-being and progress of the Guyanese people.

McLean Statement

Georgetown SUNDAY CHRONICLE in English 15 Dec 85 p 6

[Text]

CHIEF-OF-STAFF of the Guyana Defence Force Major-Gen. Norman McLean has issued a statement in response to criticisms levelled by certain opposition parties against GDF soldiers in the execution of their duties on Election Day, December 9, 1985.

The statement reads:

While we consider most of the accusations against the Military Services by the opposition parties to be geared for consumption outside of Guyana, we consider it our duty to respond to the criticism levelled against the troops whose mission it was to ensure that the Election Regulations were observed and the Comrade President's assurances honoured.

I state categorically that at no time were our troops in physical possession of any of the ballot boxes in any part of Guyana. We fulfilled our mission, which was to ensure the safe movement of the ballot boxes from the polling stations to the Counting Centres efficiently, leaving the task of the physical handling of the boxes to the respective Returning and Presiding Officers.

NO FOUNDATION

The charge that prisoners from Melanie Damishana voted at Camp Ayanganna on 85-12-03 is totally without foundation. What is true is that soldiers under sentence in Camp Ayanganna were allowed to exercise their franchise, as no regulations prevent detained soldiers from so doing.

There were several minor incidents which may go to show the calm, unequivocally sterling leadership and judgement which our troops showed.

There have been strangely no reports of the crowd at Bath Settlement which tried to prevent the removal of ballot boxes to the Counting Centre. Not a shot was fired even though members of the crowd attempted to attack and disarm the Officer whose duty it was to escort the boxes.

AIRCRAFT

Another incident involved the need for an aircraft from an interior mission to fly into Timehri rather than to the Counting Centre because of bad weather. The PPP agent was allowed to sleep in the same room in which the ballot boxes were stored.

In one incident, on the West Bank of Demerara where the escorting vehicle developed mechanical trouble, the soldiers travelled, in the company of agents from all parties present on the vehicle transporting the ballot boxes. As soon as another vehicle was made available, the soldiers travelled separately in accordance with orders.

It is unfortunate that the good work of the Military has been so impugned by deliberately misleading statements from members of certain parties.

Complaints of Civic Groups

Georgetown CATHOLIC STANDARD in English 15 Dec 85 p 2

[Text]

THE following statement was issued on Human Rights Day, Dec. 10, 1985.

THE undersigned organisations wish to record their profound disappointment over the manner in which the elections were conducted yesterday.

Although for many years democracy has had a negligible place in Guyanese life, the elections provided a hope that we might be starting to correct this state of affairs.

Despite reservations over the refusal to allow observers and the counting of ballots at the place of poll, or adequate assurances for agents to accompany the boxes, many people were prepared to give the ruling party the benefit of the doubt, especially under its new leader.

What in fact occurred on Election Day, December 9th, exposed how misplaced these hopes were.

The familiar and sordid catalogue of widespread disenfranchisement, multiple voting, ejection of polling agents, threats, intimidation, violence and collusion by police and army personnel characterised the poll.

This statement is being released twenty-four hours after the polls have closed and during this time only one result has been announced with no credible explanation for the delay over the others.

These events confirm both the ruling party's determination to retain power and the lengths it will go to do so.

Sgd: Randolph George, Bishop, Anglican Church.

Sgd: Harold Lutchman, Co-President, Guyana Human Rights Assoc.

Sgd: Komal Chand, General Secretary, GAWU.

Sgd: Benedict Singh, Bishop, Roman Catholic Church.

Sgd: B. Philadelphia, General Secretary, Clerical & Commercial Workers Union (CCWU).

Sgd: Clive Y. Thomas, President, University of Guyana Workers Union.

Sgd: N.K. Gopaul, General Secretary, National Association of Agriculture, Commercial & Industrial Employees (NAACIE).

Sgd: Carl A. Singh, Asst. Secretary, Guyana Bar Association.

PPP Statement

Georgetown MIRROR in English 15 Dec 85 pp 2-3

[Text]

The Guyana CHRONICLE on Tuesday, the day after polling, carried a statement with the headline 'Chief-of-Staff Denies Janet Jagan's Allegation'. The statement said that army units did not seize or hijack ballot boxes.

The PPP in a statement issued on the same day, December 10, charged that the army had in fact taken over the ballot boxes and gave some 22 examples from reports received up to 1 p.m. of that day. Many more reports were to come in.

The SUNDAY CHRONICLE, of December 8, had reported that the Elections Commission had instructed that party representatives could accompany ballot boxes. The reports have shown convincingly that only some Party agents were allowed to accompany ballot boxes to place of count, but were prohibited from entering the buildings where the ballot boxes were stored, nor were counting agents allowed entry. Thus, most ballot boxes were held, unobserved for well over 24 hours. However, PNC personnel were allowed into these buildings, which observers noted.

Following is the PPP's statement and reports of the army takeover of the ballot boxes and other irregularities.

The PNC has issued a number of denials about the use of the disciplined forces in taking over the ballot boxes. However, the overwhelming number of examples so far, and there are still many more reports to reach us, clearly define the role of the military in these elections.

In many distant areas the decision of the PPP no longer to participate in the electoral process and to withdraw polling and counting agents did not reach in time and many of the PPP's polling agents either attempted to accompany the ballot boxes and were stopped or did in fact accompany the ballot boxes.

Those who were allowed to follow the ballot boxes found that they were stopped at the point where the boxes were deposited, and were not allowed to enter the counting area. Nor were counting agents allowed to enter the buildings at that stage. In Essequibo, for example, the counting agent and the candidate were informed on Sunday last that they would be allowed at the Counting Place from 10 p.m. However, during polling day, the PPP's agents were told to come back at 11.30 p.m., long after the boxes had arrived.

Thus the pattern of rigging was clear for the rural and hinterland, that the army would take over the ballot boxes and keep them sequestered for long periods while tampering took place. However, in Georgetown, the rigging took the form of multiple voting and stuffing the ballot boxes during the day. The pattern in the City was to refuse to accept or evict polling agents of the PPP and other parties in order to carry out this type of rigging without observers of the fraud, since the PNC was reluctant to use the army in an area where foreign journalists were concentrated. Thus the rigging in certain areas in Georgetown had to be accomplished during the polling period, hence the necessity for evicting polling agents mainly in the heavily populated sections of Georgetown: the agents in sparsely populated areas were left untouched.

This assessment is confirmed by the fact that there was an almost total seizure of the ballot boxes by the military outside Georgetown.

REPORTS

BARTICA REGION 7

At close of poll, jeeps collected ballot boxes but were accompanied by soldiers in another vehicle. One PPP Polling Agent Milton Inniss reported that he was beaten by soldiers at the time the box at his booth was collected. Ballot boxes were taken to Bartica Secondary School where the entire vicinity was cordoned off mainly by soldiers with some policemen and PNC supporters around.

REGION 5

— Mahaica River. A boat with about 20 armed soldiers collected the ballot box at 6.15 p.m. The same boat went on to Blahoo and around 6.30 p.m. removed PPP polling agents at gunpoint, then collected the ballot box and travelled to Mahaica and from there to the Mahaica Multilateral School, arriving around 7.30 p.m.

— At 7.00 p.m., about 5 soldiers in a truck collected the ballot box from De Hoop and took the PPP polling agent as far as Mahaicony, where he was put off from the vehicle. This vehicle then turned back to go to the Mahaica Multilateral School, but now was accompanied by 5 other Army and Guysuco trucks which also had ballot boxes, soldiers and polling agents in them. On arrival at Mahaica Multilateral School, the polling agents were turned away and the ballot boxes remained under the control of the soldiers and PNC officials.

— Soldiers also collected the ballot boxes at Mortica at around 6.30 p.m., Strathcampbell at 6.35 p.m. and Perth Village at 6.45 p.m.

— Another vehicle with soldiers collected the ballot boxes at Burma and permitted the polling agent to accompany the box up to Burma Public Road.

— The Catherine polling station was closed at around 5.30 p.m. and soldiers in a truck collected box at 5.45 p.m. The polling agent accompanied the box up to Mahai-cony. This same vehicle continued to Calcutta and uplifted the ballot box there at around 5.50 p.m. The boxes from this truck were taken to Central Mahaicony Police Station and left there whilst the truck returned to Dundee and collected the ballot box there and left at around 8.00 p.m. Polling agents accompanied this box up to Central Mahaicony Police Station. At the Station even Presiding officers were not allowed to accompany boxes to Place of Count.

— A helicopter was used to convey the ballot box from St. Francis Mission. Our agent was permitted to accompany this box to the Mahaica Multilateral School, and then prevented from staying on with it there.

— At 10.15 p.m. PPP 'duly appointed candidate' for region 5, Navin Chandarpal went to the Counting Place and was turned away at gunpoint.

— From the West Berbice end of this Region, it is reported that around 7.20 p.m. soldiers arrived in a vehicle at Bath and entered the Polling Station. They remained there awhile when another vehicle with 5 persons arrived. These also went into the polling station and stayed there briefly then left. Afterwards, the soldiers took the ballot box into the truck and before they drove off threw a canister of tear gas at the crowd of about 350 which was milling around the place but which was not behaving in a disorderly manner.

REGION 2

— At around 6.00 p.m. 2 trucks
— 1 Army and 1 government

owned — both with armed soldiers inside began collecting ballot boxes from Supenaam. These trucks were accompanied by 3 Regional jeeps in which were policemen and PNC activists. There were also a few private cars following with PNC activists inside. These vehicles went from polling booth to polling booth collecting boxes until they arrived at the Anna Regina Multilateral School where the boxes came under full control of the Army and PNC activists.

— At around 6.15 p.m., a Land Rover with armed soldiers inside collected the ballot box at Dartmouth.

— At Charity Polling Station, soldiers took ballot boxes in a land rover.

— Around 7.00 p.m. armed soldiers cordoned off the Charity area. An hour later the ballot boxes from Upper and Lower Pomeroy arrived at Charity from a GDF trawler and they were then taken into an awaiting truck which had several armed soldiers inside. Leaving Charity the truck went into a street in Dartmouth where the Regional Chairman lives, spent about 55 minutes in that vicinity, came out and travelled towards the direction of Anna Regina Multilateral School.

— Boxes began arriving at Anna Regina from 7 p.m. until around 11.30 p.m. No opposition party counting agents were permitted in the counting place during that period. However PNC activists were allowed in the Counting places, including well known PNC leaders in the region.

REGION 3

— At 7.20 p.m. on Elections Day

armed soldiers arrived at Windsor Forest to collect the ballot boxes. They arrived in a GDF Land Rover, a GDF truck No. 1217, an armoured vehicle and another truck GCC 2231. On arrival they surrounded the school and policemen who were also there, ordered the PPP polling agents out of the polling places located in the school building. At the same time a JDF helicopter was circling the vicinity and only left when the soldiers departed; the ballot boxes in their possession. Attempts to follow the boxes were frustrated by road blocks and special squads of policemen and soldiers.

— Ballot boxes from Santa Mission and Princess Carolina, Demerara River were accompanied by PPP polling agents up to a place called "DAX". They were met by a party of armed soldiers about 20 or so strong. There were also 4 Land Rovers there. The polling agents were ordered away and the soldiers took control of the boxes.

— In Canals No. 1, Polder, a Land Rover PCC 1221 driven by a soldier and accompanied by another vehicle, DF 1053 with heavily armed soldiers, took the ballot boxes and drove away after ordering the polling agents away from the vicinity.

Region 4

--At 6.07 p.m. army personnel arrived at the Silver Hill polling place, along the Linden Highway. They took control of the polling place. About 7.00 p.m. an army officer came to the polling place and took over the ballot boxes, placed them in a truck and permitted the agents to accompany the boxes several of which were picked up at the various polling places along the way. At the counting place they were turned away and the boxes remained under the control of the army personnel.

--At Enterprise, at 6.10 p.m. a GTSL Bus with armed policemen arrived at the 4 polling places located at the Enterprise School. This bus was followed by another vehicle, PAA 9226 which was driven by a former police officer. Then two other vehicles, one with the No. PH 530 arrived. The ballot boxes were removed by 6.50 p.m. under guard by the armed policemen and PNC personnel. They stopped at Vigilance Police Station, whilst the PPP activists trying to follow the vehicles with the boxes were prevented from doing so.

--At 6.30 p.m. two ballot boxes were taken by the Deputy Returning Officer from Strathavon [as printed] in an LBI Estate truck, GBB 4315. Polling agents were prevented from accompanying the boxes. On way to Mahaica, about 10 minutes travelling, this truck was stopped by armed soldiers who were travelling in a GDF truck. Whilst some soldiers stood guard over the truck, the GDF truck proceeded to Cane Grove and returned some time later accompanying a Land Rover in which there were 3 ballot boxes but with no polling agents.

At this point, the convoy moved in the direction of Mahaica, along the way picking up ballot boxes at the various polling booths. Up to the point of Unity Village they collected a total of 13 ballot boxes.

These ballot boxes remained during all this time in the control of the armed soldiers and certain balloting officials.

--At the polling place, Little Biaboo in the Mahaica River polling closed at 6.00 p.m. after the PPP polling agent opposed an attempt to close the poll at around 5.30 p.m.

After the close of poll, a group of GDF soldiers at about 6.30 arrived and took the ballot box away. The polling agent was not allowed to accompany the box.

Region 6

--At Lesheholden in Black Bush Polder, boxes were collected by the GDF and Police. The PNC Co-ordinator of the area was the Returning Officer. At 7:15 p.m. the party's Regional Candidate went to Mibicuri to meet polling agents and saw 4 army vehicles including a heavy duty armoured vehicle fitted with machine gun and 15-20 GDF soldiers and 4-5 police who surrounded the school and took out 2 ballot boxes. A helicopter was seen circling the Mibicuri area.

Later at 10.45 p.m. an army helicopter took 6 boxes from the Black Bush area.

/8309

CSO:3298/307

HOYTE ADDRESSES NATION ON ELECTION, FUTURE PLANS

PNC Anniversary Speech

Georgetown GUYANA CHRONICLE in English 16 Dec 85 pp 1, 8

[Article by Colin King]

[Text]

PRESIDENT Desmond Hoyte last night outlined a number of guidelines which will inform Government in the period ahead in the economic and other spheres.

He was speaking at a mammoth rally at the Square of the Revolution attended by a crowd estimated at between 12 and 15 thousand, marking the 21st anniversary of the PNC in Government and coinciding with the Party's latest elections victory.

The President and the Government, provided by the PNC, will give service to the people of Guyana as a whole, Cde. Hoyte pledged at the rally.

In his address, broadcast live to the nation, the President also spoke of the role the ruling Party has to play in setting the tone of national discipline, and as a "first line of defence" against attacks on the country.

"The immediate task (of the Government) is to put our country on a strong institutional basis, ensuring that we put in place or strengthen, as needs be, our systems, our procedures, and our rules.

"We must ensure that there are clear lines of authority and proper accountability, so that as we proceed with the various tasks of nation-building, we proceed within a framework of due regularity.

"We cannot have and will not have slackness in the Government system. We will not have casual behaviour. We will not have irregularity. If we're going to have that, we may as well fold our arms and go home and sleep, because we will make no progress.

"We could only make progress in this country if we are prepared to be disciplined and methodical in our approach to our work and to the task of development," Cde. Hoyte told the rally.

He paid particular attention to behaviour which is required of the thousands of workers in the Public Sector. "And our Public Sector employees need to understand that they have a

duty of punctual attentiveness to their work, and a duty, equally, of prompt, courteous and efficient service to the people of this country.

"As we move forward there is no way we can allow our people in the Public Sector to be arrogant, or discourteous, towards the members of the public," he stated.

Work in the economic sphere has also to be emphasised, the President stressed. "...The immediate task in the economy is to rehabilitate our infrastructure, our plant, our equipment, our machinery," he said, stressing that this task is "very urgent and vital."

In addition, the country has "to ensure new investment and intensive activity in a number of sectors, such as agriculture, fisheries, forestry, energy, and mining."

In all the programmes and policies outlined, the President explained, there is need to ensure "we give

people a chance to develop their spirit of initiative and creativity."

"I have said that we must promote individual development. We must give people the confidence that they can do things for themselves. They can create a livelihood for themselves, using the resources that we have; that they can live in this country by their own efforts.

"We have to spread that gospel; we have to infuse that confidence in people; we have to create the opportunities for them to do just that," the President told the nation.

However, he emphasised that, along with this encouragement of individual initiative and creativity, it must be ensured that "we maintain the cohesive character of our society and that what individuals or communities do by way of self-employment and personal initiative, accords with the grander objective of national development."

Speaking of the role of the Party in the upcoming period, President Hoyte said it has "to stretch out the hand of friendship" to all who are interested in nation-building. "Our task is not to create enemies but to make friends."

The Party must "capture that spirit of goodwill" displayed by the people, and motivate them to improve themselves, their communities and the nation as a whole, he said.

And he said it falls to the Party to give leadership, setting examples worthy of emulation. In the "work of national discipline, the Party must always be in the lead, setting the example

and setting the example in a personal way."

The Party further has a "special role", as regards dealing with subversion against the country. It must be "the first line of defence," he said, cautioning, however, that this was not an invitation to witch-hunt. "I adjure you to be vigilant," he said.

"We need . . . to be disciplined, to commit ourselves to strenuous endeavour and, above all, to ensure as we do that, we preserve our dignity and self-respect.

"There are some people who are now engaged in the profession of maligning this country. But I say to you that whatever might have been our attitude towards them in the past . . . we must respond to them, confront them wherever we find them. We must do battle with any and everybody who dares to malign our country or impugn its integrity.

"Our duty now is to stand up for Guyana," the President said.

The President, concluding on a high note of confidence, said, "we are poised for a great movement forward in this country. I believe that the conditions are ripe for us to make rapid progress towards an era of sustained prosperity."

To cheers of approval from the massive gathering he urged: "With ranks closed, let us advance with a clear purpose and a firm resolve to move our country forward into the era of sustained prosperity . . . which I believe possible."

— (GNA)

Text of Broadcast

Georgetown GUYANA CHRONICLE in English 16 Dec 85 pp 1, 4

[Text]

PRESIDENT Desmond Hoyte yesterday thanked the Guyanese people for returning him and the People's National Congress [PNC] to office and pledged to devote himself "single-mindedly to the pursuit of our common cause."

The results of the December 9 elections, he noted in a broadcast to the nation aired on the Guyana Broadcasting Corporation (GBC) at 11:45 hrs.; are an accurate reflection of the will of the Guyanese people.

He said he assumes responsibility as President of the Republic with a sense of humility and a touch of natural pride but, above all, "with a fierce commitment" to dedicate his entire being without reservation to the task of defending and promoting the interests of our country and our people.

The Government, he promised, will continue to manage the affairs of the country in the interest of the nation as a whole.

"If we are to succeed, we have to continue building together and we have to maintain the conditions of peace we have so firmly entrenched over the past 21 years," Cde. Hoyte stressed.

Following is the text of the President's broadcast:

My fellow Guyanese,

The general elections are over. The verdict of the Guyanese people has been made manifest. And I, as the Presidential candidate of the People's National Congress, have been duly elected and sworn in as President of our beloved country.

It is natural, therefore, for me in this broadcast to reflect for a moment on these elections and remark upon certain aspects which illustrate the vitality of our democratic culture and the maturity of our people.

We who are members of that very special breed of people who constitute the Guyanese society fully appreciate the complex of subtleties -- humour and shadow-boxing, overstatement and understatement, light and shadow, fact and fiction -- which makes our political process the robustly interesting one that it is. Foreigners not privy to the inner workings of our system will not know the springs of its vitality. One should therefore sympathise with them in their difficulty as they seek to separate chaff from grain, illusion from reality, fabrication from truth while viewing our national life in action.

BEST JUDGES

But we Guyanese who belong together are not handicapped in that way. We know one another, as no one else can. We are the best judges of what goes on in our country and of what is best for it. Whatever may be the differences in our individual points of view, we do have the capacity to get to the heart of national issues and to recognise important truths.

And so I am certain that, whatever our personal political affiliations, we do all know full well that the results of the recently held elections are an accurate reflection of the will of our people as manifested both during the election campaign and on election day.

CORRECT

In the period leading up to the elections no competent analyst of the scene, whether here or abroad, doubted that the People's National Congress had substantial majority support. The only question was as to the size of the majority. The election results have answered that question. And we in Guyana know that the answer given is correct.

My first duty, then, is to express my deep sense of gratitude for having been returned by you, my fellow citizens, as President of the Co-operative Republic of Guyana. I assume the responsibility which you have entrusted to me with a sense of humility; with, I admit, a touch of natural pride; but, above all, with a fierce commitment to dedicate my entire being, without reservation, to the task of defending and promoting the interests of our country and our people.

MULTI-PARTY

SYSTEM

Our democracy is based on a constitutionally guaranteed multi-party system. It fully recognises the value of open expression of different points of view and opinions. And, in the course of these elections, we have seen our system at work in the number of political parties which contested, in the plurality of political ideas advanced, and in the verve, intensity and scope of the debates.

Some of us have voted for one party, some for another. That is our constitutional right which we must cherish dearly. But, regardless of how people voted, the President, once elected is

not the President of a political Party or merely of those citizens who voted for him; he is the President of the entire country and all of its people. My duty, therefore, is to each and every one of you, to all Guyanese citizens individually and collectively; and that duty is to administer the affairs of the State with justice and equity in the words of the oath I took on Thursday last, "without fear or favour, affection or ill-will." And so, I now pledge to you, my fellow citizens, that I will faithfully discharge my duty, and, with an abiding sense of this obligation, devote myself single-mindedly to the pursuit of our common cause.

OPPORTUNITIES

And I do give the assurance that my Government will continue to manage the affairs of our country, as it has always done, in the interest of the nation as a whole, with a view to creating conditions and opportunities to enable each and every member of our society to realise the full potential of his or her personality and to achieve a happy and satisfying life within a well-ordered society.

I was particularly proud of the disciplined way in which we all participated in the elections. Save for a minor incident here or there, polling on election day was a quiet and orderly event. There was no violence or civil commotion. No one has died. No one has been wounded. No one has been hurt. The mayhem and chaos which characterise these occasions elsewhere did not visit us here. The period leading up to the elections was one of lively but peaceful electioneering activity in the course of which all contesting parties were able to propagate their views without undue disruption or distraction.

Surely, there is much in all of these things for which we are entitled to congratulate ourselves, for they evidence and underscore the stable, well-ordered polity we have established over the years and the civilised nature of our society.

PROSPEROUS SOCIETY

Having safely arrived at this stage of development, we are fully warranted in feeling that we are all now placed to continue our historic national mission of building in Guyana a humane, just and prosperous society. Much has been achieved, but much yet remains to be done. What remains to be done, remains to be done for the benefit of us all -- and it has to be done by all of us. It is to this task, then, that I now call all Guyanese who love this country and for whom it is the only home they will ever know. If we are to succeed, we have to continue building together, and we have to maintain the conditions of peace we have so firmly entrenched over the past twenty-one years.

In the task ahead, all of us will have to pull our weight. And so, I see it as my duty to create an environment in which all Guyanese of goodwill can confidently assume a meaningful and rewarding role in the building of our country. It will be my constant study to continuously enlarge the scope and opportunities for them to do so.

I am confident that our traditional culture of co-operation and co-operativism will continue to provide the basis on which we can advance together, respecting one another, trusting one another, and working in harmony with one another.

and expand the process of formal dialogue with various national and sectoral organisations which I have already begun.

SINGLE NATION

Elections are but a periodic incident in the life of a democratic nation such as ours. They are not intended to cause permanent divisions in the society or to disrupt national life. Indeed, one of their purposes is to confirm the identity of our people as a single nation with the common objective of promoting the best interests of our country.

I do believe that our elections have had this salutary effect. They have demonstrated beyond the shadow of a doubt that the politics of race is dead in our country -- and equally dead is the politics of confrontation, conflict and confusion.

COMMITMENT

For my part I pledge the unqualified commitment of myself, my Government and my Party to co-operate with all who are prepared to embark on this grand united effort to complete the transformation of Guyana into a viable, modern state, fully capable of guaranteeing all its citizens a decent livelihood, while honourably holding its place abroad.

Since assuming the Presidency last August, I have visited many parts of our country and I have sought to take counsel from a large number of knowledgeable citizens in their personal capacities and from numerous organisations reflecting the whole gamut of national life and have sought to benefit from their wisdom and advice.

I have profited from what I have seen and from what I have heard. I propose, therefore, to continue this beneficial practice of visiting, listening and learning and, informal discussions apart, deepen

In these fortunate circumstances, we can look to the future with confidence, knowing that we have the right conditions in which to work together with a spirit of self-reliance and enthusiasm to create for ourselves and our children ever-expanding material and cultural benefits, and advance steadily towards the goal of an abundant prosperity.

There is room for all Guyanese in the great task of nation-building that lies ahead.

CO-OPERATION

I look forward, accordingly, in the months and years ahead to playing my part with you as we work together, on the basis of consensus and co-operation and in a spirit of goodwill, to make decisions and pursue policies that are in the best interests of our country and all the Guyanese people. And I know that we will work together to this end. For when all is said and done, we Guyanese are one family.

As together we face the future with confidence and optimism, let us resolve to stand up courageously for Guyana and be counted -- at all times and in all circumstances.

In the meantime, I thank you once again and reaffirm my commitment to the service of the people of Guyana.

Comment on PPP, WPA

Georgetown GUYANA CHRONICLE in English 16 Dec 85 pp 1, 5

[Text]

PRESIDENT Desmond Hoyte last night gave the nation an insightful analysis of the actions of the PPP and the WPA during the recent general and regional elections and of the reasons for their opting out of the electoral process at a very crucial stage.

The PPP and the WPA, certain that they could not win, showed no interest in the final stages of the process and opted out because they did not want to put themselves in a position where they had no valid cause for complaint.

In what was certainly one of his most masterly delivered public speeches since his acceding to the Presidency last August, he also dealt the opposition parties some telling blows contending, among other things, that he is coming around to the view that while it might be possible for the PNC to do business with the PPP, it might not be possible for the Party to do business with the Leader of the PPP, Dr. Cheddi Jagan.

"Now that the elections are over, the PPP is moribund. It has no future unless it can reorganise itself," he told a mammoth gathering estimated at between 12 and 15 thousand at the Square of the Revolution, at a rally sponsored by the PNC to mark its 21st anniversary in Government and its recent overwhelming victory at the polls.

Contending that neither the PPP nor the WPA had any interest in the results of the polls, he noted that they both had campaigned to provide excuses for not winning after the event.

He noted that from the beginning of the campaign, he had indicated publicly that he intended cutting the ground from under the

opposition by removing all areas of complaint.

This he did. And with the grounds of complaint relating to proxy, postal and overseas voting removed, with the ballot boxes found to be satisfactory and with representatives of opposition parties being allowed to accompany the boxes to the counting centres, added to the fact that the opposition could no longer have accused the government of padding the voters' list with phantom voters, the opposition opted out at a very crucial stage.

What was critical, he noted, was that the opposition parties be allowed to accompany the boxes to the counting centres. But then, "Wonder of wonders -- before voting day, the WPA said they would not accompany the ballot boxes."

And in the case of the PPP, he added, "by the time Dr. Jagan caught himself, on the ninth, and realised that the game was up, he directed his people not to accompany the boxes."

The opposition parties, Cde Hoyte stressed, did not want to put themselves in a position where they had no valid cause for complaint.

"They wanted to put themselves in a position to make wild, unsubstantiated allegations as they have been doing."

It was with this in mind that they both opted out of the critical exercise -- the last remaining thing to be done to ensure that there was no fraud.

He described the WPA as a chameleon grouping of charlatans, an agglomeration of racists, opportunists, agent provocateurs and missions of some foreign agents in Guyana. He also saw it as an amorphous grouping whose very choice of a Presidential Candidate represented an admission of political bankruptcy.

He also noted that one Roopnarine, a leading WPA candidate "while posing as a Guyanese patriot," is in reality a British subject, a loyal subject of Queen Elizabeth II travelling on a United Kingdom passport (No. C 828411 C).

The PPP, Cde. Hoyte, said suffer from a number of disadvantages: the leadership is tired, the party is unorganised and disorganised and it was particularly disadvantaged when it discovered that race was no longer something that appealed to the Guyanese electorate --

when it discovered that racial politics was no longer a potent factor in our political life.

He noted that both the PPP and WPA, by not holding meetings and by not having a presence in a number of regions, had abandoned 50 000 votes.

"They started with a handicap and still talked about a possibility of winning."

And, noting that you can't win anything on negativism, he said, it was interesting to note that the WPA's Presidential Candidate had said in a political broadcast that the WPA had turned their campaign into one massive protest.

By their own admission, they had no interest in the results; by their own admission, (long before December 9) they were saying they could not win.

He said the PPP had no future unless it could reorganise itself. And he added: "I do not believe that Dr. Jagan has the creativity of thought or the physical or mental capacity to reorganise his party."

"I believe the PPP has no future under Jagan . . . and I am coming to the view that it might not be possible for us to do business with Jagan. It might be possible for us to do business with the PPP but that is a different matter all together."

In his nearly one-hour address, Cde. Hoyte spent little time on the minor parties, the National Democratic Front, the People's Democratic Movement and the Democratic Labour Movement. In the case of the DLM, however, he

noted that no amount of money coming in from West Germany or elsewhere can help any political party in this country win an election.

The United Force, he said, has its own peculiarities. It has a hard core of people — members of the old guard — who will always vote for it. It also continues to receive the votes of a certain section of our Amerindian citizens who were influenced in the early sixties by some Roman Catholic priests into believing that voting for the UF is part and parcel of their religious creed.

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CSO: 3298/307

CABINET, PARLIAMENTARY SECRETARY POSITIONS FILLED

Senior Cabinet Members

Georgetown SUNDAY CHRONICLE in English 22 Dec 85 p 1

[Text]

FIVE Senior Cabinet members, including a new Deputy Prime Minister, were yesterday sworn in by President Desmond Hoyte at the Presidential Secretariat.

The Cabinet Ministers who held positions as Vice-Presidents and Deputy Prime Ministers have been reappointed with some variations in portfolios, and Comrade Robert Corbin, formerly Senior Minister National Mobilisation, has been appointed Deputy Prime Minister, Agriculture. Deputy Prime Minister Haslyn Parris has also been reappointed.

Further Ministerial appointments are to be announced later, a release from the Office of the President said.

First taking the oath was Dr. Mohamed Shahabudeen who has been designated First Deputy Prime Minister and Attorney-General.

He was followed by Cde Ranji Chandisingh, Vice President National Development and Deputy Prime Minister; Cde Viola Burnham, Vice President, Education and Social Development and Deputy Prime Minister; Cde Haslyn Parris, Deputy Prime Minister Planning and Development, and Cde Robert Corbin, Deputy Prime Minister, Agriculture.

Present at the ceremony were Ministers of the Government, some of whom were accompanied by close members of their families.

As the Cabinet members took the oath of office, they were warmly congratulated by colleagues.

(GNA)

More Ministry Designations

Georgetown GUYANA CHRONICLE in English 28 Dec 86 pp 1, 5

[Article by Colin King]

[Text]

SEVEN Senior Ministers, two Ministers and a Minister of State were sworn-in before President Desmond Hoyte yesterday.

New to the ministerial ranks among those taking the oaths were Winston Murray, former Head of the Presidential Secretariat, as Senior Minister of Trade, and Jallall Kissoon, Attorney-at-Law, as Minister of State within the Ministry of Agriculture.

Among the other appointments, Cde. Jeffrey Thomas, formerly Senior Minister, Home Affairs is now Senior Minister, with the portfolio of Manpower, Housing and Environment and Cde. Richard Van West-Charles, formerly Senior Minister, Health and Public Welfare, is now Senior Minister of Health.

A number of other ministerial appointments are to be announced today, with the appointees taking the oath before President Hoyte at the Office of the President at 11:30 hrs.

Six Ministers who served in the previous Government were reappointed to their previous positions yesterday.

Since the recent victory at the polls, Cde. Hoyte was sworn in as the country's top executive. He subsequently appointed and presided at the swearing in of Cde. Hamilton Green as Prime Minister. Later three Vice-Presidents and Deputy Prime Ministers and two Deputy Prime Ministers were appointed and sworn in by the President.

Reappointment to their previous ministerial positions yesterday and sworn in before the President were Cde. Rashleigh Jackson, Senior Minister of Foreign Affairs, Cde. Carl Greenidge, Senior Minister of Finance, Cde. Seeram Prashad, Senior Minister of Trans-

port, Cde. Yvonne Harewood-Benn, Senior Minister of Information and the Public Service, Cde. Urmia Johnson, Minister in the Ministry of National Mobilisation, and Cde. Roy Fredericks, Minister Responsible for Youth and Sport, in the Ministry of Education.

Those not included in ministerial appointments but who will be taking up senior positions with either the Government or the Party (see other story) are Cde. Harun Rashid, formerly Senior Minister, Energy and Mines, Cde. Sallahuddin, formerly Senior Minister of Forestry, Cde. Malcolm Parris, formerly Senior Minister of Education, Cde. Kenneth Denny, formerly Manpower and Co-operatives Minister, Dr. Simpson Da Silva, formerly Minister within the Ministry of Agriculture, and Cde. Malcolm Corrica, formerly Minister of State within the Ministry of Trade and Consumer Protection.

No new appointments have yet been announced for Cde. H.L. B. Singh, formerly Minister of State within the Ministry of Regional Development and Cde. Donald Ainsworth, formerly Minister of State within the Education Ministry.

Some notable omissions from the portfolios allocated to date are Home Affairs, Energy and Mines, Co-operatives and Forestry.

(GNA)

Other 'Senior' Appointments

Georgetown GUYANA CHRONICLE in English 28 Dec 85 p 1

[Text]

COMRADE Desmond Hoyte, Leader of the People's National Congress and President of the Co-operative Republic has announced a number of senior appointments, as follows:

- **Cde. Harun Rashid** — Head of the Department of National Production within the Party.
- **Cde. Kenneth Denny** — Senior Executive Secretary and Head of the Department of Party Affairs and Mass Organisations within the Party.
- **Cde. Malcolm Corica** — Co-ordinator with special responsibilities for the

development of Culture, Department of National Orientation and International Relations within the Party.

• **Cde. Agnes Bend-Kirton-Holder** — Projects Officer (W.R.S.M.) and Women's and Trade Union Affairs Co-ordinator, within the Party.

• **Cde. Salahuddin** — Director, Workers' Education, in the Ministry of National Development.

• **Cde. Simpson Da Silva** — Specialist Adviser, in the Ministry of National Mobilisation.

• **Cde. Malcolm Parris** and **Cde. Oscar Clarke** have been identified for appointments to senior posts overseas.

Additional Office-Holders

Georgetown SUNDAY CHRONICLE in English 29 Dec 85 pp 1, 8-9

[Article by Trevor Pearson]

[Text]

TWO new faces who have joined the ministerial ranks and six others, including three women who have gained the nod for senior positions in the new Government were sworn in by President Desmond Hoyte yesterday.

The new Ministers are Pandit Chintaman Gowkarran Sharma, A.A., M.P. who was appointed Minister within the Office of the President and Deryck Milton Bernard who took over the portfolio of Minister within the Ministry of Education.

The three women appointed and sworn in yesterday are Dr. Faith Azalea Harding, Minister of State within the Ministry of Planning and Development; Jean Marjorie Persico, A.A. Parliamentary Secretary, Education, and Stella Odie-

All, M.P. Parliamentary Secretary, Home Affairs.

Cde. Donald Alfred Nicholas Ainsworth who was Minister of State within the Ministry of Education in the last Government, now has the portfolio of Minister of State within the Ministry of Manpower, Housing and Environment.

Sawmiller Dharamdeo Sawh, M.P. has been appointed Minister of State within the Ministry of Forestry and Azamudeen Habibulla, M.P., former Principal Assistant Secretary, Ministry of Information is now Parliamentary Secretary, Office of the President.

Of the eight persons sworn in yesterday at the Presidential Secretariat, Cdes. Ainsworth and Bernard were not named on the Party's list of 65 candidates for the recent general elections.

With yesterday's swearing-in, the number of persons who have been appointed and sworn in by President Hoyte as he carefully assembles his new Government since the People's National Congress's victory at the polls on December 9, stands at 24.

Following his swearing-in as the country's top executive, Cde. Hoyte swiftly appointed and presided at the swearing-in of Cde. Hamilton Green as Prime Minister.

He later named and swore in three Vice-Presidents and Deputy Prime Ministers and two Deputy Prime Ministers. And Friday, seven Senior Ministers, two Ministers and a Minister of State were also sworn in by President Hoyte at the Presidential Secretariat.

At Friday's swearing-in exercise, Cdes. Rashleigh Jackson was sworn in as Senior Minister of Foreign Affairs, Carl Grenidge as Senior Minister of Finance, Jeffrey Thomas as Senior Minister of Manpower, Housing and Environment, Richard Van West-Charles as Senior Minister of Health, Saeram Prasad as Senior Minister of Transport, Yvonne Harewood-Benn as Senior Minister of Information and the Public Service, Winston Murray as Senior Minister of Trade, Urmia Johnson as Minister in the Ministry of National Development, Roy Fredericks as Minister Responsible for Youth and Sport in the Ministry of Education, and Jallal Kissoon as Minister of State within the Ministry of Agriculture.

Meanwhile, Cde. Hoyte as Party Leader and President has also announced a number of senior appointments. Cde. Harun Rashid, formerly Minister of Energy and Mines will now head the Department of National Production within the Party.

Former Minister of Manpower and Co-operatives Cde. Kenneth Denny has been appointed Senior Executive Secretary and Head of the Department of Party Affairs and Mass Organisations within the Party.

Cde. Malcolm Corrica, former Minister of State in the Ministry of Trade and Consumer Protection has been appointed Co-ordinator with special responsibilities for the Development of Culture, Department of National Orientation and International Relations within the Party.

Cde. Agnes Bend-Kirton-Holder, former Parliamentary Secretary in the Ministry of Housing now becomes

Projects Officer of the Women's Revolutionary Socialist Movement and Women's and Trade Union Affairs Co-ordinator within the Party.

Former Minister of Forestry Cde. Sallahuddin has been appointed Director, Workers' Education in the Ministry of National Development and former Minister within the Ministry of Agriculture Dr. Simpson Da Silva is now Specialist Adviser in the Ministry of National Mobilisation.

Friday's announcement also noted that Cdes. Malcolm Parris and Oscar Clarke have been identified for appointments to senior posts overseas.

To date, notable omissions from the portfolios allocated are Energy and Mines and Co-operatives.

Meanwhile, Prime Minister Hamilton Green warmly congratulated yesterday's appointees after each took the oath of office and had been congratulated by President Hoyte.

Also present at the ceremony were Vice-Presidents Mohamed Shahabuddeen, Ranji Chandisingh and Viola Burnham, Ministers of the Government and top Party and Government officials as well as relatives of those taking the oath. They all joined in offering their congratulations.

—(GNA)

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CSO: 3298/307

GOVERNMENT-CHURCH DISCORD OVER ELECTION CONTINUES

Searches for Weapons

Georgetown CATHOLIC STANDARD in English 22 Dec 85 pp 1, 4

[Text]

A HUNT for arms and ammunition in the houses of several prominent Church leaders was carried out on Tuesday, December 17, under the National Security Act.

Included in the search was the house of the Roman Catholic Bishop. Shortly after 2.00 p.m. on Tuesday, three plainclothes men turned up at the R.C Cathedral Presbytery, enquiring for Fr. Rodrigues and 'Mr.' Morrison.

They then went over to the Jesuit Presbytery, where they asked for Fr. Rodrigues.

While the maid went to enquire for him however, the three policemen did not wait at the door, but barged upstairs to the priests' rooms, rapping at Fr. DaSilva's door, asking for Fr. Rodrigues, and saying they understood he was upstairs.

Fr. DaSilva informed them that Fr. Rodrigues was not there and accompanied the policemen downstairs.

On being accosted by another maid, who was shocked they had

barged in and who therefore accused them of irregularity in their behaviour, one asked her "What is regular?"

They then proceeded to Bishop Singh's house, where they carried out a search of his entire house, including in his bedroom and under his mattress, looking for arms and ammunition.

They also enquired there for Rev. Morrison and Fr. Rodrigues.

On asking for a search warrant, the Bishop was told one was not needed under the National Security Act, but that a high-ranking police officer had to accompany the search party.

This was why Superintendent Wilson was there, they explained.

Bishop Singh described the three policemen as being however polite to him personally.

From Bishop Singh's house the searchers went to the house of Anglican Bishop, Randolph George, who was not in the country at the time.

Mrs. George says the policemen said they would return.

Searches for arms and ammunition were also carried out the same day on the house of the Rev. George Richmond, head of the Moravian Church and Chairman of the Guyana Council of Churches, and on the house of the Rev. Oswald Best, head of the Presbytery of Guyana.

Describing the incident, Rev. Richmond says three policemen turned up at his house in his absence and told his wife they had come to carry out a search for arms and ammunition.

Mrs. Richmond asked them to wait for her husband, but they replied they had to search immediately.

She allowed them in, saying they had nothing to hide.

Arriving home and finding the men upstairs in his room in the process of a thorough search, Rev. Richmond asked for a warrant, but was told one was not needed under the National Security Act.

The Catholic Standard also understands that the Walter Rodney house in Croal Street, headquarters of the WPA, was also searched the same afternoon by six policemen.

An attempt was also made to search the house of WPA activist Rupert Roopnarine, but the policemen could not get in, since he was out. Mr. Roopnarine later accompanied the police to his house so that they could search it.

Homes of PPP members were also searched, and it has been reported that the gun licences of several leaders of the PPP, including that of Dr. Cheddi Jagan, were revoked on Monday and Tuesday.

Rev. Richmond Comments:

COMMENTING on the search of his house, the Rev. Richmond said:

"The whole thing is ridiculous."

He pointed out that "The role of the Church in Guyana is to produce citizens of integrity who will work for the betterment of our people and the development of our country."

"The Church must be free to look at our society from a Christian standpoint, and to give an unbiased and objective opinion on matters related to our society."

"The Church should not be involved in partisan politics, and the government should in no way seek to muzzle the Church or expect a partisan response from it."

"I would hope that our government recognises the positive role that the Church has played in Guyana over the centuries, and would therefore seek to support the Church in its work."

Blasts at Morrison

Georgetown GUYANA CHRONICLE in English 27, 28 Dec 85

[Unsigned article: "Andrew Morrison at It Again"]

[27 Dec 85 p 1]

[Text] Andrew Morrison, the Jesuit Editor of the CATHOLIC STANDARD newspaper, said recently on a Voice of America broadcast that the American Government should take certain initiatives calculated to destroy the economy of Guyana.

Morrison has been travelling to many countries of the world maligning Guyana and urging foreign governments to intervene in Guyana's affairs.

While on these mischief making activities, Morrison describes himself as a spokesman for the Roman Catholic Church.

[28 Dec 85 p 1]

[Text] Andrew Morrison, Jesuit priest and Editor of the CATHOLIC STANDARD has given himself a roving commission to undermine the confidence in Guyana abroad and to do everything possible to harm its economy and the best interests of its people.

The CHRONICLE has been informed reliably that, within the past fortnight, Morrison has tried to make appointments to see senior officials in the World Bank, the IMF, and the IDB.

It is understood that his purpose was to block any possible financial assistance to Guyana and to impede the further development of the country.

Religious Leaders' Letter

Georgetown SUNDAY CHRONICLE in English 29 Dec 85 pp 1, 9

[Text]

THE Committee of Patriotic Religious Leaders of Guyana has written a letter to Archbishop Anthony Pantin of Trinidad and Tobago. It reads:

We wish to welcome you as well as your Christian colleagues to our peaceful country.

It is indeed so thoughtful that you should decide to visit us during this season of goodwill. However, as members of various religious

communities in Guyana, we thought that apart from welcoming you, it is our duty as well to caution you against the possibility of allowing yourselves to be used by local political factions and so become entrapped in local and domestic issues upon which you have not been properly informed.

As local religious leaders,

it is our feeling also that outsiders should not seek to intervene in the internal affairs of any country.

As you may be aware, Guyana is a religious country and Guyanese have always enjoyed religious freedom as a constitutional right. We therefore, feel very strongly about outside interference, especially since we have always had and continue to have a very harmonious relationship with the Government, and would hate to have anyone or any act disturb this amiable relationship.

May you always foster peace and goodwill among men. May God bless you and keep you.

**COMMITTEE OF
PATRIOTIC RELIGIOUS
LEADERS OF GUYANA.**

Bro. A. Habibulla —
General Secretary of
General Council of Islamic
Brotherhood.

Rev. P.O. Wharton —
Pastor of the Congregational
Union.

Rev. Ralph Adams —
Priest-in-Charge (ag.)
Ethiopian Orthodox Church.

Moulvi Hassan Ali —
Secretary General of the
Islamic Missionaries' Guild
International.

Pandit Bhojnarine Sharma
— General Secretary
Pandits' Council.

Rev. Gilbert Harris —
Vicar of St. Phillip's.

Bhai Moorat Prashad —
Executive Member of Hindu
Parishad.

S.A. Sammy — President
of Guyana Maha Kali
Religious Organisation.

Rev. E.A. Semple —
Pastor of St. Peter's AME
Church.

Bhai J.T. Kissoon —
Executive Member of Maha
Sabha.

Rev. Llewelyn Fraser —
Pastor of the New
Jerusalem Church.

Sis Clarice Edwards —
President of the Guyana
United Apostolic Mystical
Council.

Chandra Persaud —
Executive Member of Maha
Sabha.

Moravian Dispute With Government

Georgetown MIRROR in English 5 Jan 86 p 4

[Press release by Rev. G. Richmond]

[Text] Rev. George Richmond, Chairman of the Moravian Church of Guyana has issued a press release protesting the 'slanted reporting which appears in the CHRONICLE, with particular reference in this case to the front page article on Tuesday December 31, entitled "President Hoyte, Moravian Church Leaders Agree to Cooperate."

"The substance of the meeting," said Rev. Richmond, "was that Bishop Maynard (head of the Moravian Church in the West Indies) explained that the Moravian Church extended across international boundaries and news of the search of the Moravian Manse for arms and ammunition created much concern throughout the church; hence his visit to Guyana."

The Moravian Church was among three churches which were subjected to searches for arms and ammunition by the police force, following elections. Among those searched were the Catholic Bishop Benedict Singh, Protestant clergyman Rev. Oswald Best and Rev. George Richmond. Also searched were five leading members of the PPP and three members of the WPA, while Gail Teixeira, International Secretary of the WPO and Dr. Roopnarine of the WPA were held for some hours in police custody.

Later, a report appeared in the press that the searches of Bishop Singh and Rev. Richmond were "unauthorised" and not conducted with the consent of the Police Commissioner. To date there has been no public statement as to who authorised the searches, but everyone knows that the directions came from PNC Headquarters.

The CHRONICLE report of the meeting of the Moravian Church leaders with President Hoyte, which Rev. Richmond deemed "slanted" news, made no mention whatsoever of any discussions related to the police raids on the Moravian Church. Instead it highlighted the cordiality of relations between the government and the Church, emphasising the PNC's policy of "freedom of religion."

Rev. Richmond was a signatory to calls for an International Commission of Jurist, Americas Watch and the UK Parliamentary Human Rights Group to visit Guyana to "appraise electoral laws and practices" in Guyana, in preparation for the elections held in December last, and in the attempt of a number of churches, trade unions and other groups to ensure free and fair elections. However, all attempts to have observers before or during elections were refused by the ruling party. Rev. Richmond was also vocal in condemning the entry and searching of the homes of the three church leaders on 17 December 1985. A joint statement signed by Bishops Singh and Randolph George, Revs Best and Richmond called on the authorities to desist from "such unprovoked behaviour." This statement also protested the withdrawal of permission for Rev. Patrick Connors to work in Guyana.

Following is the full statement issued by Rev. George Richmond:

Protest of Slanted News

"I wish to use this opportunity to protest the slanted reporting which appears in the CHRONICLE with particular reference in this case to the front page article of Tuesday, 31 December, entitled "President Hoyte, Moravian Church leaders agree to cooperate."

The substance of the meeting was that Bishop Maynard explained that the Moravian Church extended across international boundaries and news of the search of the Moravian Manse for arms and ammunition created much concern throughout the church; hence his visit to Guyana.

The President explained that Guyana is a country of many religious faiths and therefore his government seeks to establish a secular state with freedom of religion for all. He expressed unhappiness with the "political" actions of a certain religious body and misrepresentation of the facts in relation to an incident which occurred during the recent elections. Further he expressed regret for the search of Moravian premises. He said that instructions had been misunderstood and that he personally instructed that a letter of apology be sent.

The President agreed with the view expressed by Rev. Richmond that church and government should work together for the development of the country and that the church should be free to relate, with objectivity and integrity to matters of a moral, social and spiritual nature.

The Bishop and Rev. Richmond thanked the President for the amount of time he had allowed them and the President said he felt that the discussion was important. The churchmen promised to remember the President in their prayers."

Hoyte Address

FL290336 Bridgetown CANA in English 1954 GMT 28 Jan 86

[Text] Georgetown, 28 Jan (CANA)--President Desmond Hoyte has told Guyanese religious groups to help people improve their material conditions.

Hoyte, whose administration has been at odds with the larger Christian denominations, spoke at a thanksgiving ceremony organised by some religious organisations. They included representatives from the AME, and AME Zion, the Methodist, Unity Centre, and Baptist churches.

Your work must be seen as a manifestation of the things you talk about, Hoyte told the gathering Sunday night.

Indeed the manifestation of the Scriptures I would like you to continue to stretch out the hand of friendship and succour, to continue to help people to improve their material conditions to improve their life here on earth, so they can be better citizens and better members of their church.

Hoyte said that in Guyana there were no major and minor religion, no major Christian church and no minor Christian church. For every church, every denomination, is entitled to the same regard, the same respect, and the same guarantees given by the Guyana constitution.

Hoyte said there was religious freedom in Guyana and challenged anyone to prove otherwise. He said Guyana was a country where the people worship freely, publicly and joyously.

The fact of freedom of religion in Guyana is a living thing, is a visible thing. It needs no advocate and no one can deny that fact here in Guyana.

Hoyte was critical of a three-man team from the opposition Patriotic Coalition for Democracy now in Barbados. He said the team is in the Caribbean, trying to villify Guyana and Guyanese.

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CSO: 3298/307

RELATIONS WITH USSR IN SPOTLIGHT; TRADE MISSION ARRIVES

Basis for Ties

Georgetown GUYANA CHRONICLE in English 17 Dec 85 pp 1, 4-5

[Text]

A FIRM foundation has been set for the deepening of Guyana-USSR relations and it is now necessary to consolidate and expand the existing relationship, Foreign Minister **Rashleigh Jackson** has said.

His view is shared by his Soviet counterpart, **Cde Eduard A. Shevardnadze** who has noted with satisfaction that friendly relations existing between the two countries, have been developing on the basis of non-interference in each other's internal affairs.

Their views were expressed in messages they exchanged marking the fifteenth anniversary of the establishing of diplomatic relations between the two countries.

Guyana and the USSR established diplomatic relations on December 17, 1970.

In his message, **Cde Jackson** said:

Your Excellency,

"December 17, 1985 marks the fifteenth anniversary of the establishment of diplomatic relations between the Co-operative Republic of Guyana and the Union of Soviet Socialist Republics.

"This act, taken just four years after Guyana attained

independence and in the year of her becoming a Republic, was in affirmation of Guyana's declared national policy to develop friendly co-operative relations with all States on the basis of equality and mutual respect. It was an act consistent with our determination to broaden and diversify from the traditional relationships that then existed.

"Relations between Guyana and the Soviet Union have been characterised by mutual commitment of global peace and security, to the principle of non-interference in internal affairs of States, to respect for sovereignty and independence and by a fundamental belief in justice and equality in the development of relations among states. These formed the basis for fifteen years of clear and progressive development in our bilateral relations to our mutual benefit.

"During this period, Guyana and the USSR have signed agreements on trade, on fisheries development and on scientific, technical, cultural and economic co-operation. Many visits have been exchanged at high

levels, including the official visit to the Soviet Union in 1978 by the late President of the Co-operative Republic of Guyana and Founder-Leader of the People's National Congress, Cde L.F.S. Burnham. Such concrete steps have significantly contributed to the deepening of the relationship of friendship and co-operation between our two Republics over the years.

"Thus the decision made fifteen years ago to enter into diplomatic relations has been amply justified by these developments. A firm foundation has therefore been set. It is now necessary to consolidate and expand this relationship.

"It is in this spirit that I wish to convey to Your Excellency congratulations and best wishes on this special occasion and to express the hope that the friendly fraternal relations which so happily exist between our two countries would be further strengthened and developed to the mutual benefit of the peoples of Guyana and the Soviet Union.

"Please accept, Excellency, the assurances of my highest consideration."

And in his message Cde Shevardnadze said:

"Please accept, Comrade Minister, congratulations

and best wishes on the occasion of the 15th anniversary of the establishment of diplomatic relations between the Soviet Union and the Co-operative Republic of Guyana.

"We note with satisfaction that friendly relations have been established and developing between our countries on the basis of the principles of non-interference into internal affairs and mutually beneficial co-operation.

"We in the Soviet Union respect independent foreign policy of Guyana, appreciate its consistent policy to strengthen peace and international security.

"We are confident that co-operation between our countries will be further fruitfully developed in the interests of Soviet and Guyanese peoples, the cause of peace and progress." (GNA)

Mutual Respect

Georgetown GUYANA CHRONICLE in English 19 Dec 85 p 1

[Text]

THE diplomatic relations between Guyana and the Union of Soviet Socialist Republics [USSR] which was established 15 years ago are based on mutual respect and non-interference and a commitment to global peace, stability and security, Minister of Foreign Affairs, Cde Rashleigh Jackson said yesterday.

Speaking at a reception held at Herdmanston House, Lamaha and Peter Rose Streets, Cde Jackson noted that "we in Guyana are appreciative of the fact that since the establishment of diplomatic relations, the bonds of friendship and co-operation between our two republics have been progressively strengthened to the mutual benefit of our people."

The establishment of diplomatic relations between our two countries reflected in a poignant way the intent of the People's National Congress Government to pursue an independent national policy for the young republic, he pointed out.

The Foreign Minister added that Guyana hopes that the solid foundation constructed so carefully over the last 15 years will lead to even stronger ties of friendship, and that co-operation at all levels of bilateral and international endeavours will be enhanced.

"The observation of this 15th anniversary of the establishment of diplomatic relations between Guyana and the Soviet Union is a fitting occasion to renew our commitment to the noble principles which should govern relations

between States, and to the dedication of our energies to the creation of a global environment in which peace and development prevail," he stressed.

In reply, USSR Ambassador to Guyana, Cde Anatoly Ulanov said that "today we can say that friendship, mutual trust and fruitful co-operation are the essence of Soviet-Guyanese relations and we are confident that these relations have a great future."

"Indeed bilateral ties between the USSR and Guyana are broadening and deepening in various fields," he noted, adding that "much has been achieved over these years in the promotion of mutual understanding and co-operation."

The Ambassador said that the late President, Cde Forbes Burnham, was the architect of Soviet-Guyanese relations and in the Soviet Union he is remembered for "how much he did for the development of these relations."

He also praised the efforts of Cde Jackson whom, he said, has contributed to the strengthening of the co-operation between the Ministries of Foreign Affairs of the two countries.

Present at the ceremony were Vice-Presidents Mohamed Shahabuddeen, Ranji Chandisingh and Viola Burnham, Ministers of the Government, senior Government functionaries and USSR Embassy staff and specialist personnel who joined the two representatives in toasts to the further strengthening of Guyana-Soviet relations. [GNA]

Composition of Soviet Delegation

Georgetown GUYANA CHRONICLE in English 15 Jan 86 pp 1, 4

[Text]

A DELEGATION from the USSR is scheduled to arrive in Guyana today to discuss possibilities for the expansion of trade and economic co-operation between Guyana and the USSR.

It is understood that among the range of matters to be discussed during the one-week visit scheduled to end January 23 are the possibilities for co-operation in the expansion of the bauxite industry, co-operation in mineral development and co-operation in health and training and in the utilisation of Soviet expertise here.

It is also understood that the discussions are likely to focus on the possibilities of co-operation between the two countries on a number of projects in the forestry, livestock, energy and rice sectors.

In the case of co-operation in health, areas expected to be addressed include the supplying of equipment for use in an anti-malaria programme, post-graduate training for Guyanese in the Soviet Union and the utilisation of Soviet teaching staff at the recently established Medical Faculty at the University of Guyana.

The main focus during discussions on mineral development is likely to be on the possible re-assessment of the gold reserves at two locations in Guyana's hinterland.

The talks will begin Friday at the boardroom of the Ministry of Trade on Main and Urquhart streets following an opening address by Trade Minister Cde Winston Murray.

The Soviet delegation will be led by Cde Zinoviev Nikolai Vasilyevich, Head of Department, Ministry of Foreign Trade of the USSR. Cde Zinoviev visited Guyana in 1983 when the first contract for deliveries of bauxite by Guyana to the Soviet Union was signed.

Since then, Guyana has acquired helicopters and an aircraft from the USSR and has already shipped some quantities of bauxite to that

country. It is hoped that the discussions on this occasion will result in even more intensive co-operation between the two countries.

Other members of the USSR delegation scheduled to arrive today are:

Cdes. Zinoviev Nikolai Vasilyevich—Head of Department for Trade with Countries of

Americas—Ministry of Foreign Trade of the USSR,

■ Romanchenko Vladimir Alexandrovich—Deputy Head of the 1st Latin American Department, Ministry of Foreign Affairs of the USSR,

■ Borisov Evgeni—Representative of the State Committee for International Economic Co-operation,

■ Goryunov Alexandr Alexandrovich—Deputy Director of "Sovalumini" Firm v/o Raznoimport (Foreign Trade Organisation),

■ Alexeyev Anatoly Konstantinovich—Chief of Central American Section, Department for Trade with Countries of Americas, Ministry of Foreign Trade of the USSR,

■ Puzakov Vladimir Dmitriyevich—Senior Expert of the Department for Trade with Countries of Americas, Ministry of Foreign Trade of the USSR.

They will be joined in Georgetown by:

■ Cdes. A. Ulanov—Ambassador of the USSR to Guyana,

■ F. Loginov—Counsellor, USSR Embassy,

■ A. Abroschenko—Commercial Counsellor, USSR Embassy,

■ K. Sharipkoulou—Acting Economic Counsellor, USSR Embassy,

■ A. Chervontsev—Third Secretary, USSR Embassy, and Cde V. Bogdanov—Senior Economist, USSR Embassy.

The Guyana delegation will include:

■ Cdes. Patrick Mootoo—Permanent Secretary, Ministry of Trade,

■ Donald Abrams—Head, D.I.E.C.,

■ Philip Chan—Guyana Ambassador to USSR,

■ Bernard Crawford—Chairman, BIDCO,

■ Claude Philadelphia—Permanent Secretary, Ministry of Health,

■ M. Parris—Ministry of Foreign Affairs,

■ Grantley Walrond—Commissioner Geology and Mines,

■ Avinash Bhagwandin—Senior Planner, Ministry of Trade,

Cecilia McAlmont—Head of Section, D.I.E.C., and

■ L. Gilkes—Desk Officer D.I.E.C. (GNA)

TUC LEADER CITES HOYTE AS REASON FOR WORKERS' HOPES

Georgetown GUYANA CHRONICLE in English 6 Jan 86 p 1

[Article by George Barclay: "Workers Enter '86 With Mood of Optimism"]

[Text]

WORKERS ... motivated by the feeling that President Desmond Hoyte will attempt new approaches to economic and social problems, have entered 1986 with a mood of optimism that things will begin to take shape for the better.

Guyana's Trades Union Congress General Secretary Joseph Pollydore, who made this observation in his New Year message to workers, has, because of the new optimism, called on trade unions and workers to contribute their maximum towards solving the country's economic and social problems.

He has advised all to "work towards the achievement of a healthy economy so that when the time comes for the trade unions to negotiate for improved employment opportunities and better employment benefits, they will not be constrained by the question frequently asked, that is — 'Where is the money to come from?'"

Secretary Pollydore, whose message was delivered on behalf of the Executive of the T.U.C., noted that although the reality of the situation is that most workers in Guyana have entered 1986 with the same serious economic and social problems that confronted them in 1985, their mood of optimism that things will begin to take

shape for the better during 1986, has never been higher in recent years.

And, according to him, it does not appear that even differing political cleavages among workers will diminish this optimism or their expectations.

He asked — "What is the basis to this new pervasive mood of optimism in the country today?" And he answered: "The simple answer is that it was derived from the feeling that the New President, Cde. Hugh Desmond Hoyte, while adhering to the principles of his Party, from which he is supposed to take guidance, will attempt some new approaches to economic and social

problems. This may well be true, for evidence to this effect begins to unfold as we look at the composition of his new Cabinet."

However, one thing which workers and all Guyanese should not fail to keep in mind, he said, is the fact, that if they are counting on the President to adopt new approaches to economic and social problems, they should also calculate that some of these approaches could be very challenging.

He said that in the light of the prevailing optimism in the country, a change for the better is imminent with respect to the country's economic situation. The only message that he could give is one of encouragement, to the effect that, consistent with our optimism, we must be prepared to cope with all challenges stemming from the President's new approaches.

He exhorted all to spend less time reviewing old events and more time with current events and their possible impact on future planning and development.

Cde. Pollydore advised: "We must not only look forward to the President's new approaches to solve the country's economic and social problems. Perhaps more than ever before, because of this new optimism, trade unions and workers must be prepared to contribute to their maximum towards the objective of solving the country's economic and social problems."

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CSO: 3298/307

GUYANA

PATRIOTIC COALITION SEEKS INDEPENDENT PROBE OF ELECTION

FL291621 Bridgetown CANA in English 0013 GMT 29 Jan 86

[Text] Bridgetown, 28 Jan (CANA)--A visiting delegation representing Guyana's recently formed opposition grouping, the Patriotic Coalition for Democracy (PCD), said tonight it wanted an independent team to investigate the conflicting claims on the conduct of last month's general elections.

The suggestion was among six areas of assistance the group said it required from the citizens of the Caribbean Community.

The PCD, in a press statement issued at the conclusion of a three-day visit, also called for support for the initiative by the Barbados Government to have a human rights treaty for Caricom capable of being enforced by a Caribbean judiciary.

The five-party PCD has claimed that the 9 December elections were rigged--a charge rejected by Guyana President Desmond Hoyte.

The four-man delegation, comprising ex-premier Dr Cheddi Jagan, Eusi Kwayana, Llewellyn John and N.K. Gopaul (representative of some trade unions on the guidance council of the PCD), also raised a number of questions about last Saturday's informal meeting of Hoyte and eastern Caribbean leaders on Mustique on the Guyana political situation.

The Mustique conference is now history, said the PCD, adding that on the assumption that the idea was of Caribbean inspiration, in its mere form it was a creative act of Caribbean diplomacy. Its precise content and outcome, however, would need to be clarified by the organisers.

The PCD said that whatever did take place in Mustique, it does demonstrate that no single member state is bigger than the Caribbean Community. President Hoyte, whatever his insolent rhetoric, was compelled to appear before the very persons he had hitherto called meddlers and foreigners.

Nevertheless, declared the PCD, whose guidance council cuts across the ideological spectrum in Guyana and includes the church and labour movement, after Mustique, the Guyanese people are still left with the discomfort of one political party being bigger than the entire population. The leaders of Caricom still have to act collectively to allay Guyanese anxieties, and to remove the discomfort.

The PCD warned that Caribbean leaders should be extremely careful lest they unwittingly assist President Hoyte and the paramount party in the consolidation of an authoritarian regime of the type we all abhor...in South Africa, Haiti and elsewhere....

According to the PCD, in all Caricom states, except Guyana, the people are free to choose a government of their choice in open and fair election.

In that respect, Caricom leaders, except President Hoyte, are equal. For any of them to declare that rigged and fraudulent elections are better than no elections is to say, the least, cynical and insensitive....

We believe, said the PCD, that as a consequence of the Mustique meeting, and the reception that has been/will be given to the PCD delegation, there is a sound basis for a detailed investigation by a responsible team of Caribbean observers of the conflicting claims relating to the poll of 9 December....

In listing the six areas in which specific assistance is required by governments, institutions and citizens of the Caribbean Community, the PCD outlined:

1. Investigation by an independent team of Caribbean observers into the allegations of electoral fraud in Guyana...most recently on 9 December 1985.
2. Legal assistance and Caribbean observers team to the court trials of the election petitions that have been filed [as received].
3. The immediate holding of local government elections, the last having been in 1970, and new elections promised since December 1980.
4. Recognition of the PCD as a non-governmental organisation (NGO) with consultative status to the Caricom Secretariat, Caricom governments, political parties, trade union groupings and other NGO's.
5. Public assurances by the PNC of an end to harassment, persecution and villification of the churches and their personnel; to political victimisation and discrimination and;
6. A treaty on human rights to which all Caricom member governments would be signatories, and which would be enforceable by a Caribbean judiciary. This has been suggested by Prime Minister St John and is fully supported by the PCD.

In addition to their meeting with St John, the PCD delegation also had meetings with the opposition leader, Errol Barrow, and top officials of regional organisations headquartered in Barbados, including the Caribbean Congress of Labour (CCL), the Caribbean Conference of Churches (CCC) and the Caribbean Association of Industry and Commerce (CAIC).

It also met with the current chairman of the Caribbean Publishing and Broadcasting Association (CPBA), Harold Hoyte, and representatives of the Barbados Christian Council.

The group, which came here from Port-of-Spain, was due to travel to St Lucia, where they are expected to meet with Prime Ministers John Compton on Thursday, and may also go to St Vincent.

GUYANA

HOYTE TO PNC: CARICOM TRADE PRACTICES HURTING GUYANA

FL312206 Bridgetown CANA in English 2022 GMT 31 Jan 86

[Text] Georgetown, 31 Jan (CANA)--President Desmond Hoyte says declines in trade among Caribbean Community (Caricom) countries have intensified to the economic detriment of Guyana.

Hoyte told the General Council of the ruling People's National Congress [PNC] here yesterday that Caricom's economic fate was crucial to Guyana. There has been an intensification of the contraction of inter-regional trade...to the decline in the level of economic activity, he added.

He said protectionist measures had exacerbated the situation further, an apparent reference to the import licensing in Trinidad and Tobago.

As of December last year, the Trinidad and Tobago Government, which bought much of Guyana's rice in payment for fuel supplied to Guyana, ceased to take any further shipments.

Now, while Trinidad and Tobago will still purchase Guyana's rice, it will be at a competitive market price and will be done through that country's national milling company, a government source said.

The source said Guyana would now have to pay Trinidad and Tobago in U.S. dollars for fuel. Guyana purchases all its fuel supplies from Trinidad and Tobago.

Officials of the two governments have agreed to meet to discuss trade and other matters, the source added.

Hoyte listed five areas which he said must receive prompt national attention. He said these were: improving national discipline, protecting and preserving national assets, the need to improve public transport, the performance of some entities in the state enterprise sector, and the high cost of food and other basic items.

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CSO: 3298/307

BRIEFS

HOYTE ON NATIONAL FRONT--At Wednesday's press conference Leader of the People's National Congress and President, Desmond Hoyte, likened the establishment of any national patriotic front government to the establishment of a one-party state. Cde Hoyte said that when people call for a national patriotic front government they are in fact calling for a one-party state. "They say they are opposed to a one-party state and that is precisely what they are advocating," Cde Hoyte said. He said he had no quarrel with someone advocating the establishment of a one-party state since that call represents "a legitimate approach to a political institutionalisation." Mechanisms inherent in a national patriotic front government inevitably constitute a one-party state. A one-party state, Cde. Hoyte said, is not in the best interest of the Guyanese people or the evolution of the political life of the nation. [Text] [Georgetown NEW NATION in English 15 Dec 85 p 8] /8309

WEAPONS ARRESTS--The police have seized a quantity of explosives, a number of shotgun shells, a quantity of shotgun ammunition and one 16-gauge shotgun which were concealed on the premises of a sawmiller on the Corentyne. As a result of this find, three persons have been arrested and charged with four offences, the Commissioner of Police, Balram Raghubir disclosed yesterday. Those charged are Ali Mohamed, sawmiller of Plantation Warren, Abdool Azeez also of Plantation Warren and Clive Hamilton. Mohamed was placed on two charges of unlawful possession of ammunition and unlawful possession of explosives, and Azeez was charged with unlawful possession of a shotgun while Hamilton was charged with larceny of a firearm. They will appear in Court at New Amsterdam today. (GNA) [Text] [Georgetown GUYANA CHRONICLE in English 18 Dec 85 p 1] /8309

CREDIT FROM FIAT--The Permanent Secretary of the Ministry of Trade, Cde Patrick Mootoo and a general representative of Fiat Company Limited of Italy, Mr. Antonio Cosulich de Pecine, yesterday signed a frame agreement for a \$12 million (US) line of credit from Fiat. The credit is to be used specifically for the acquisition of agricultural (including forestry) and mining machinery and equipment in order to boost Guyana's productive and export capabilities in these sectors. Guyanese farmers are already well acquainted with Fiat tractors and Laverda combines which are manufactured by Fiat. The utilisation of this credit will need the specific approval of the Ministry of Trade, the State Planning Secretariat and Bank of Guyana in order to ensure that imports under the line are in accordance with national priorities for increasing production

and exports. The Fiat Company of Italy has also undertaken to provide the necessary training to Guyanese technicians in the proper use and maintenance of all machinery and equipment supplied and, in addition, will provide technical and financial assistance in establishing facilities for the production of certain spare parts locally for the machinery and equipment imported. (GNA) [Text] [Georgetown GUYANA CHRONICLE in English 16 Jan 86 p 1] /8309

IDB DISCUSSIONS--Georgetown, 29 Jan (CANA)--A three-man delegation from the Washington-based Inter-American Development Bank flew out of Guyana yesterday after what a Foreign Ministry official described as fruitful discussions with the government. The official, who preferred not to be identified, said the team was impressed with development projects for which financing by the IDB and the Guyana Government is being considered. An agricultural credit project for which a loan of about 19.5 million U.S. dollars is expected from the IDB, the development of hydropower facilities and rehabilitation of part of the Georgetown Hospital and the Georgetown water and sewerage system were among the items discussed. The development of the dairy industry, upgrading of port facilities and the strengthening of the primary education system were also discussed. Follow-up missions from the IDB are expected. [Text] [Bridgetown CANA in English 2212 GMT 29 Jan 86 FL] /8309

TRADE MISSION--Georgetown, 2 Feb (CANA)--A government mission led by Trade Minister Winston Murray was leaving here today for a series of visits aimed at beefing up trade between the South American republic and other Caribbean Community (Caricom) member countries. The mission will visit Barbados, Trinidad and Tobago, Grenada, St Vincent and the Grenadines, St Christopher and Nevis, Dominica and St Lucia. Visits to other Caricom states, including Jamaica, will be made at a later date, government officials said. A Ministry of Trade statement said the mission is in keeping with the undertaking given by President Desmond Hoyte during the recent informal meeting of some Caricom heads of government. President Hoyte told the media here on his return from the Mustique meeting that some interest had been shown in purchasing sugar, rice and lumber from Guyana. Accompanying Murray are Mike Brassington, chairman of the President's Advisory Committee on the Private Sector; Darlene Harris, economic adviser to the president; Rudolph Insanally, high commissioner to the Eastern Caribbean; and Avinash Bhagwandin, senior planner in the Ministry of Trade. [Text] [Bridgetown CANA in English 2305 GMT 2 Feb 86 FL] /8309

RELATIONS WITH FINLAND--Georgetown, 31 Jan (CANA)--Finland and Guyana have established diplomatic relations at ambassadorial level, it was officially announced here. The Finnish ambassador to Guyana, Pekka Korvenheimo, yesterday presented his credentials to Vice President Dr Mohamed Shahabuddeen in Georgetown. [Text] [Bridgetown CANA in English 1518 GMT 31 Jan 86 FL] /8309

CSO: 3298/307

COMMENT, REPORTAGE ON SEAGA TAX MEASURES CONTINUE

Text of Seaga Statement

Kingston THE SUNDAY GLEANER in English 12 Jan 86 pp 10, 23

[Text]

Prime Minister Edward Seaga, Minister of Finance, outlined new taxation measures, embodying reform proposals as well as new imposts, in the House of Representatives last Tuesday.

The text of his ministerial statement giving an overview of the three Ministry Papers which detail the taxation provisions is presented herewith:

“MR. Speaker, three Ministry Papers are being tabled today dealing with tax matters. The first concerns a tax package which forms a substantial part of the new revenues to be raised for the next financial year 1986-87; the second introduces a

brand new procedure for the importation of goods which will improve both revenue and foreign exchange collections:

The third is the final report on tax reform as prepared by the Tax Reform (successor) Committee appointed by me to review the complaints and recommendations made by the public consequent on the proposals for tax made by the Committee after examining the Green Paper tabled by Government.

I propose to expand on each of these Ministry Papers in order as set out above.

It will be recalled that at the time of the presentation of the budget in mid-last year, I indicated that there were three further adjustments in the medium term, to ensure that the economic recovery is completed, these are:

- (1) Reduction of expenditure by 2% of G.D.P. or \$258 million.
- (2) No more slippage of bauxite/alumina earnings;

- (3) One more major tax package for 1986/87.

As indicated, budgetary expenditure would have to be reduced by \$258 million for the full financial year 1986-87. This entailed severe cuts in the level of staffing of the public service and other areas of expenditure.

This was the most painful area of adjustment which the Government has had to undertake because of the redundancies and cut-back in services involved. We trust those public officials whose services were unfortunately terminated are using their redundancy payments wisely to start new lives for themselves.

The greater part of this programme of expenditure cuts has been completed; the balance will be implemented soon, mostly to take effect in January.

The programme of expenditure cuts when completed will have the effect of reducing expenditure in the full financial year 1986-87, commencing April 1st, 1986, by \$253 million, or virtually the targeted level.

Stability

The requirement for stability in bauxite/alumina earnings should be well understood. Since 1980, these earnings have been reduced by US\$1700 million or J\$9300 million, as compared with the level of earnings that would have materialised had there been no world recession over

the past few years. Unfortunately, the market has still not stabilised and this has resulted in a further projected reduction of earnings from this vital sector of the economy of US\$51 million in this financial year.

In order to compensate for this further reduction a significant part of the tax package, which would normally be introduced later in the year, has to be brought forward for introduction now. This package totals \$73.5 million, the details of which are set out in the relevant Ministry Paper tabled today. It should be observed, however, that, with the exception of beer and cigarettes and rum, and to some extent telephone calls, it avoids any increase of revenue from consumer goods and to that extent price increases in this sensitive area.

The Ministry Paper explains the concept behind the new motor vehicle licensing system which will sell to motor vehicle owners a set of new licence plates for \$250 which will be theirs for life, transferring from vehicle to vehicle as the owner changes vehicles throughout his lifetime. This feature is expected to assist considerably in the reduction of various illegal activities involving motor vehicles.

Colour plates

What is more, by the use of different colour plates for government vehicles, rental cars, public passenger vehicles, etc., detection will be much easier in the determination of unauthorised uses of vehicles. A certificate of ownership will be part of this new system, much like a registered title, and again, this will greatly assist in stemming the practice of transfers of use of vehicles without transfer of ownership.

The new system is to be introduced by March of this year. The new licence plates have already been produced, the new certificate of ownership is near completion, and amendments to the legislation are being finalised.

As regards television dish antennae, an annual licence fee of \$2,000 will be imposed. This measure represents the first step towards the identification of these devices and the examination of the problems associated with their uses in contravention of the Copyright Law. A differential licence fee will be charged on dishes

installed in places of pleasure or in multi-residential buildings.

The other unusual feature of the tax package is the removal of certain exemption from taxes and duties enjoyed by a number of public enterprises and statutory corporations to bring them on the same taxable level of operation as their counterparts in the private sector.

Implications

This list, for the time being, omits those entities which are not yet in a position to bear the additional expenditure without further affecting the rates charged for their services. Among the list of entities which are not to be brought in this new regime at this time because of the implications for rate increases are the Jamaica Public Service Company and the National Water Commission which will continue to be exempt from payments or import duties.

The new arrangement is that twenty government entities have been identified and will be required to pay Consumption, Stamp and Customs Duties on imports and all other taxes from which they were previously exempted.

It is estimated that for the period January to March, 1986, these twenty companies will pay duties and taxes to the amount of \$18 million.

Let me turn now, Mr. Speaker, to the new procedures for importing goods to improve both revenue and foreign exchange collections.

The new system will provide for inspection of all shipments of goods in excess of US\$5,000 value at the point of origin, so as to ensure that the contents are exactly as invoiced and the prices listed on the invoice are neither too high nor too low.

It is well recognised that both the under-invoicing of imports to escape import duties, and the over-invoicing as a means of illegally exporting foreign exchange are wide-spread practices in Jamaica which impact on both revenue and foreign exchange collections.

Pre-shipment inspection

The new system of pre-shipment inspection is well established in many countries of the world and Govern-

ment has contracted the services of Societe Generale de Surveillance S.A. (SGS), the leader in the field, a Swiss company which operates in more than 140 countries, through 132 affiliated companies.

The details of the new procedure, which becomes applicable to all import orders made on or after January 27th, requires importers to advise the Revenue Board of their intention to import. S.G.S. will be notified by telex immediately and will arrange with the supplier to be present at the time of packaging to inspect the goods. As S.G.S. operates through 132 affiliate companies around the world in 140 countries, no delays in shipment will result from these new arrangements.

The success of S.G.S. in improving the revenue and foreign exchange collections is well established in the countries in which they operate. Improvements range from 10%-15% of the value of imports. For this service SGS will be paid a fee of 1% and will submit monthly reports on the inspections and the savings generated.

It is necessary to repeat that no imports of a value exceeding US\$5,000, unless otherwise exempted, will be permitted into Jamaica in respect of goods ordered, on or after January 27th, except for emergencies, without a certificate from SGS indicating a clean report of findings which establishes that an inspection has been carried out and pricing and quantity checks have been done, and any adjustments required made.

Exemptions

Indeed, in many countries in which SGS operates, there are often savings to importers who are genuinely over-charged because of lack of information on comparable prices.

The details are spelled out in the relevant Ministry Paper.

As not all imports are subject to this procedure, a list of exemptions is also published in the Ministry Paper.

Finally, I turn to the report of the Tax Reform (successor) Committee which has now reported on the hearings and discussions held in December based on public comments concerning the original proposals submitted by the Committee and tabled in Parliament by me.

The Committee was charged by me to consider all comments and to report to me by the first week of January. This the committee has done.

The Ministry Paper relevant to this matter, sets out those proposals now made by the Committee which differ from previous proposals.

I set out below these new proposals:

- (1) The exemption limit of income tax is now set at \$10,000 instead of the original \$7,500 proposed and the flat rate of tax lowered from 35 cents in the dollar to 33 cents.
- (2) Deposit interest which is to be taxed to pay for the cost of the tax reforms, some \$200 million, should be taxed at a rate of 33 cents instead of 35 cents.
- (3) All persons over 60 years should be exempt from tax on the first \$15,000 of income.
- (4) The existing tax free lump sum maximum payment of \$15,000 out of an approved Superannuation Fund should be increased to \$100,000.
- (5) Payroll deduction other than for Income Tax, that is for N.I.S., N.H.T., etc., should be fixed at the amounts payable as at 31st December, 1985, until the consolidated rates are established.
- (6) Guidelines for perquisites and allowances have been proposed to deal with the questions which will arise as a result of the recommendation

that all allowances should be taxable except those wholly and exclusively incurred in earning the income.

It must be borne in mind that while allowances will now be taxed, the rate of taxation on taxable income is to be considerably reduced.

- (7) To deal with the problem which is expected to arise as a result of pensions being calculated on a base of salary plus allowances as proposed, as against salary alone, and the drain which this would entail on pension funds, it is proposed by the committee that any make-up contributions to the pension fund now required, should be allowed as an expense, provided the total amount of employer/employee annual contribution does not exceed 20% of the employees remuneration.

The inescapable result of the tax reform proposals is that some tax payers who have in the past abused the system by taking too much of their emoluments in allowances which were treated as non-taxable, will now be required to pay more. Those on the other hand, and they constitute the great majority, who did not abuse the system will pay less tax in the future. This group includes the employees of Central Government and the savings realisable range from hundreds to thousands of dollars per annum.

If we are to have tax reforms to lower the rates of income tax from the second highest in the world, 57½% at \$14,000, to 33% or 35% to put motivation back into work, then it goes without question that a mi-

nority of taxpayers will pay more although the great majority will benefit.

The report of the Tax Reform (successor) Committee has been tabled. A minority report prepared by three members of the Committee dealing with some aspects of the treatment of allowances and only recently received will be tabled at a later date.

Major steps

The membership of the Tax Reform Committee includes representatives of the private sector organisation of Jamaica, the Trade Unions, the Jamaica Bankers Association, the Jamaica Bar Association, the Institute of Chartered Accountants of Jamaica, and the Jamaica Tax and Ratepayers Association.

Full representation of all interest groups was, therefore, accommodated in the Committee chaired by Dr. A. Z. Preston, Vice-Chancellor of the University of the West Indies.

The Government is presently studying this report by the Committee and its recommendations and will make its decisions known in this month.

The three Ministry Papers which I have just outlined are major steps in the improvement of tax collections and the taxation system. They will decidedly advance the ability of the economy to recover from the harsh impact of the enormous reduction in bauxite revenue, to restore growth in the economy and maintain stability."

Carl Stone Critique

Kingston THE DAILY GLEANER in English 13 Jan 86 p 8

[Article by Carl Stone]

[Text]

Whatever he might have intended to say, it was just as well that the Prime Minister did not deliver a New Year's message to the nation. Had he done so, its

impact would have been entirely blown away by the tax bomb he detonated in Parliament on Tuesday, January 7.

I went about my business

around the city on Wednesday morning from downtown to Maxfield Avenue and to Half Way Tree and New Kingston. Wherever there was conversation overheard it was directing angry and unquotable four-letter words at Mr. Seaga and his tax bomb.

It was bad enough that many below the top 20% of households could not buy the usual basket of goods for Christmas. It was bad enough that many among the bottom 40% had problems feeding themselves as they are accustomed to during Xmas festivities.

But for Jamaicans to come through that wondering about 1986 and to be hit with this tax bomb so early in the year without even a warning must place Mr. Seaga's personal popularity on par with the crazy gas balloon crew that almost blew up Tropical Plaza and wiped out and maimed so many innocent bystanders.

Whether he realises it or not the pain his bomb has left behind is probably more severe than that which followed the gas balloon hydrogen bomb in Half-Way Tree.

Quite apart from the tax increase itself, there is something essentially untidy about how Mr. Seaga's government has approached tax matters.

Cunning game

Tax reform measures, for example, are put before the country in bits and pieces as if someone somewhere is playing a cunning game of keeping us away from seeing the entire package. Income tax measures were put forward but what of indirect taxes which are also slated for tax reform?

But how untidy it is to be increasing indirect taxes as Mr. Seaga has now done while reform of those taxes are on the agenda for treatment by the tax reform committee.

Is it any wonder that most persons who have followed these tax measures are convinced that it is a three-card trick to give back 20 cents with the right hand and collect 20 dollars more taxes with the left hand?

Why could we not be presented with the entire package so that we could judge and evaluate its likely overall net effect on various income groups of tax payers?

For yet another year Mr. Seaga is committing himself to the untidy procedure of increasing taxes before the close of a financial year and in the absence of an adequate review of the overall fiscal situation. It's almost like a landlord who arbitrarily increases your rent and comes to collect it half way through the month, before the rent is due.

Crude

Mr. Seaga has done this once too often. It's high time to take him to task for so doing. I hope that he does not do what he did last time by going to Parliament crowing about no tax increases in the budget when he will have made certain to collect the extra taxes he needs before the end of the financial year.

The way he did it this time was exceedingly crude. There was very little in the way of explanation and no sooner than he dropped the bomb he departed for Washington leaving some of us with the feeling that he feels he is more accountable to the power brokers in Washington than to the people here who voted him into power and who are being asked to carry a heavier tax burden.

Given the mood of the country, the least we expected was a comprehensive explanation of all the various factors that make this huge tax increase necessary so that painful though it might be, the more rational of us could try to make sense of it and even bear the pain with a sense of purpose.

The tax bomb was felt in every class as evident from its reach from white rum drinkers in the ghetto and rural rum shops to dish watchers in their palatial residences. None shall escape, appeared to be Mr. Seaga's watchword.

Filling the gap

No one can accuse him of protecting his friends and backers within the top 10% of wealthy and well-to-do households. The latter will in-

stead accuse him of behaving like Michael Manley by punishing them for being able to afford a dish. But grumble though they will, his tax bomb will hardly change the fact that 7 out of every upper St. Andrew middle class and upper middle class persons who are likely to vote next time will give Mr. Seaga the nod over Mr. Manley.

We were told that the tax is designed to fill the gap that will be left from the shortfall in bauxite revenue. Having carried out the incredible task of reducing our huge 17% budget deficit to some 7%, the government clearly does not wish to risk it rising again and earn the wrath of the IMF because of shortfalls in bauxite revenue.

My suspicion is that the policy rationale goes much deeper. In spite of all the austerity measures introduced so far the pressures on the dollar remain severe and the demand for imports is still higher than we can service from earnings. Increased taxes are being used here partly to cut consumption expenditure while increasing revenue intake at the same time. What will be interesting to see is how much of a trade-off occurs between these two objectives. Some consumption levels will fall due to the taxes but some will not fall. The overall tax take might turn out to be far less than the government hoped for as the tax bomb might have amputated vital buying power organs to a point where 1986 might begin to see a more precipitous fall in consumption than we experienced in 1985. But the government gains whichever objective comes out ahead.

Political issues

There are some political issues that ought to bother our Prime Minister. Whatever motivational positives he had hoped for from the income tax reform by adjusting those rates downwards have been blown away by his new year tax bomb. Secondly, the general feeling among most tax payers is that tax collection is rising rapidly but the services we get for them are deteriorating or are being cut back in so many areas.

Thirdly, specific tax measures

such as the licence plate insanity and dish tax strike many people who are affected by them as either being patently absurd, or punitive or beyond the bounds of the constitution. Fourthly, how long can a government keep increasing the tax burden in a period when an economy is shrinking? Will this not end up reinforcing the motivation to continue tax evasion and tax dodging on an even bigger scale when it was hoped that tax reform would reduce this problem? Fifthly, has Mr. Seaga's new year tax bomb not lined up most citizens behind the irresponsible fat cats who are determined to resist carrying their fair share of tax responsibilities? Finally can a government hope to motivate a people to

produce and expand productive activity when many come to believe that the tax system is viciously punitive?

Mr. Seaga and Jamaica have a problem. Given the drop in bauxite revenue and the huge debt servicing burden we carry which consumes some 42 cents out of every dollar spent by the government, if the deficit is to stay down, we have to pay more taxes. But should we not be debating whether a less stringent deficit reduction policy make more sense and how far taxes such as these can really reduce imports? How long can austerity be sustained without shifting back to efforts to reflate and

restimulate an economy? Can an apparently indefinite and constantly increasing climate of austerity not by itself generate such negatives that an economy ends up strangled and choked of any motivation to grow?

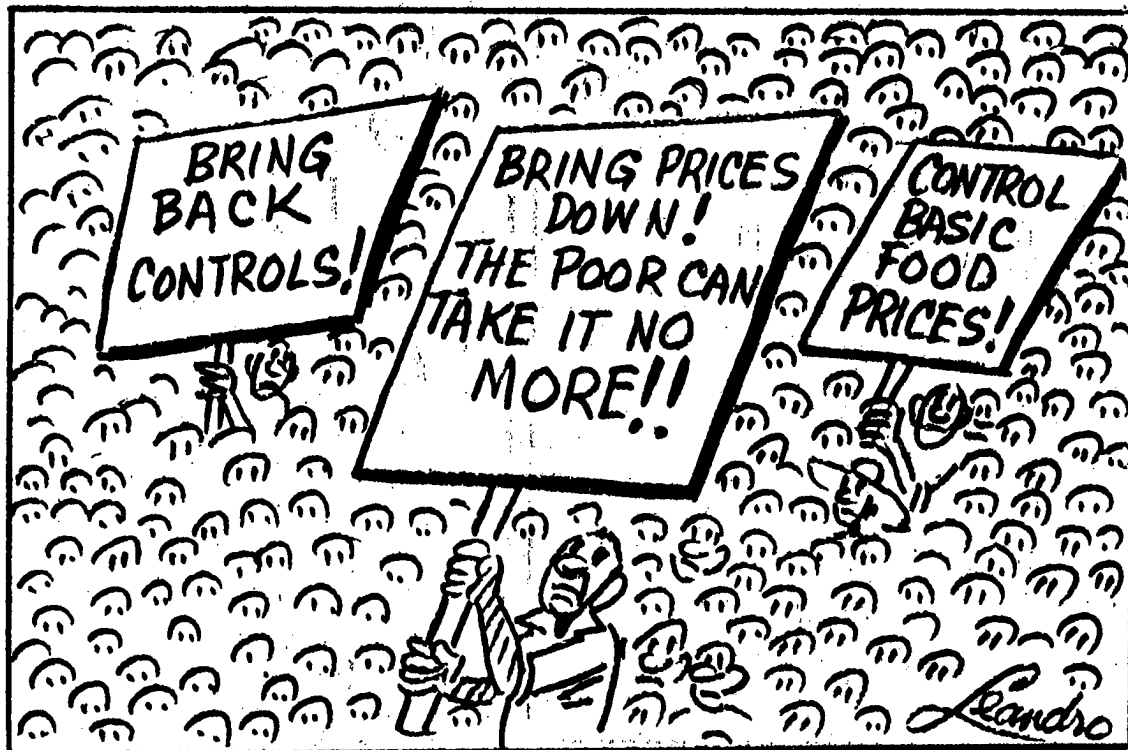
Beyond all this, there is a fear that even bigger tax measures in the form of more sales and consumption taxes are yet to come. Where will it all end? It's just as well that Mr. Seaga had no New Year message.

The least we could have hoped for was full treatment of the issues. After all Mr. Seaga ought to be more accountable to us than to Washington and my information is that they get full explanations. So why can't we?

Impact on Poor

Kingston THE DAILY GLEANER in English 13 Jan 86 p 8

[Cartoon]



GLEANER Assessment

Kingston THE DAILY GLEANER in English 13 Jan 86 p 8

[Editorial]

[Text]

Undoubtedly the continuing contraction in bauxite-alumina production, which fell in 1985 by a further 30 percent, has sharply reduced the Government's scope for holding the fiscal deficit to its target, hence the case for the additional tax measures announced last week. But the Government's argument that the additional revenue being sought was required to reduce the Budget deficit runs counter to the Planning Institute's which, in a review of 1985, noted that the plan to reduce the deficit to 6.4 percent of Gross Domestic Product was on target. Or could it be that even that rate of adjustment does not meet the IMF prescription? In the absence of any clear statement on the IMF programme the public is left to speculate.

The public, however, must know that the full extent of the tax package for the 1986-87 fiscal year is yet to come. The \$73.5 million additional revenue to be mobilised over the remaining three months of the current fiscal year, as Prime Minister Seaga told the House of Representatives last Tuesday, represents just a part

of the measures expected in the new fiscal year beginning in April.

Using the figures published by the Bank of Jamaica, it appears that while Government revenue has increased appreciably there was still a problem with controlling the deficit. In the first six months of the 1985-86 fiscal year to September 1985, total revenue intake to Government was 18.2 percent up on the inflows for the corresponding six months of the 1984-85 period, but with public sector spending rising by over 20 percent, there was a widening of the deficit. From \$395 million for the six months to September 1984, the deficit rose by over 25 percent to \$496 million at September 1985.

With inflation, and the exchange rate factor, the cost of Government has escalated notwithstanding the trimming of some areas of Government services. If the Government had chosen to increase the national debt further so as to finance the deficit, taxpayers would ultimately be called on to pay for it. So while there may have been a postponement, at a higher cost, there could be no escape. However,

the public feels that directly, and indirectly, it has been overtaxed which is one reason the Government has before it proposals for a reform of the tax structure. Furthermore, the public is also turned off by the fact that the returns for the larger amount of taxes being paid are not entirely evident.

To many, the severity of the tax package has come as a surprise, presumably because in the proposed broadening of the country's tax base, including the abandonment of perquisites, the level of revenue intake is expected to rise. The new taxes, as we stated editorially on Friday last, will be seen, rightly or wrongly, as a craving by the Government to extract as much as possible, cutting deep into consumption levels with little regard for the social implications. The Government, however, makes no pretence about the need to carry forward the tax imposts into this financial year. With the value of income cut drastically by the weakness of the local dollar, consumers are being asked to draw the belt even tighter.

Poll Findings

Kingston THE DAILY GLEANER in English 14 Jan 86 p 3

[Text]

The December 1985 Stone Poll was carried out by Professor Carl Stone under the sponsorship of the Daily Gleaner's management over the period December 18-21, 1985.

The sample includes 1,000 persons selected from 44 areas and communities islandwide.

The estimated total sample error (including field and sampling error) is + or -3%.

The survey was carried out by 22 interviewers.

The haste with which the tax reform proposals

have been formulated and commented on has left inadequate time for the important details to be digested and understood by the public.

The December Stone Poll found that only 26% of the persons interviewed islandwide could identify any of the main tax reform proposals.

Among those able to say what the tax proposals were dealing with, 17% were opposed to the reforms and 9% were in favour.

Those who agreed with the proposals gave the following main reasons: the

overall tax burden will increase, tax credits should not be removed, the non-taxed ceiling is too low, Government is not telling us the truth about the tax proposals and the likely effects, some will pay less but most will pay more taxes.

Those who favoured the proposals emphasised the easing of the tax burden on PAYE contributors and the effort to collect more taxes from the rich.

The climate of opinion among the more informed sub-sector of public opinion is not favourably disposed towards the reform proposals. 7

QUESTION:

Have you heard about the proposed tax reform the government is considering? If yes, what would you say are the main tax proposals? Do you support the main tax proposals?

ANSWERS:

Unable to say what are the main tax proposals	(74%)
Informed and supporting the proposals	(9%)
Informed but opposed to the proposals	(17%)

TOMORROW: Reaction to the Mormons

Manley Comment

Kingston THE DAILY GLEANER in English 14 Jan 86 pp 1, 3

[Text]

PNP president Michael Manley yesterday accused the Government of lying to justify the recent tax increases. He told a news conference at his party's headquarters that the party was protesting against both the new taxation measures and "the lie which is being used to justify it."

In a statement yesterday on behalf of the party Mr. Manley said that the country's economy had never been in a worse state: the projected decline in gross domestic product (GDP) of 4%-5% in 1985 did not tell half the picture; the ad hoc nature of government policies gave no cause for optimism in any sector and there was every reason to believe that 1986 would be worse as the foreign exchange situation worsened and production continued to fall.

"If there is a shred of decency and principle left in the conscience of this government, it must accept that it should resign as soon as the current boundaries exercise is completed and let the people decide how and by whom they wish the country to be run for the next few years."

He said that exactly seven months ago, the Government imposed additional stamp duties of 10% on raw materials, 20% on capital goods and 30% on consumer goods to raise \$283 million in revenue for 1985.

At the time, the Government said that the tax package was necessary to offset the "substantial fall-out in the bauxite levy". On June 6, Mr. Seaga had said in the House of Representatives that there would be no need for further taxation to finance expenditure for the financial year 1985/86.

However, within seven months, a new package of \$73.5 million was being imposed on a people who were "crying out for relief," and was being "excused" on the grounds that it was made necessary by the fall in the bauxite levy: "The PNP protests both the taxation and the lie which is being used to justify it."

Mr. Manley said that the real reason why the Government could not finance the budget, was because "they will not level with the country and tell the people the truth about the huge import bill which is causing a massive deficit in our annual trade, running at more than J\$2,500 million a year; that is, over US\$500 million a year."

"Because of this vast haemorrhage of foreign exchange that has taken place every year since 1981 and which got even worse in 1985, the Government is having to borrow vast sums of money. As it borrows, we go deeper and deeper into debt. In the first half of 1985, it took 46% of our national budget to service our debt. That is the real reason why the teachers cannot be paid."

"Furthermore, as the auction system has driven us deeper and deeper into devaluation beyond anything that we need to make our exports competitive, it has vastly increased the amount of Jamaican dollars that have to be found in our budget to keep up with interest and sinking fund. That is the real

reason why the government has to crush the people even further with this new tax package."

"In terms of the specifics of the tax package, these will obviously contribute to a further decrease in real demand as consumers are squeezed from every angle. The additional tax on liquor, cigarettes and aerated drinks will undoubtedly lead to further decreases in sales."

"The sale of new registration plates must also be seen for what it is — a thinly disguised measure to extract an additional \$18 million from the motoring public, following right on the heels of increase in licensing fees and for drivers' licences."

"Again, all these new taxes will combine to contribute to an overall reduction in demand for goods and services in the economy as there is just no further fat or muscle to be cut from the budget of the average household. We are down to the bone."

In other reaction yesterday the National Workers Union said the tax package was a threat to the survival of the poor.

/9274

CSO: 3298/300

JLP EXECUTIVE ELECTS OFFICERS; SEAGA COMMENTS ON LOCAL GOVERNMENT

Kingston THE DAILY GLEANER in English 13 Jan 86 p 1

[Text]

Kingston and St. Andrew Corporation (KSAC) Council will be included in the Local Government elections to be held by July 31 this year.

This was stated yesterday by JLP leader, Prime Minister Edward Seaga, at the first meeting of the Central Executive of the Jamaica Labour Party since the annual party conference last November.

The KSAC Council, on which Local Government representatives for Kingston and St. Andrew sit, was dissolved by the Government on October 18, 1984 for "gross mismanagement" and "financial irresponsibility".

It was said at that time that the dissolution was for a period of two years, prompting speculation that any Local Government elections held before October this year would exclude the KSAC Council and involve elections for only the 12 rural Parish Councils.

At the JLP Central Executive meeting yesterday, officers of the party to serve for this year were elected. They are:

Chairman, Hon. Bruce Golding; Deputy Chairman, Hon. Errol Anderson; General Secretary, Mr. Ryan Peralto; three Deputy General Secretaries — Hon. Dr. Kenneth Baugh, Hon. Dr. Mavis Gilmour, and Hon. Karl Samuda; Treasurer, St. Clair Shirley; and Deputy Treasurer, Hon. J.A.G. Smith.

All the officials were elected unopposed.

The Deputy Chairman, Hon. Errol Anderson, has been elected to this post for the first time, replacing the Hon. Alva Ross, who is the Speaker of the House of Representatives — a post which is usually divorced from political party position, a JLP news release stated.

The other new holder of a position in the party hierarchy is the Hon. Dr. Ken Baugh who was elected a Deputy General Secretary, replacing Hon. Errol Anderson who was made Deputy Chairman.

At the annual conference in November 1985 party leader, Rt. Hon. Edward Seaga, and the four deputy leaders, Hon. Enid Bennett, Hon. Dr. Peralto, Hon. Broderick, Hon. Parnell Charles, and Hon. Neville Lewis, as well as the three trustees — Lady Bustamante, Miss Edith Nelson and Mr. Lynden Newland — were re-elected unopposed.

The Central Executive welcomed the party leader, Mr. Seaga, who returned to office recently after a brief illness.

The Central Executive also endorsed the Government's policies which it said had led to the stability of the rate of exchange and a "positive outlook" for the future islandwide, the JLP news release said.

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CSO: 3298/300

TRADE GAP CONTINUED TO WIDEN UP TO OCTOBER 1985

Kingston THE DAILY GLEANER in English 14 Jan 86 pp 1, 3

[Text]

The Adverse Trade Balance deteriorated by US\$96.4 million for the ten months ending October 1985, compared with that of 1984. For the ten months of 1985 the trade deficit amounted to US\$475.2 million compared with US\$378.8 million in the same period of 1984.

Although imports decreased by 2.3 percent to US\$970.7 million for the period the trade deficit worsened as a result of the substantial fall-off in total exports. For the ten months total exports declined by US\$119.5 million to amount to US\$495.5 million, a fall of 19.4 percent.

This information is contained in the October 1985 External Trade Statistical Bulletin published by the Statistical Institute of Jamaica.

Importation figures for the categories "Consumer Goods, Raw materials" and "Capital Goods" for January to October 1984 and 1985, reflected an increase as well as decreases. "Capital goods" with imports valuing US\$252.3 million showed a 6.6% increase over the January to October 1984 value. The increase of

US\$14.8 million in "Transport Equipment" for January to October 1985, as against that for the same period in 1984 was primarily responsible for the increase in this category. For the category "Raw Materials" importation figures reflected a decrease of 5.3% — the value for January to October 1985 being US\$587.9 million as compared to US\$621.1 million for the January to October 1984 period. All sub-categories except fuel (which increased by US\$15.5 million) registered declines. "Consumer Good" imports for the period amounted to US\$130.4 million, US\$5.6 million less than the comparative figure of 1984.

The main contributors to the decline of 28.6% in the export of Traditional goods over the January to October 1985 period was Bauxite and Alumina. Non-traditional exports registered a 6.3% increase over this period.

For the month of October Imports were valued at US\$81.9 million while exports for the same month totalled US\$39.5 million.

Trade with the Caricom region maintained its declining trend. Imports for the period January to October 1985 were valued at US\$29.1 million a decline of US\$3.5 million over the comparative 1984 period. Exports for January to October 1985 totalled US\$43.6 million a 33.2% decline.

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CSO: 3298/300

IMPACT OF TEACHERS' DEMANDS, STRIKE ASSESSED

Teachers', Union Views

Kingston THE DAILY GLEANER in English 15 Jan 86 pp 1, 16

[Excerpts]

The problems in the country's education system escalated yesterday with most of the island's public schools closed for the second consecutive day as teachers continued their protest action for increased wages and fringe benefits.

Members of the teaching profession are fighting for an 80 per cent increase in their salaries, while the Government has offered 12½ per cent. The teachers have rejected this offer and this new round of protest action is an effort to persuade the Government to increase its offer.

More than half of the Corporate Area's schools dismissed classes after the first session yesterday and those operating shifts suspended the afternoon shift.

It is understood that 50 per cent of the teachers are on casual leave which began Monday and continued yesterday. The other 50 per are expected to take their casual leave today and tomorrow.

Secretary of Administration of the JTA, Mrs. Pat Robinson, told the *Gleaner* "We expect that the disruption of the education system will highlight that the teachers are dissatisfied with Government's handling of the matter. Teachers are prepared to do whatever is necessary for however long to get a decent salary. The school system should remain shut down for the rest of the week."

Mrs. Robinson in giving a breakdown of the teachers current salaries pointed out that a trained teacher received a starting salary \$10,860 per

annum, trained graduate teacher with honours \$14,286 per annum, while a graduate teacher without honours received \$13,446 per annum.

She said that a pre-trained teacher with five GCE 'O' Level subjects or 6 JSC subjects without any other formal training received \$7,720 per annum. Mrs. Robinson said that the highest salary that a principal could get outside of a teachers college was \$20,268 per annum.

The *Gleaner* spoke with several teachers yesterday and the majority of them said that they had to beg

Several organizations have expressed support for the teachers. These organizations included the Nurses Association of Jamaica (NAJ), the Jamaica Tax and Rate Payers Association, the Workers Party of Jamaica (WPJ) and the National Workers Union (NWU).

The NAJ in a release called on the Government to immediately resolve the teachers issue in the interest of the nation in general and education in particular.

The NWU expressed solidarity with the Executive of the JTA and its membership "in their struggle for fair play and justice from the Government" over the question of their claim for adequate improvement in

wages and fringe benefits.

According to the union, the teachers should continue with their efforts for better working conditions, improvement in the educational system and salaries "which will improve their standard of living at a level commensurate with the importance of their profession".

The NWU said that the Government could no longer treat the teachers with disrespect at the expense of the future development of the nation. The union said it was clear that the Government and specifically the Minister of Education "is insensitive and unsympathetic to the important role the teachers provide in nation building" and "we hereby call for the resignation of the Minister...."

The WPJ said that the party supports "the mass action of the nation's teachers", and urged them "to begin even from now to prepare their next move to get the Government to budge from its illogical and indefensible position."

Kingston THE DAILY GLEANER in English 15 Jan 86 pp 1, 3

[Text]

ONLY BY FURTHER MASSIVE LAY-OFFS in the public sector, including teachers, could the claims made on the Government by the Jamaica Teachers' Association for improvements in salaries and fringe benefits be met, the Minister of the Public Service, the Hon. Errol Anderson told the House of Representatives yesterday.

Mr. Anderson, who was reacting in a statement to the House to the current industrial action by state-paid teachers, said that an acceptance of the JTA's claim would result in nearly half of the funds for public sector salaries being paid to teachers alone.

He said that he would be presenting additional information concerning Government's offer to the JTA, in a nationwide broadcast tomorrow evening.

A full acceptance of the JTA's claims would mean an annual wage bill for teachers of \$472 million, and the significance of the amount would be appreciated when it was noted that the wage bill for the entire public sector, including Central and Local Governments, Police, Army and Teachers, was presently \$1,061 million.

He said that it was a matter of deep regret that after so many months of careful, often cordial negotiations, the JTA should have opted for the path of confrontation.

"It should be noted," Mr. Anderson said, "that in an effort to maintain dialogue and a spirit of give-and-take, the Ministry of the Public Service has studiously refrained from issuing press releases and statements designed to make the process of negotiation more difficult.

"Government recognises that because of the very low increases granted to teachers during the 1970s that that sector is receiving now lower than desirable earnings. I am not to blame for that. Government would like to redress this situation, but this will have to be done over a period of time. Government feels that the pay package offered to teachers is a substantial movement in that direction, amounting to between 35 per cent and to an amount in excess of 50 per cent. In addition, a further increase will be negotiated to take effect in April, 1987.

"It needs to be stated unequivocally, that such temporary difficulties as may exist between the Government and the teaching profession in regard to emoluments do not represent any lessening of the high regard which the government continues to have for teachers.

"This government recognises the critical role that the teacher plays in the society and we are committed to taking all possible measures, given our present financial constraints, to improve the condition of teachers throughout Jamaica and to strengthen the education system in general."

Mr. Anderson said that in an effort to improve the value of the Government's offer of 10 per cent from April, 1985 with another 10 per cent from April, 1986, the Ministry offered an increase of 12½ per cent from July 1985 with a further 10 per cent from April, 1986. This was an improved offer over the contract period.

"Following on further discussions, in an effort to maximise the income of the teachers, an improved offer of 12½ per cent from April 1985, which represents 15 per cent from July 1985 with a further 10

per cent from April, 1986, was made to trained and pre-trained teachers. I must point out that approximately 80 per cent of teachers fall within this category.

"At the same time, a number of allowances were significantly addressed such as protective clothing, housing, shifts for principals, responsibility remuneration and increases in travelling were approved, in some instances (representing) over 100 per cent for principals, with vice-principals being for the first time offered travelling allowance of \$4,288 per annum.

"Furthermore, it was with groups such as teachers particularly in mind that the Government undertook its reform of taxation, so as to relieve the burden of revenue from the P.A.Y.E. group, and as far as possible insisting that the entire community make its contribution to the revenue.

"As a result of the measures listed above, some teachers will receive increases in pay as of 1st April, 1986, of over 50 per cent above present earnings, and no teacher should receive less than a 35 per cent increase. This is in striking contrast to amounts such as \$10 weekly across-the-board which, for reasons best known to itself, the JTA's leadership accepted without industrial action during the 1970s."

Settlement Offer

Kingston THE DAILY GLEANER in English 18 Jan 86 pp 1, 3

[Text]

The government's wage and fringe benefits offer to teachers amounts in some cases to a 50% increase on current salaries, Public Service Minister, Hon. Errol Anderson, said in a nation-wide broadcast last night.

Mr. Anderson's address, which came at the end of a four-day protest demonstration by teachers, virtually crippling the island's educational system, sought to give "the other side of the story" surrounding the one-year-old dispute.

The total package being offered to the teachers amounts to \$59 million in both direct and indirect means, he said.

The package, according to the Minister, consists of the following: \$39 million in back pay for salaries and fringe benefits; new emoluments rates with a net worth of between 35 per cent and 50 per cent above present rates; special travelling and other allowances for principals and other senior teachers.

Additionally, the government is offering increase in its contribution to the teachers' Blue Cross Scheme from \$170 to \$403 per teacher; 100

per cent increase in the protective clothing allowance, among other things.

The Minister contrasted this offer to the 16-point claim made by the Jamaica Teachers Association in February 1985, and which he said would cost the country \$194 million annually.

He also outlined the points of claim on which the government and the J.T.A. had agreed since the negotiations started. These include *inter alia*: the issue of pre-retirement leave; the 50 per cent increase in housing allowance for principals; 100 per cent in protective clothing allowance; increase in government's contribution to the insurance scheme at a cost of \$3 million per year; and a full motorcar upkeep allowance valued \$6,432 tax-free to all principals.

On 17 January, THE DAILY GLEANER, pages 1 and 3, reported that the teachers returned to the classroom pending a final settlement of the wages issue. See also page 83 of the Latin America DAILY REPORT FBIS-IAM-86-015 of 23 January 1986.7

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CSO: 3298/300

PNP LEADER MANLEY GIVES VIEWS ON NATION'S ECONOMY

Overall Criticism

Kingston THE DAILY GLEANER in English 17 Jan 86 p 18

[Excerpt from a statement by the President of the People's National Party, Mr. Michael Manley; date and place not specified]

[Text]

Exactly seven months ago, the Government of Jamaica imposed additional Stamp duties of 10% on raw materials, 20% on capital goods and 30% on consumer goods to raise \$283 million of revenue for 1985.

At the time they said that this huge tax package was "necessary to offset the substantial fall-out in the bauxite levy" which the Government knew was inevitable and was predicted by the World Bank at the time.

Mr. Seaga went on to say in the House of Representatives on June 6 last: "As a consequence, there will be no need for further taxation to finance expenditure this year". By that he meant for the financial year 1985/86.

Yet, within seven months, a new package of \$73.5 million is imposed. It is imposed on a people who are crying out for relief. It is excused on the grounds that it was made necessary by the fall in the bauxite levy.

The Government shows contempt for Jamaica when it puts on massive taxes to offset the fall-out in the bauxite levy by their own words, and

seven months later puts on \$73½ million more for exactly the same reason.

The real reason why they cannot finance their Budget is because they will not level with the country and tell the truth about the huge import bill which is causing a massive deficit in our annual trade, running at more than J\$2,500 million a year; that is, over US\$500 million a year.

Because of this vast haemorrhage of foreign exchange that has taken place every year since 1981 and which got even worse in 1985, the Government is having to borrow vast sums of money. As it borrows, we go deeper and deeper into debt.

In the first half of 1985, it took 46% of our national Budget to service our debt. That is the real reason why the teachers cannot be paid.

Furthermore, as the auction system has driven us deeper and deeper into devaluation beyond anything that we need to make our exports competitive, it has vastly increased the amount of Jamaican dollars that have to be found in our Budget to keep up with interest and sinking fund. That is

the real reason why the Government has to crush the people even further with this new tax package.

In terms of the specifics of the tax package, these will obviously contribute to the further decrease in real demand as consumers are squeezed from every angle. The additional tax on liquor, cigarettes and aerated drinks will undoubtedly lead to further decreases in sales. The removal of exemptions from its 20 public enterprises will inevitably work itself through the system to increase prices and rates, and it is also obvious that in time the JPS and the NWC will be added to the list, thus raising their rates also.

The sale of new registration plates must also be seen for what it is — a thinly-disguised measure to extract an additional \$18 million from the motoring public, following right on the heels of increase in licensing fees and for drivers' licences.

Again, all these new taxes will combine to contribute to an overall reduction on demand for goods and services in the economy as there is just no further fat or muscle to be cut from the budget of the average household. We are down to the bone.

Overall Economic Management

It would be a mistake for us to view the tax package in isolation, without seeing it as yet another indication of the collapse of even the pretence of economic planning in general, or a Budget process in particular. The whole Budget exercise has become an unfortunate joke as the country stumbles from one tax package to another introduced with scant respect by the Minister of Finance. The country is not provided with even the most basic information on the state of the fiscal accounts.

The idea of a Capital Budget has been virtually abandoned with a grand sum of J\$135 million spent on capital works in the first half of the fiscal year. This translates into less than US\$25 million! The obvious question we must ask is: Where is the money going? What is happening to all the money that we have been borrowing?

For example, during the five years 1975-80, the PNP Government transferred J\$815 million from the Bauxite Levy. In 1981-85, the JLP transferred

\$1.249 billion from the Levy to the Consolidated Fund, nearly 50% more — while claiming that it is the fall in bauxite earnings which is causing all the troubles.

The plain fact is that the twin policies of excessive devaluation caused by the Auction and import liberalisation have wrecked the economy, with the people being asked to pay the price. Devaluation has not only pushed up the cost of living, doubling it over the three year period 1983-85, but it has moved debt-servicing requirements to nearly 50% of total expenditure. Hence, the new taxes are not being used to finance either investment or services but rather to pay increased debt-servicing needs, resulting from devaluation.

At the same time, the Government's refusal to control the trade deficit continues to create havoc on the economy. During the first nine months of 1985, there was 14.2% decline in raw materials imports while consumer durables increased by 27% — mainly cars and large appliances. What kind of economic planning can be said to exist when a society which is under-producing reduces imports of raw materials but increases imports of finished consumer goods at a time

when foreign exchange is supposed to be short?

The overall policies are having a negative effect in all sectors of the economy. Domestic food production is down even as food imports are down. The only conclusion is that the people are eating less and this is not part of a national voluntary diet. The danger of widespread malnutrition grows daily as households are forced to cut back on even the most basic necessities.

Housing construction activity is at an all-time low with a grand total of 551 units started in the first six months of 1985, just over 20% of the total of a year ago which itself was not a very good year.

All in all, the country's economy has never been in a worse state. The projected decline in GDP of 4-5% for 1985 does not tell the half of the picture. The *ad hoc* nature of Government policies gives no cause for optimism in any sector. There is every reason to believe that 1986 will be worse, as the foreign-exchange situation worsens and production continues to fall.

Failure of Monetarism

London THE CARIBBEAN & WEST INDIES CHRONICLE in English Dec 85-Jan 86 p 6

[Text]

Jamaica's opposition leader Michael Manley, scrutinising the economic prescriptions issued by the IMF to Third World economies, looks at the experience of Jamaica since 1980 and concludes that monetarist strategy simply has not worked.

I do not normally write about Jamaican affairs because I have no wish to use the privilege of a column to score political points.

I make an exception now only because recently published figures throw a dramatic light on the current controversy surrounding the management of Third World economies and the role of the International Monetary Fund.

It is well known that Jamaica has had a

balance of payments problem ever since 1974. The stagnation which followed the world inflationary crisis and the Organisation of Petroleum Exporting Countries' (OPEC's) response to the oil crisis precipitated a foreign exchange crisis. This surfaced in 1974 and has persisted to present time.

By 1980, the year in which all this ceased to be my immediate responsibility, Jamaica had run up an external debt of US\$1.5bn or some 75 per cent of the Gross Domestic Product (GDP). I will never forget the anxiety which this caused us and, indeed, the nation at large.

By about 1976 we had in place a carefully worked out system of import controls involving firmly applied priorities for the allocation of

scarce foreign exchange. We were determined not to allow the wastage of foreign exchange on luxuries and equally determined to direct foreign exchange towards productive and social priorities.

Between 1977 and 1980, inclusive, we achieved some measure of success in the management of the balance of payments problem. In those four years, the country earned US\$2 to US\$3.3bn through exports and tourism. In the meantime, we spent US\$3.7bn on imports for an average adverse balance of 11 per cent per year.

A new government succeeded us at the end of 1980 and proceeded to lift the lid off imports. As a result, luxuries returned to the supermarket shelves and homes as the more affluent members of the society went on an understandable spending spree. Quite soon, the adverse balance of payments assumed staggering proportions, there being one year in which we spent \$2.20 on imports for every dollar that we earned through exports and tourism. This fact, however, is not the point of this article.

Throughout 1981 and subsequently, the present government has worked very closely with the International Monetary Fund. I make no comment on the question: Who's really responsible for the policies which have been adopted, because both government and the IMF claim them as their own. What is important is the policies employed and the results that have followed.

For the last three years Jamaica has become a classic example of demand management through monetarist techniques.

There has been massive devaluation of our currency. The exchange rate of J\$1.78 to \$US1 in 1980 was J\$5.87 to one US dollar in September 1985. Budget expenditure has been relentlessly compressed so as to reduce internal demand. Credit has been squeezed to the limit with absolute restrictions on the overdraft facilities which can be extended. Available working capital has been slashed beyond recognition. Interest rates are now in the 30 per cent range.

One would have imagined that after three years of this brutal medicine, some impact would have resulted upon the target malady, which is the balance of payments and the shortage of foreign exchange. All the traditional consequences are present. The health services of the country are in ruins, the education system is creaking under the strain created by lack of funds, unemployment is rising (some estimate it at around 29 per cent), and generally living standards have fallen dramatically, including the reappearance after

an absence of some years of that tragic indicator of social distress, malnutrition and particularly child malnutrition.

Now, the conventional wisdom has it that these things are the painful but necessary price which must be paid during a period of adjustment. They are the price, we are told, which must be paid to bring the balance of payments back in line and to restore the country's foreign exchange to the point where it can service the overall needs of the society.

How then has Jamaica fared under three years of monetarist methodology, three years in which there has been political peace and stability, three years marked by the most generous support of the US?

In the period 1981 to 1984, Jamaica earned US\$3.1bn from exports and tourism. I make no point concerning the decline by comparison with the four years before because this was largely explained by a fall in bauxite and alumina exports.

While earning US\$3.1bn, however, the country's import bill has been a staggering US\$5.4bn, an average of 70 per cent per annum above what we have earned.

Lest it be argued that the monetarist techniques take time to work, let me point out that the figures for 1985 already show that we are going to have an adverse balance of US\$500m, or, once again, imports running 70 per cent above exports and tourist receipts.

In other words, the country is literally haemorrhaging to death as our precious and scarce foreign exchange continues to pour out of the country to pay for the imports which we cannot afford. The compression of internal demand, the devaluation and all the other tools, have failed absolutely to make even a dent upon the problem. It is not surprising that Jamaica now owes US\$3.4bn to its external creditors or some 150 per cent of GDP. She now must commit nearly 50 per cent of her annual earnings of foreign exchange to the servicing of debt. Nearly 40 per cent of the fiscal budget is similarly pre-empted for debt servicing. Meantime, the society is paying a terrible price, another victim sacrificed on the altar of so-called "market techniques" applied in economies which have neither the productive capacity nor even the market institutions to respond.

When one looks at supermarket shelves groaning under the weight of luxuries fit for the table of a potentate, while the children increasingly go hungry, one is reminded of the greatest calypso singer of our time, the Mighty Sparrow. One of his most famous calypsos was called: "Capitalism gone mad".

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CSO: 3298/300

NPM DISRUPTION OF JTA MEETING DRAWS WIDESPREAD CRITICISM

Report on Incident

Kingston THE DAILY GLEANER in English 21 Jan 86 p 1

[Text]

Police from Harmon Barracks and Half Way Tree Police Station had to be called in yesterday evening after political elements from the National Patriotic Movement NPM, a JLP-affiliated organisation, issued threats to members of the JTA and disrupted a special meeting of the Combined Parent Teachers Association (CPTA) in Kingston.

The meeting held at St. Andrew High School for Girls was marred by shouting by the NPM representatives, cross-talk from parents and school principals, and the smashing of eggs against the wall. Parents who represented other PTAs called for a shutdown of the school system to dramatise their support for the teachers. Over 30 Parent Teachers Associations drawn under the umbrella of the CPTA were represented and top executives of the JTA were also in attendance.

President of the CPTA, Mr. Donald Reynolds, told the gathering that the meeting had been called to highlight the "impasse" between the teachers over the salary issue. He said that the dispute was having serious effects on the children.

As the meeting progressed political statements began to be made and

members of the NPM identified themselves.

A strong detachment of policemen from Harmon Barracks and the half Way Tree Police Station were summoned to the scene, but despite this the political thugs continued to issue their threats with their hands in the air showing the "V" sign.

Some of the men who came into the meeting said that Professor Errol Miller, president-elect of the JTA was preaching politics. One of the men pointed his finger at Professor Miller stating "You are talking against the government."

Several eggs were smashed on the walls of the St. Andrew High School auditorium where the meeting was being held.

Many of the over 500 meeting who attended the meeting left when the uninvited men started to shout above the voice of those who were signalled by the chair to speak. A member of the NPM said that they attended the meeting because "we want to have a say".

When Professor Miller attempted to answer a question asked by a parent he was shouted down by the members of the NPM.

Manley Blast at Seaga

Kingston THE DAILY GLEANER in English 22 Jan 86 p 1

[Text]

PNP President Mr. Michael Manley has described as "an outrage and

a dangerous attempt to use violent intimidation and thuggery to frighten and prevent people from exercising their constitutional rights and civil liberties," the disruption of a meeting between the Combined Parent Teachers Association and the Jamaica Teachers Association at St. Andrew High School Monday evening by members of the JLP-affiliated Nationalist Patriotic Movement.

Mr. Manley in a statement yesterday said the meeting was a private one called to discuss a specific concern to parents and teachers which was non-political and non-partisan, and charged Prime Minister Seaga with "absolute responsibility for the disgraceful conduct of his supporters."

The PNP President said that what was done by these "political thugs," was provocative and a danger to democracy, and could have led to violence with very tragic results.

"It is part of a historical pattern

of terror tactics which has now reached dangerous proportions which the PNP is not prepared to accept," Mr. Manley said. The violent intervention by JLP supporters in the current industrial dispute between the teachers and the government had a fascist undertone, he said. Freedom of peaceful assembly was guaranteed by the Constitution which Prime Minister Seaga swore to uphold when he assumed office in 1980.

The Security Forces had an obligation to ensure that all citizens enjoy the right of free assembly, Mr. Manley said, and he called upon the police to prosecute those involved in disrupting the meeting.

"If the Security Forces fail to act or there is any repetition of this systematic campaign of disruption, the PNP will be obliged to mobilise mass protests in order to emphasise the constitutional rights to hold peaceful meetings without disruption

by JLP hooligans. The PNP, supported by the vast majority of Jamaicans, will not surrender to an orchestrated pattern of terror and intimidation," Mr. Manley said.

The action by the JLP supporters was to be deprecated all the more at a time when the whole society was crying out for the need to promote national unity and reduce political tribalism and when both parties had agreed on a boundary timetable in a design to reduce political tension.

"If this can happen so soon in 1986, what is the country to expect from the JLP during the remainder of the year when elections are due?" he asked. Monday's incident at the St. Andrew High School, he said, was further evidence of a continuing series of intimidatory acts aimed at silencing through terror any form of legitimate protest against or criticism of the JLP and the Government.

JLP Apology

Kingston THE DAILY GLEANER in English 23 Jan 86 pp 1, 3

[Text]

The Jamaica Labour Party said yesterday that it "unequivocally deplores and condemns the behaviour" of certain members of its affiliate, the Nationalist Patriotic Movement, who disrupted a meeting of the Combined Parent Teachers Association on Monday night.

Seven members of the NPM were summoned to appear before the Disciplinary Committee of the JLP yesterday afternoon.

The JLP in a release signed by chairman Bruce Golding said that in a swift reaction to reports of the incident the party's General Secretary dissociated the party "from this disgraceful conduct" and gave an undertaking that the matter would be fully investigated and the appropriate action taken.

"These investigations have since

been carried out and as a result seven members of the Nationalist Patriotic Movement have been summoned to appear before the Disciplinary Committee of the party this afternoon. The findings and recommendations of the Disciplinary Committee will be submitted to the Party's Standing Committee for final action," the release said.

"I wish to publicly apologise to the members of the Combined Parent Teachers Association for the intemperate actions of misguided members of the NPM and to assure them that this behaviour is unreservedly condemned by both the JLP and by the broad membership of the NPM.

"It is unfortunate that in the face of the prompt and positive reaction of the Party to deal decisively with this misbehaviour the President of the PNP has sought to score cheap and trashy political points and has

sought to associate the Prime Minister himself with the incident. We do recall incidents in which PNP supporters invaded similar meetings, stormed government offices, terrorized public servants and assaulted prominent journalists. What we do not recall is Mr. Manley himself or his party taking any action to discipline his members and supporters. His statement yesterday is unworthy and self-serving."

And Young Jamaica, the youth arm of the JLP, in a statement also condemned the interruption of the meeting and apologised to the persons holding the meeting.

"The behaviour displayed by the intruders is totally out of character with the policies and principles of the JLP that supports and defends the right of all citizens to free assembly and free expression of opinion," Young Jamaica said.

The National Workers Union also issued a condemnation of the incident, calling it "unprincipled and senseless."

The Executive Council of the Union of Schools, Agricultural and Allied Workers on behalf of its members also condemned "the terroristic action" of the NPM.

GLEANER Reaction

Kingston THE DAILY GLEANER in English 24 Jan 86 p 8

[Editorial]

[Text]

The behaviour of the NPM hooligans Monday night in disrupting the combined parent-teachers meeting would have been shocking enough by itself as an act of vulgar politics. But it took place a scant four days after the celebrated National Prayer Breakfast at which peace appeared to prevail.

The perpetrators seemed to be in a hurry to give the lie to the tableau of national leaders shaking hands in a memorable moment of reconciliation. Those who would practise politics with rotten eggs rather than civilised debate seemed bent on devaluing the message of Archbishop Carter; and they seemed to be ridiculing the tears of Mrs. Seaga who showed rare courage in bringing together her husband, the Prime Minister, and his political opponent, Mr. Manley.

It is not surprising in the circumstances that there was swift condemnation of the inci-

dent from Mr. Manley himself, though the terms of his criticism seemed unnecessarily harsh and pointedly directed at Mr. Seaga as leader of the JLP to which the NPM is affiliated. Mr. Golding's public apology to the parent-teachers association is therefore appropriate as is his own condemnation of the incident on behalf of the JLP.

The episode demonstrates how difficult it will be to defuse the political tribalism that has been nurtured for so long in this country. For even in the mutual condemnation of a specific incident spokesmen for both major parties find it difficult to resist the temptation to deal in recrimination. Charge and counter charge has for too long been the favourite currency of political exchange. It is easier, it seems, to quarrel than to debate in civil terms.

JTA Call for NPM Apology

Kingston THE DAILY GLEANER in English 25 Jan 86 p 3

[Text]

The Jamaica Teachers' Association (JTA) has demanded a public apology from the National Patriotic Movement (NPM) for what the JTA said was the attack on its leadership at the Combined PTA meeting Monday evening.

The Association said it was concerned that the incident had "infuriated the island's teachers and is causing further deterioration in the very restive situation which now exists." The JTA said it was seeking an assurance that this "abominable behaviour will never be repeated."

On Monday persons identifying themselves as members of the NPM, affiliated to the Jamaica Labour Party (JLP) disrupted a meeting of the Combined Parent Teachers Association

(CPTA) at St. Andrew High School. The men threw rotten eggs on the walls of the room, shouted at speakers including JTA president, Victor Edwards and president-elect, Professor Errol Miller. Police had to be called in to restore order but the men kept shouting political slogans and accused some speakers of being partisan.

The JLP has since identified the men and placed them before the disciplinary committee of the party.

The JTA's reaction came Friday following a meeting of its Central Executive which unanimously passed a resolution "demanding a public apology and assurance from the Nationalist Patriotic Movement that they will never repeat this abominable behaviour in the future."

Carl Stone Analysis

Kingston THE DAILY GLEANER in English 27 Jan 86 p 8

[Article by Carl Stone]

[Text]

Political thuggery is an integral part of our tradition of power games between our political parties. It is usually predictable however in that political zealots on either side tend to attack their adversaries and rarely interfere with those of us who are not involved in these political games.

The recent incident of political thuggery at St. Andrew High School in which a handful of JLP activists tried to disrupt a parent teachers meeting, slashed motor car tyres and threatened JTA President Elect Professor Errol Miller is a strange departure from that

tradition. The incident has left many of us puzzled or angry over this seeming encroachment of party violence and harassment into an obviously non-partisan area of activity.

The JLP spokesmen have been profuse with apologies and have taken immediate disciplinary measures against the offending NPM activists after rather prompt investigations.

From all appearances the goons were not sent either by the NPM leadership nor from the JLP headquarters.

Some persons are therefore puzzled and upset over Mr. Manley's outburst implying personal responsibility on the part of the JLP leader Mr. Seaga and JLP leaders have accused him of disseminating mischievous propaganda.

But I was more than a little puzzled at why JLP goons should have

turned up at this entirely non-partisan affair. It was out of character with their usual mode of operation.

Smelling sweet

The JLP leaders in the meantime are smelling sweet with innocence having cleared themselves of any personal responsibility for the incident.

Indeed, on Public Eye Mr. Parnell Charles has even suggested that blame attaches also to some PNP persons who were at the meeting and who tried to prevent the NPM activists from talking and therefore contributed to the uproar that followed.

But is reality what it seems?

Let's put some facts together. For sometime now certain JLP leaders who are projecting total innocence have been doing a hatchet job on the JTA leadership by spreading the word along the JLP corridors that the JTA has been infiltrated by political activists opposed to the JLP.

After the decimation of the credibility of the major union leaders following the General Strike, the teachers issue has remained an uncomfortable thorn in the flesh for the JLP government. The JLP leadership apparently decided to deal with it politically.

By giving these signals to its activists about the alleged political infiltration of the JTA leadership by anti-government persons seeking political office and power, the JLP leadership knowingly pushed the JTA into the political arena.

Echo

I listen carefully to Public Eye. That programme documents the degree to which that line was being pushed by JLP activists. I have personally heard it echoed by several JLP persons.

Those NPM goons who turned up at St. Andrew High School were not acting entirely on their own in that their motivation was charged up by malicious JLP propaganda against the JTA leaders.

The speech by Mr. Errol Anderson on the teachers issue echoed that line also by implying that the JTA had become a pawn in the game of party politics and was being used by persons opposed to the JLP. Anderson went further however in making a false allegation that the JTA leadership accepted a 10% wage increase from the PNP without a whimper.

The facts are that the 10% offer was a Tribunal Award topping up an already negotiated \$1,200 across the board increase the teachers had got out of the PNP government. The teachers had in fact struck to enforce this claim and the Tribunal was brought in to sort it out.

Uncompromising

Professor Miller is obviously one

of the persons targetted as representing PNP leanings. But Mr. Anderson failed to tell the country that under the last PNP government Professor Miller personally organised a shut down of training colleges in enforcing a negotiating position on a dispute with the PNP government. Whatever may be his personal party preference, Miller has consistently defended teachers interests uncompromisingly, regardless of who sits in Jamaica House.

• Having tarnished the JTA leaders with a partisan political brush the JLP leaders cannot absolve themselves from responsibility for their goons treating the JTA leadership in the way the tradition of thuggery dictates. The JTA has been made into a target and the party goons that acted on these promptings cannot be made into exclusive repositories of blame as their minds have been inflamed by the very leaders who are preening themselves with a hypocritical public display of the purest of innocence.

I cannot say the political tarnishing of the JTA leadership, emanated from Jamaica House but the JLP collective leadership cannot be absolved by blame in this matter.

Indeed, even after the incident occurred and the profuse apologies were pouring forth from the JLP hierarchy, one naive JLP zealot was heard on Public Eye giving his apology as an NPM activist but also repeating the propaganda line about the political infiltration of the JTA by anti-JLP elements bent on using the organisation politically.

Credible evidence

Now if the JLP has any basis for these allegations that party had better come forward with credible supporting evidence. Failure to do so leaves us no option but to conclude that JLP activists have been deliberately motivated to make a target of the JTA in an effort to discredit that

organisation through false and propagandist claims.

All of this to my mind throws an entirely new light on the St. Andrew High school effort at political thuggery and on the pious denials and protestations of innocence coming from JLP leaders.

Mr. Manley's seeming outburst might well be more informed than his critics suggest.

The JTA leadership must be credited for the restraint and calm manner in which they have responded both to the attack and the political mud that has been thrown at them.

Good sign

Also the determination of those parents at that meeting who insisted on completing their meeting regardless of the intervention of the JLP goons is a good sign that even middle class folks are no longer going to allow themselves to be intimidated by political thugs.

The incident is a frightening reminder of the kind of fascist intolerance of political dissent which lurks beneath the surface of our seemingly open political system. Like many who commented on Public Eye, I am certainly reminded of the garbage dump at the Rev. Davis's office and of the protestations of innocence that followed.

The JLP leaders deserve some credit for acting so decisively in dealing with the NPM goons but that party's top leaders need to do some serious soul-searching over the larger issue of the hate campaigns and motivation to thuggery that often flow from responsible propaganda games such as the one directed against the JTA.

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CSO: 3298/300

STONE POLL SHOWS PNP MAINTAINING LEAD OVER JLP

Kingston THE DAILY GLEANER in English 24 Jan 86 p 3

[Text]

The December 1985 Stone Poll was carried out by Professor Carl Stone under the sponsorship of the Daily Gleaner's management over the period December 18-21, 1985.

The sample includes 1,000 persons selected from 44 areas and communities islandwide.

The estimated total sample error (including field and sampling error) is + or - 3%.

The survey was carried out by 22 interviewers.

The December 1985 Stone Poll found that in the 5-month period since the last poll, the standings of the various political parties had not changed significantly.

WPJ support remained at 4%. The JLP added 2% to its popular support base. And the PNP added another 3% to retain an overall 61% strength among persons likely to vote in the next parliamentary election.

Uncommitted citizens fell from 26% to 21% reflecting a strengthening and consolidation of partisan sentiments across the country as the political debates intensify and

all parties have maintained a very active profile at both national and local levels.

QUESTION:

If an election were called now which political party would you vote for?

ANSWERS:

PNP	48%
JLP	27%
WPJ	4%
Neither of the parties	21%

COMPARISON WITH EARLIER POLLS SINCE 1980 ELECTIONS

	PNP	JLP	WPI	Uncommitted
October 1980	37%	50%	(added to PNP)	13%
Feb. 1981	29%	46%	—	25%
May 1981	20%	48%	—	30%
July 1981	32%	36%	—	31%
Nov. 1981	30%	36%	2%	31%
May 1982	34%	41%	1%	24%
Oct. 1982	43%	38%	0.3%	19%
Mar. 1983	41%	38%	1%	20%
Oct. 1983	38%	43%	0.5%	19%
Dec. 1983	39%	32%	0.3%	29%
Sept. 1984	35%	25%	2%	34%
Feb. 1985	42%	29%	3%	26%
July 1985	45%	25%	4%	26%
Dec. 1985	48%	27%	4%	21%

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CSO: 3298/300

CUSTOMS LAYOFFS BEGIN; UPGRADING OF SERVICE SOUGHT

Kingston THE DAILY GLEANER in English 27 Jan 86 p 1

[Text]

Effective today most of the Customs Protection Officers stationed at the Sangster International Airport in Montego Bay will be out of a job. However, supervisor of the Customs Department, Mr. Travers Williams does not know who will replace the CPOs.

Of the 24 CPOs at the airport, 16 received dismissal notices on Thursday, on the grounds that Government will be re-organising the Department.

Contacted yesterday, Mr. Wil-

liams said he had no idea who would be replacing the officers. However, the Bureau understands that security guards will be taking their place.

The lay-off notices stated that the Customs Protection Officers will be receiving 84 days' wages, and that their names would be submitted to the Personnel Officer for "possible re-assignment."

Reports of the dismissal of the CPOs first surfaced in December when they were told that their services would be terminated on January

6.

[Editor's note: THE DAILY GLEANER of 21 January 1986, page 2, reported a call for the upgrading of the Customs Service by the president of the Exporters Association, as follows in part:]

Priority upgrading of customs surveillance practices at airports and seaports, utilising Jamaica's own customs inspectors has been urged by Mr. Claude Clarke, Jamaica Exporters' Association president.

Speaking at a meeting of the JEA Board this week, Mr. Clarke said Government should use increased revenues generated by a new inspection system to be operated by Societe General de Surveillance S.A. to develop efficient customs inspections and collections in Jamaica. According to Government, the system will cost one percent of the value of all goods inspected but will result in earnings of up to 15 percent in excess of present customs collection.

"Any effort to tighten the system of import/export documentation valuation and examination is welcome. It will help

to serve the dual purpose of protecting the local producer from dumping and other forms of unfair foreign competition," Mr. Clarke said. "It will also enable Government to collect its legal level of duties and taxes. This will relieve some of the pressures from the Budget. So we will accept the introduction of the SGS pre-shipment examinations as a purely temporary measure if unnecessary delays and bureaucracy can be avoided.

"However, we feel that some of the additional customs revenue generated by SGS services should be used immediately to upgrade and streamline customs and port security systems. An efficient system of customs inspection carried out locally will achieve the tripple benefits of proper verification and valuation, a reduction of levels of illegal importing and smuggling,

and stoppage of the haemorrhage of foreign exchange which is draining the economic lifeblood of the country", Mr. Clarke said.

"We are particularly concerned that the system does not place new bureaucratic constraints on importing raw material and on exporting, and that there will be no delays or extra costs to the producer created by the system, as promised. We see the system as no substitute for upgraded and more efficient operation of Jamaica's Customs Department. This can be financed from increased revenues earned, and would result in a continuing benefit to Government's budget from efficient collection." Mr. Clarke pointed out.

Mr. Clarke said the JEA has long recorded its view that more needs to be done to prevent the influx of illegal imports and the dumping of legally-imported goods on the local market. This causes evasion of legitimate duty payments and cripples local production by swamping the local market with foreign, often shoddy, goods. "We have repeatedly emphasised that the extent to which the local market is dominated by these imports is the extent to which penetration of competitive overseas markets by local exporters will be made more difficult."

/9274

CSO: 3298/300

PROGRESS IN DEVELOPMENT OF TWO FREE ZONES REPORTED

Kingston THE DAILY GLEANER in English 27 Jan 86 p 1

[Text]

The development of the Montego Bay Export Free Zone moved into its second phase on Friday with ground being broken for a \$9-million dollar office and factory complex.

Public Utilities and Transport Minister Pearmel Charles who was among those turning the sod said that "this phase will consist of 60,000 square feet of not only factory space, but 30,000 square feet will be administrative buildings"

He said the factory space had already been committed to Williamson Dickie Inc., of Fort Worth, Texas, an 807 garment manufacturer, who will be manufacturing blue jeans. The company intends to employ some 250 workers.

The administrative block will be a three-storey building. Mr. Charles said 5,000 square foot modules are being provided for mainly data processing companies, and these had already been rented. Advanced Automation, a company currently operating in downtown Montego Bay will be moving into this complex along with some new companies.

Promotion Fulfilment Corporation, another foreign company, has reserved ten thousand square feet of office space and hopes to employ 300 people while Business Methods Limited will occupy 5,000 square feet and employ 150 persons.

Construction is already underway and completion of Phase 2 in the Free Zone development is scheduled for May this year. Mr. Charles said US \$6 million had been secured from

the Caribbean Development Bank which will assist in the development of the 8½-acre Montego Bay Free Zone. He said because of demand by applicants, additional land space would have to be negotiated.

Mr. Charles said that phase three of the Free Zone would start later this year with the construction of an additional 150,000 square-foot of space. He said it was anticipated that all three phases of the Montego Bay Free Zone would be completed by year end, providing employment for about 1,000 people.

Giving an update on the Kingston Free Zone, Mr. Charles said 510,000 square feet of factory space had already been built there with an additional 200,000 square feet to be constructed this year. Already, some 5,500 people had gained employment in the Kingston Freezone and this number should increase by year end to 7,500.

Chairman of the Montego Bay Free Zone Committee, Mr. Winston Deer, noted that the first company in the Free Zone, Akom Ltd., was currently producing some 280,000 dozen garments with a staff of 200 working at a very high standard.

Member of Parliament, Dr. Kenneth Baugh, said he was pleased that job opportunities were now being provided for young people. He said the H.E.A.R.T. Programme in Montego Bay was designed to support the Free Zone by training young people interested in working in the factories.

Chairman of the Port Authority, Mr. Noel Hylton, spoke about plans for the take-over of the Montego Bay Port and said it would be developed in conjunction with the Free Zone.

/9274

CSO: 3298/300

INDEPENDENT BROADCAST UNIT WINS GOVERNMENT APPROVAL

House Action

Kingston THE DAILY GLEANER in English 23 Jan 86 pp 1, 3

[Text]

THE BILL AMENDING the Broadcasting and Radio Re-Diffusion Act to provide for an independent Broadcasting Commission was passed without division by the House of Representatives yesterday.

Two amendments were made as the Bill passed through committee stage. The first amendment allows that in cases where a licensee broadcasts inaccurate information, the Commission may direct that licensee to broadcast: (i) an apology; or (ii) if the Commission thinks fit, a correction of the inaccuracy, in such form as the Commission may think fit.

It also allows the Commission to direct the licensee to afford to any person prejudiced by the broadcast the opportunity of broadcasting a reply for the purpose of rebutting any information alleged to be inaccurate; or, direct the licensee to both both apologise and carry a correction of the inaccuracy.

The second amendment stated as follows: "Where an offence against the regulations is committed by a body corporate then, notwithstanding and without prejudice to the liability of that body, any person who at the time of such commission was a director, general manager, secretary or other similar officer of that body, or was purporting to act in any such capacity, shall be liable to be prosecuted as if he had personally committed that offence, and shall be liable to the like conviction and punishment as if he had personally been guilty of that offence unless the Court finds on a balance of probability that

(a) the contravention was committed without his consent or connivance and,

(b) he exercised all such diligence to prevent the commission of the offence as he ought to have exercised, having regard to the nature of his functions in that capacity and to all the circumstances."

Mr. E.K. Powell (North-East St. Catherine) who had opposed the Bill last week did not vote against it. This was brought to the attention of the House by the Hon. Winston Spaulding, Attorney General and Minister of National Security and Justice.

Mr. Powell: "I did not vote for it; I did not vote against it."

The Speaker, Hon. Alva Ross: "The matter was put before the House and you did not oppose it."

The Prime Minister, the Rt. Hon. Edward Seaga, who piloted the Bill, said that by bringing it to Parliament, the Government was not trying to take unto itself power it

did not already have, but was voluntarily yielding power and subjecting Government abuse of the public media to the authority of an impartial Commission which would be appointed by the Governor General.

Mr. Seaga: "We are yielding power that we already have. We are voluntarily giving up this to discharge a commitment which we gave to the nation, that we would want to establish for generations to come an impartial system so that no other generation would ever undergo the partiality which we were faced with when we were in opposition."

He said that a novel feature had been added to ensure that the Government did not misuse its own power: that those who had the "vast and awesome" power of being able to broadcast on the media such material as they considered fit, should do so in a manner to ensure accuracy.

"This is not a qualitative judgment, it is not a quantitative judgment, it is not a personal or subjective judgment; accuracy is a matter of fact and therefore can be established."

"We have not said that the Broadcasting Commission should determine whether the media has used its power to slant or whether, by commission or omission, to show bias, because that is a qualitative judgment which will often depend upon the point of view which those who sit in judgment will take. What we have said is that where facts are used, or where statements are made, they should be accurate. And, there isn't anybody in this whole nation who could stand up and defend a position that we should not seek accuracy, or that we should leave the media free to be inaccurate if they wish."

In response to a question raised last week by Mr. Powell that there had been no report from the Broadcasting Authority, Mr. Seaga pointed out that the Authority had become

defunct under the previous Government in 1977, and the present Government had not sought to resurrect it, because it had the intention of changing its structure so that when it was revived it would not be a technical commission, but a commission which had technical responsibilities and obligations and powers as well as one which would deal with matters such as accuracy.

In his contribution, Mr. Spaulding said he was appealing to people not to seek to elevate private arguments to the level of public principles, because the public were not fools.

He said that he endorsed and supported the Bill and regarded it as an important piece of legislation and a further development of the Government's pursuance of the concept of equal rights and justice and fairplay.

"I regard it not as a Bill standing in isolation, but one measure which is part of a whole series of important measures which have been undertaken by Government, on the basis that irrespective of its faults this administration will leave behind it a blazing trail of outstanding record in the area of human rights and democracy."

"This particular measure may evolve over a period of time, it may be modified, but I cannot see what area there is that one should have any particular contentions about."

He urged Mr. Powell to support the Bill because whatever arguments he might have about broader things, he was strong enough to follow the dictate of his conscience and within the Bill there was no principle with which any Member should quarrel.

He said that a system was being set up to ensure that as long as constitutional government reigned in Jamaica, that what had happened in the past could not happen again.

The debate on the Bill commenced on December 17 but was deferred to this year as the House took its Christmas break.

Public Opinion on Seaga Policy

Kingston THE DAILY GLEANER in English 18 Jan 86 p 3

[Text] Opinion Poll 6:

The December 1985 Stone Poll was carried out by Professor Carl Stone under the sponsorship of the Daily Gleaner's management over the period December 18-21, 1985.

The sample includes 1,000 persons selected from 44 areas and communities islandwide.

The estimated total sample error (including field and sampling error) is $\pm$ or -3% .

The survey was carried out by 22 interviewers.

The December 1985 Stone Poll found that most Jamaicans were of the view that the country needed some competition in the area of television media and that the government's media policy did not go far enough in providing for such an outcome.

The Poll found that these were the main reasons advanced by the public in its rejection of Prime Minister Seaga's statement that over his dead body would

the Daily Gleaner receive a licence to run a television station.

24% agreed with Mr. Seaga's statement while a large 71% majority disagreed.

Many expressed the view that both the Gleaner Company and RJR deserved favourable consideration with respect to the operation of a T.V. licence, but the predominant view was that any company with the required resources should be able to set up competing television broadcasting here to provide the people with an alternative to JBC T.V.

QUESTION:

At a recent JLP conference Prime Minister Seaga repeated his government's media policy and said that over his dead body would the Gleaner get a T.V. licence. Do you support the government's media policy? Why?

ANSWERS:

Agree with Mr. Seaga's position	(24%)
Disagree with Mr. Seaga's position	(71%)
Don't know	(5%)

EXPORTS GROUP FORMS COMMITTEES TO STUDY ECONOMIC SECTORS

Kingston THE DAILY GLEANER in English 27 Jan 86 p 17

[Text]

A number of sub-committees to which have been assigned the task of investigating the special problems of various sectors of the economy has been appointed by the Task Force on Exports set up by the Minister of Industry and Commerce, the Hon. Douglas Vaz.

The decision to appoint the sub-committees was taken at a meeting on Wednesday of the Task Force. Those attending included representatives of the public and private sector.

A release issued by the Ministry, said the Chairmen of the sub-committees are Messrs Paul Thomas — paper, packaging and printing; Tony Barnes — food and agro-industry; David Chin — textiles, apparel and sewn products; Geoffrey Messado — wood and metal and wooden

furniture products; Barclay Ewart — leather products and footwear and petroleum refining and mining; Claude Clarke — tobacco, beverages and domestic agriculture; Vincent Matross-McIntosh — chemicals, cosmetics and related products and Sam Mahfood — government institutional performance.

Mr. Vaz said that the main objectives of the Task Force were to take a company by company look at various sectors to determine their special needs and the problems they might be encountering. The Minister said the Government had more than its fair share of large, macro-studies and projections.

"What is needed now is for specialists in industry to look at a sector like say, tobacco, and ask why it has declined

in the way it has last year, and then determine what can be done to move it again", said Mr. Vaz, who went on to emphasise that he was willing to clear "bureaucratic bottlenecks" for the private sector once they came to his attention.

He said the subcommittees which had been set up would report to the Task Force, and if there were certain common problems which pointed to a need for change, he would make representations to Cabinet.

The Chairmen of the subcommittees have been selected from the Task Force and they will appoint "knowledgeable persons" in the sectors to do the investigations. Mr. Vaz urged business people who were having problems to contact the sector chairmen so that their views could be heard.

/9274

CSO: 3298/300

BRIEFS

UNITED FRONT LEADERSHIP--The Central Executive Committee of the Jamaica United Front has elected a new president of the J.U.F. Taking over as president of the J.U.F. is Mr. Lerue Hyde, a vice president since 1984. Mr. Ned Christie was elected president in October, 1984, taking over from Mr. H. Charles Johnson, who is doing full time studies at the U.W.I. Cave Hill Campus. [Text] [Kingston THE DAILY GLEANER in English 27 Jan 86 p 2] /9274

EXPORT MARKETS--A U.S.\$104.8 million market for sea-food, dried ginger, ornamental foliage, garments, processed foods, and alcoholic beverages in the U.S., has been identified by the Jamaica National Export Corporation. This was disclosed on Thursday by Deputy Prime Minister and Minister of Foreign Affairs Mr. Hugh Shearer, as he addressed the luncheon session of the joint JMA/Institute of Management and Production one-day seminar at the Government Conference Centre in downtown Kingston. This was in addition to a U.S.\$7.2 million market in Canada, and a U.S.\$45 million market in Europe for such things as rum, tropical fruits and vegetables, cigars, preserves and purees. In Japan, there is an accessible market of U.S.\$29.8 million for sauces and chocolate confectionery; and in the Middle East, a U.S.\$0.8 million market for tropical fruit juices, preserves, and sauces, Mr. Shearer said. "What is it that remains for us to take advantage of these market possibilities?" Mr. Shearer asked the manufacturers, as he outlined the various systems which were in place to assist exporters. He suggested that in addition to finance, the answer was production, productivity and quality. All market penetration strategies, he said, depended on reliability of supply, price competitiveness, and the quality of the goods. [Excerpt] [Kingston THE DAILY GLEANER in English 28 Jan 86 p 3] /9274

CSO: 3298/300

BUSINESS LEADER MILLAN URGES RENEGOTIATED FOREIGN DEBT

Mexico City EXCELSIOR in Spanish 23 Dec 85 pp 1-A, 17-A

[Article by Jesus Rangel M.]

[Text] The program to overhaul the economy has failed, because in spite of the social sacrifices, people are poorer and social and political polarization is intensifying. Confidence is lacking; currency speculation is common, and the legitimate aspirations of the Mexican people to better their lot are being thwarted. "A change in economic policy is required to modernize the country, promote production and support investment and savings."

Julio A. Millan, the president of International Consultants, made the above remarks, adding: "The foreign debt problem has not been resolved. To break the stranglehold on the foreign sector, it is fundamental to reschedule the foreign debt over 40 years, including a 10-year grace period."

He also stated: "The budget deficit will be between 10 and 12.4 percent of the gross domestic product this year, due to lower oil revenues and interest payments on the debt, which are already equivalent to 12.2 percent of the GDP. Inflation will hit 58.6 percent. Oil revenues will total \$13 billion (down 13 percent from 1984), and the Bank of Mexico's gross reserves will decline by more than \$2.34 billion."

He went on to say that the balance of payments would record a deficit of more than \$3.5 billion and that the peso would depreciate 123 percent against the dollar at the floating exchange rate and 67.9 percent at the controlled rate, compared to the levels at the close of 1984.

In reference to the oil market, he stated that the world market is very unstable, that the trend is towards lower prices ("We hope that it is not an abrupt drop and does not throw world output and exports into disarray") and that OPEC's virtual breakup "threatens to touch off a crude oil price war down to \$15 a barrel."

Millan noted that the country's economy this year did not meet the expectations and goals set in late 1984 and that once again the depletion of the Bank of Mexico's gold and foreign exchange reserves prevented the country from complying with its foreign debt obligations. "The roots of the liquidity

problem are to be found in a deep-seated structural crisis, concurrent with a loss of confidence in our economic recovery."

He explained that the lack of confidence in a Mexican economic recovery is reflected "in the outflow of domestic savings and in the speculative transfer of domestic to foreign currency. This leaves less money for financing production and, consequently, leads to lower levels of employment and declines in the buying power of wages."

He was asked why the administration's current economic policies have failed. He replied: "This year its policies have been characterized by harsher recessionary measures, in keeping with the economic overhaul model, in a desperate attempt to keep the economy under control and forestall a payments crisis."

Halting Growth

"The results have been a halt to economic growth and worsening structural problems such as high inflation, an outflow of domestic savings, devaluation, higher unemployment, a drop in the buying power of wages, foreign sector imbalances and increasingly severe economic contractions.

"Unfortunately," he indicated, "the approach will be the same in 1986. The prescription is more of the same: higher taxes, higher prices for public sector goods and services, austerity in spending and, in general, tight credit policies, less real support for stimulating output, and heavier overseas borrowing."

Millan, who will soon reveal a joint private and public sector economic program to overcome the current crisis, also had this to say:

"The model that has been applied has already demonstrated its ineffectiveness, and although its social cost has not led to violence, there is dissatisfaction and there are inequities. The people's hopes of better living standards are fading, and the legitimate aspirations of self-realization and self-improvement to which human beings are entitled are being thwarted."

He called for an economic recovery based on an "internal sparking [detonacion] of the economy and by bolstering the confidence of the Mexican people," under a national rallying cry something like: "Let us use our scant resources patriotically."

He emphasized that the economic model applied in recent years has had a high social cost: "A drop in real wages and in employment; high inflation rates; a trend towards an underground economy; external imbalances that worsen when the GDP rises and that condemn the country to on-again, off-again economic growth; the inability to generate enough foreign exchange to finance imports and service the debt, which leads to heavier borrowing and increasingly severe recessions."

He then called for an economic modernization program, production incentives and support for investment and saving. What is required in the first case is

a gradual and systematic effort to eliminate all controls on wages, prices and services and an end to the red tape that has been plagued the economy for years.

As far as promoting production is concerned, he said that we could spur sectors that because they are not adversely affected by the foreign sector contribute a high level of value added and could serve as catalysts for an economic recovery. As examples he mentioned foodstuffs, agriculture, livestock, fishing, mining and housing construction.

With regard to investment and saving, Julio Millan remarked that both state and federal government would have to be trimmed considerably, that the Secretariat of Finance and Public Credit and the Secretariat of Programming and Budget would need to be merged and that the stranglehold on the foreign sector would have to be broken by rescheduling the debt over 40 years including a 10-year grace period.

Lastly, he noted that Mexico surely has the ability and the resources to emerge successfully from these trying times, adding that it has been demonstrated time and again that a country does not achieve stability and development by decrees or wishful thinking, but rather by creating a climate of confidence in which minor but important decisions by millions of people who are willing to work hard, invest and save achieve a collective effect.

8743

CSO: 3248/147

MEXICO

GOVERNOR OPPOSES DEBT SERVICING AT COST OF SOCIAL PEACE

Mexico City EXCELSIOR in Spanish 5 Jan 86 p 14-A

[Article by Francisco Santa Cruz M.]

[Excerpt] Arizpe, Sonora, 4 Jan--Mexico and the United States are redoubling their efforts to achieve more friendly relations, said Governor Rodolfo Felix Valdes. However, he noted, President Reagan can help us a great deal with our debt problem "because Mexico cannot continue jeopardizing its social peace and its development just to service its foreign debt."

Questioned about the recent meeting between Presidents Miguel de la Madrid and Ronald Reagan, the governor said he was convinced that the meeting would lead to concrete action enabling the two countries to forge relations more in tune with international problems and the economic crisis that is hitting them both so disproportionately hard.

The governor stated that at the fourth meeting between the chief executives of Mexico and the United States, President De la Madrid, representing the Mexican people and enjoying our trust, expressed our strongest desire for closer relations between the two nations, based on respect for our sovereignty and independence.

Again voicing his hope that the meeting would lead to concrete action, particularly to lighten the heavy burden of Mexico's crisis, Felix Valdes indicated that the problem of the country's foreign debt had to be understood in political terms, "and in this regard the United States and its president, Ronald Reagan, can be of great help."

The governor was here today to attend the ceremony commemorating the 100th anniversary of the death of Gen Ignacio Pesquiera Garcia, a leader of the Reform.

8743

CSO: 3248/147

NDP LEADER DISCUSSES INDEPENDENCE, POLITICAL CLIMATE

Port-of-Spain TRINIDAD GUARDIAN in English 27 Jan 86 p 5

[Text]

PLYMOUTH, Jan. 26, Cana — MONTserrat's newest political grouping, the National Development Party (NDP), says it is not interested in an immediate end to British rule of this small Caribbean island.

"I do not think that Montserrat is ready at this time for independence," said party spokesman Kenneth Cassel....

"The history of independence in the Caribbean does not encourage one to rush into it in a hurry. Our size militates against it being a viable entity in any case, and the whole infrastructure for independence does not seem to be in place in Montserrat, certainly not this time," he added.

However, Cassel, a former Permanent Secretary in the Office of the Chief Minister, said his party would keep the issue of independence under constant review.

Montserrat's Chief Minister, John Osborne, is keen to steer the colony towards independence, but has so far failed to convince its 12,000 population to go it alone.

"Our people are not quite sure what independence means," the Chief Minister said. "At least, most of the people in this country believe that independence for Montserrat means that they have to carry the burden of everything, including development."

Not Factual

Cassel said: "I do not agree there is

anything inevitable about independence. I think that those people who say that independence is inevitable for any place are just not making a statement of fact.

The NDP was formed in November, 1984. It is the fourth political group here after Mr Osborne's People's Liberation Movement (PLM), the People's Democratic Party of former Chief Minister Austin Bramble, and the United National Front.

Cassel said his party and Bramble's were discussing the possibility of a joint working arrangement to contest the next general election, constitutionally due in 1987.

The NDP and the PDP have accused the Government of mismanaging the economy. Cassel also accused Chief Minister Osborne of operating in a fashion "inconsistent with our views on how good democracy should be run."

The NDP's executive groups businessmen, lawyers and retired civil and retired civil servants, but Cassel said his party's structure, unlike that of some groups, would not revolve around personalities.

The PLM "operates around John Osborne, the Progressive Democratic Party around Austin Bramble," Cassel said.

Cassel told the Press his party was at work putting together a development programme and manifesto, which would be the basis for the campaign leading up to the next General election.

/9274

CSO: 3298/301

PAPER CALLS FOR GOVERNMENT ACTION AGAINST GUYANA

Port-of-Spain SUNDAY GUARDIAN in English 19 Jan 86 p 3

[Article by SUNDAY GUARDIAN "special correspondent": "Government Must Do Something About Guyana Oppression"]

[Excerpts]

ARE WE going to wait until wide-scale atrocities are inflicted on the population, and human rights are completely mutilated, before voicing our concern over the worsening pattern of socio-political events in Guyana? Are we once again prepared to watch a nation, and a neighbour at that, collapse under oppression, to the accompaniment of screams and gunshots, as was the case in Grenada, before we all say how sorry we are?

Anyone with eyes to see and ears to hear recognises that our South American neighbour is being horribly mistreated by a brutal dictatorship. One does not need to be a soothsayer to know that conditions in Guyana could reach dangerous levels. Yet our Government and too many of our people remain cruelly indifferent to the plight of Caribbean people like ourselves, in Guyana.

The PNM Government of Trinidad and Tobago avowedly hews to the line of non-interference in the affairs of other states. At least that is the excuse given when nothing was done about the massacre of Maurice Bishop and those close to him in Grenada. No one, least of all this column, is asking the PNM Government to change its official position and to meddle in the internal runnings of Hoyte's dictatorship. What this column and many people are calling for is that the Govern-

ment officially and loudly OBJECT to the madness that is going on in that terrorised land.

Objecting to a patently wrong or morally degenerate form of government is not something new. Trinidad and Tobago has made its position eminently clear at world fora like the U.N. about the wrongs in South Africa. So making official objection at the same fora and at the same volume about the oppression in Guyana would not be breaking a taboo, or doing something reckless and unprecedented.

The violence and the repression can fill books, yet despite these horrors, to which can be added economic strangulation, only two Caricom leaders have openly voiced complaint, Eugenia Charles and John Compton.

This column, and many other people in this country, would like to know precisely what the other Caricom partners are prepared to do about Guyana. What is Trinidad and Tobago prepared to do about the ruthless, despotic tyranny that hides itself under the guise of democracy in Guyana? Will we keep our silence? Are we prepared to see a replay of the Grenada situation with all the dereliction of human rights? When the forecastable crunch comes, will we once again complain that we were left out?

As the country with much interest in Guyana, with large outstanding debts owing by Guyana, and a

tradition of abundant trading with Guyana, Trinidad and Tobago is better placed and has a greater moral responsibility than the other Caricom members to do something about the horrible treatment being meted out to Guyanese by a government of dubious legality.

Restore Freedom

We are in a position to apply official pressure by voicing our opinions and our disgust for all the world to hear. If Errol Mahabir could go to the U.N. and focus world attention on South Africa, then he should remember that charity begins at home, that first responsibilities are to one's own region and that the same fora must once again be used to focus attention on the tragedy that is Guyana.

Nor does the Government have to wait for such an opportunity but should immediately start correcting the situation by implementing a plan of objections and even economic actions to stop the repression, restore freedom and to encourage new elections that can be conducted to everyone's satisfaction.

If the PNM Government refuses to take a stand, then it is guilty of sanctioning and approving the oppression in Guyana, and condoning the death of freedom in that country.

/9274

CSO: 3298/303

SIGNS OF COMING ELECTION STIR POLITICAL FORCES

NAR Council Installation

Port-of-Spain EXPRESS in English 20 Jan 86 p 3

[Text]

THE 72-member general council of the National Alliance for Reconstruction was installed during a function at Gulf City Auditorium on Saturday evening.

The installation of the council took place during a fund-raising dinner/dance attended by nearly 500 party members and supporters.

The first meeting of the general council will take place at the Rienzi Complex, Couva, on February 1. The Parliamentary arm of the party was to meet at 10 a.m. yesterday.

NAR party leader ANR Robinson described the function as "an important milestone."

Though the "will and spirit is there to overcome," he said, to succeed the party needs discipline which is at the heart of organisation.

"Support can only be turned into electoral success

with organisation in every nook and cranny in the country," he stressed.

Robinson urged those present to make sure they are registered to vote and to persuade others to do so. He said the party needs both vocal and financial support.

Deputy leader Karl Hudson-Phillips pledged his own support and the support of all those present to party leader Robinson, and noted he has been assigned by the party leader to organise the election campaign.

"The NAR is the last hope for those who do not want to abandon ship as happened in Jamaica in the 1970s," he declared.

Deputy leader Basdeo Panday moved the vote of thanks and called on those present to "come together as one family in one political crusade."

Robinson Speech

Port-of-Spain TRINIDAD GUARDIAN in English 20 Jan 86 p 3

[Text]

SAN FERNANDO — POLITICAL Leader of the National Alliance (NAR) said at Harris Promenade in San Fernando on Thursday night that despite all the corruption, lack of integrity and the total absence of public accountability, "Trinidad and Tobago still has a chance." But, he added: "Something tells me this is the very last in a long long time."

Mr Robinson, who is Chairman of the Tobago House of Assembly, was one of four speakers at the meeting. The others were the two deputy political leaders of NAR, Opposition Leader Basdeo Panday, political leader of the Organisation for National Reconstruction, Karl Hudson-Phillips, and parliamentarian John Humphrey (St. Augustine).

Discussing what he described as the country's last chance, Mr Robinson said: "Fortunately, we still have some people in the coun-

try who are committed to the people, who have integrity and honour, so that we have a chance to mobilise the people of the nation, still have a chance, but something tells me it is the very last for a long, long time to come."

Mr. Robinson accused the People's National Movement (PNM) of squandering the wealth of Trinidad and Tobago.

He said if one were to study Mr Chambers's sentiments in the 1986

Budget Speech it was extremely difficult to understand how he could possibly have told the nation that he had gone to the Far East in 1985 to win investment, knowing full well, as he said "in the Budget Speech, that the TT dollar was being devalued in order to make our manufactured products competitive in the international market."

One would have thought, Mr Robinson said, that having devalued the dollar to make local products competitive, now would have been the time to seek foreign investment.

Change In Language

He said Mr Chambers and the PNM had squandered money from the oil bonanza in a fashion that would stagger the imagination.

Before the oil boom, Trinidad and Tobago had two Five-Year Development Programmes, one for 1964-68; the other for 1968-73. Then came the rise in oil prices as a result of the OPEC cartel he said. See how the language changed.

Planning is no longer in style; the new craze was project this and project that. While the Government had earmarked the sum of \$800 million for the two Five-Year Development Programmes, in 1973-74 alone our current revenue rose from \$476 million to one billion two hundred and seventeen million so that in one year we got an increase in our recurrent revenue equal to what we would have spent on our development programmes for ten years.

"By 1982 our current revenue had risen from \$476 million in 1973 to \$7 billion, two and a half times as much as we would have received for ten years (1963-73)".

He declared: "With proper planning and efficient management of the people's affairs, that colossal sum could have taken care of the population for 50 years."

He reminded the meeting that at one time Trinidad and Tobago was being described no longer as a developing nation, but as a developed country. He added, "But where are we today now that the oil money has been squandered by so many corrupt practices?"

With the change in the language, Mr Robinson said, it was the fertiliser project with W.R. Grace for \$297 million, Iron and Steel Complex at Point Lisas which started out as a project estimated to cost \$653 million but which had cost over-runs that sent up the figure to \$1 billion and which even though finished, was still losing millions of dollars.

He said that the 11 projects undertaken by the Government had cost the population \$7,822 million, a sum 20 times the cost of the 1969-1973 Five-Year Development Programme.

In the process, the Government had abandoned agriculture, there were no manufacturing industries, agricultural industries or spin off industries.

"Today, after all that colossal waste of taxpayers' money, we are right back where we were before the oil bonanza in 1973."

Mr. Robinson said that that was not the only unpardonable sin of the PNM, because when the country became a Republic there was provision in the Constitution calling for appointment of an Integrity Commission and "one must ask oneself what has the Government done in ten years about that Integrity Commission, from 1976 to 1986."

Evils Of Corruption

He said that everywhere else Government seemed to recognise the seriousness and the tremendous evils of corruption in high places and the determination by many to eliminate such practices. But, he declared as he referred to the "McDonnell Douglas Corporation scandal" and the treatment by the Japanese Government of high State officials found guilty of corruption in the Lockheed scandal, that the Trinidad and Tobago Government simply chose to cover up.

He referred to a statement given in the House of Representatives by Minister of Energy and Natural Resources Patrick Manning, which he said bore absolutely no relevance to the scandal at hand and the demand by the Trinidad and Tobago Government through a letter sent to McDonnell Douglas Corporation by the State Solicitor demanding an apology, collectively and individually, for the libel by the Corporation of the Government when it said to the United States Security Agency that it had paid a bribe to a high Government official and his business associate.

He said it would be interesting to hear from Prime Minister George Chambers what reply the Government received from the McDonnell Douglas Corporation.

Mr Robinson went into detail about forms of corrupt practices which in Hong Kong, the Integrity Commission was charged to investigate. He told the audience that despite the corruption, the inefficiency, the lack of integrity and the total absence of public accountability, Trinidad and Tobago still had chance. "But something tells me it is the last in a very, very long time."

PNM Preparations

Port-of-Spain TRINIDAD GUARDIAN in English 21 Jan 86 p 1

[Text]

PRIME MINISTER George Chambers has put his ruling People's National Movement (PNM) on an election footing.

At Sunday's General Council meeting of the party Mr. Chambers as Political Leader, requested the PNM's Central Elections Committee, headed by County Councillor Rennie Matthews, to prepare a programme of activities aimed at mobilising the party for elections. Interestingly, the programme

would extend to December — throwing in doubt whether the general elections would be held before that date.

Also at Sunday's meeting, the General Council accepted a recommendation from the party's youth league that a daughter of jailed South African freedom fighter Nelson Mandela be invited to Trinidad and Tobago.

Princess Zenani Mandella-Dlamini, who is based in Swaziland, is expected to arrive in the country before the end of the year.

On the election move a party source said last night:

"The fact that the committee has been mandated to prepare a programme going up to December gives an indication of how Mr. Chambers is thinking with respect to the date of the general elections. "If the committee is to prepare

a programme extending to December, it obviously means Mr. Chambers may not call the election before that date. But then, one can never anticipate him... any thing can happen..."

The source said Mr. Chambers was in a "tough" mood at Sunday's meeting and that he made frequent and incisive contributions throughout the meeting which lasted three hours.

Another important outcome was confirmation of March 30, as the date on which the party would hold a special convention in memory of the late Prime Minister, Dr. Eric Williams.

According to the source, Mr. Chambers proposed that the meeting deal with three topics — party welfare, party scholarships and revitalisation of the PNM Credit Union.

Formal Launching of NAR

Port-of-Spain TRINIDAD GUARDIAN in English 28 Jan 86 p 1

[Article by Clevon Raphael]

[Text]

UNITY among opposition parties in Trinidad and Tobago will be finally achieved on February 23 when the National Alliance for Reconstruction (NAR) is formally launched.

On that day the constituent units of NAR — the National Alliance of Trinidad and Tobago and the Organisation for National Reconstruction — will cease to exist as separate parties.

The final unification was announced at a public meeting in Scarborough, Tobago, Sunday evening by ONR Political Leader Karl Hudson-Phillips, one of two deputy political leaders of NAR.

Also addressing the session were NAR's Political Leader A.N.R. Robinson, and Parliamentary Opposition Leader Basdeo Panday, the other NAR deputy political leader.

A political source said yesterday that the final cementing of the unity bid which started soon after the 1981 general elections would put to rest talk of the NAR being a coalition during the forthcoming general elections campaign.

Mr. Hudson-Phillips told the crowd at Market Square that the existing parties would be absorbed into one party.

On February 23 both ONR and NATT would be holding simultaneous meetings where delegates would pass resolutions giving effect

to the merger.

Following this, according to Mr. Hudson-Phillips, another joint meeting would be staged to pass the NAR constitution.

Mr. Hudson-Phillips prepared the draft of the constitution which will be the subject of discussions when the NAR national executive meets tomorrow evening.

All members of the respective parties will be offered automatic membership in NAR.

Broadcast Time

Mr. Hudson-Phillips, a former Attorney General in the PNM government who resigned the post and from the party, also gave the crowd a brief history of the unitary process.

He also warned that NAR would not tolerate any reduction in broadcast time on the electronic media because of the new entity coming into being. NAR would not accept that it cannot have any broadcast time on the excuse that it did not contest the last general elections, he declared.

On the question of Mr. Robinson's leadership of NAR, Mr. Hudson-Phillips declared:

"Tobagonians must appreciate that Mr. Robinson is needed once again to do national duty and that he must be shared with the national community

as a whole.

Mr. Panday, in attacking the ruling party for allegedly trying to divide the community, claimed this was being done via the racial bogey.

He elaborated:

"They will once again try to use the question of race to divide this cosmopolitan population, but the unification process that is being achieved by NAR is the greatest demonstration of the fact that we are indeed one nation, one people."

Tobago, he added, was able to deal with the issue of voter registration, but the situation in Trinidad needed to be intensified so as to ensure the voters were registered with the Elections and Boundaries Commission.

NAR sources could not say yesterday whether there would be the need to hold fresh elections or if a resolution would be passed to allow the present officers to remain in office.

One official said:

"We will not want to do anything that might appear to be undemocratic so this is one issue we are looking at very carefully. One influencing factor though is that we can expect a general election to be called anytime so one would have to be very careful in how we go about this aspect of NAR's operations."

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UNION OFFICIAL POINTS TO 'POWDER KEG' IN TOBAGO

Port-of-Spain EXPRESS in English 24 Jan 86 p 1

[Text]

"A POWDER keg exists in Tobago and when it explodes somebody will react." So said Selwyn John, general secretary of the National Union of Government and Federated Workers (NUGFW), at a press conference held at the union's Port of Spain office yesterday.

Many workers at the Tobago House of Assembly are not receiving pay on stipulated dates and in some instances workers have not been paid for three weeks, John said.

He called on the Ministry of Finance "to heal the rift" that exists between itself and the House of Assembly because "workers getting the pressure." He also called on the Chairman of the Assembly "to pay the same attention to the citizens of Tobago as he showed to the citizens of Trinidad."

John said that the problem which affects over 5,000 daily paid workers began since 1982, and has escalated in recent times. He said that the Assembly had given two reasons for the problems — the rate of release of funds by the Ministry of Finance, and the fact that the Ministry of Finance had placed certain terms and conditions on the release of funds.

Workers from the Assembly were at the conference and outlined a series of problems being faced by them.

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POLICY SETTING TIME LIMITS FOR POLITICAL TELECASTS RENEWED

Port-of-Spain TRINIDAD GUARDIAN in English 25 Jan 86 p 1

[Text]

TRINIDAD and Tobago Television (TTT) has decided to re-introduce, with immediate effect, its policy on political broadcasting in which the ruling People's National Movement (PNM) will have more allotted time than the Opposition parties.

This undertaking was given yesterday by TTT's lawyer Martin Daly, S.C., before the start of an appeal by TTT and the Attorney General against the judgment of Mr. Justice Deyalsingh who ruled in favour of Surujrattan Rambachan, Chairman of the St. Patrick County Council.

Mr Daly told the Court of Appeal, which comprised Chief Justice Clinton Bernard, Mr. Justice Persaud and Mr. Justice Narine, that TTT will re-introduce with immediate effect the entire policy which the station made in 1982.

Counsel said the television station would continue with the policy pending the determination of the appeal or until further order. The appeal is listed for hearing in June.

Appearing for TTT were Mr. Daly and Lynette Seebaran; Michael de la Bastide S.C., Deputy Solicitor General Clive Beckles and State

Counsel Jacqueline Quamina-Cherrie appeared for the Attorney General; while Karl Hudson-Phillips, S.C., and Olic Dougan represented Rambachan.

Mr. Daly said TTT would re-introduce its broadcast policy in which the PNM would have seven periods of ten minutes each; the Organisation for National Reconstruction three periods of ten minutes each and the United Labour Front (ULF) two periods of ten minutes each.

The Board of TTT and the National Broadcasting Service decided in February 1980 to allocate free broadcasting time to the political parties on the basis of the 1981 General Elections in which the PNM won 26 of the 36 contested seats.

Although the ULF won eight of the 10 remaining seats, the ONR collected more votes at the polls.

Mr Rambachan had filed a motion on December 23, 1982 seeking a declaration that the refusal on December 21, 1982 by TTT to show a pre-recorded speech constituted a contravention in relation to his right to equality of treatment from a public authority.

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AMOCO INVESTMENT PLANS UNAFFECTED BY DROP IN CRUDE PRICES

Port-of-Spain EXPRESS in English 28 Jan 86 p 1

[Article by Harry Partap]

[Text]

THE current uncertainty in crude oil prices will not affect the American Oil Company's 1986 capital investment programme of US\$142.2 million for 21 new wells on the East Coast.

This was disclosed yesterday by Amoco's president, Robert Powers, during a press conference at Galeota Point. Earlier, Energy Minister Patrick Manning said that the company had invited tenders for the construction of a new platform which will begin drilling five wells.

He said the first well should be drilled in May 1986. Of the 21 new wells, five will be exploratory. A barge is expected to start laying pipelines for this project.

Powers told the news media that the company did not usually react to reports of a drop in oil prices. He said the company's plans for 1986 will continue and be reviewed only if necessary.

The company's capital investment portfolio for 1986 represents a 106 per cent increase over the 1985 figure of US\$5.3 million. The 1986 capital investment portfolio includes US\$30.8 million for exploration and

US\$57.5 million for development work.

The company's operating expenditure for 1986 had been estimated at US\$131.1 million.

Manning, who held the Annual Technical Meeting with Amoco, said that Amoco reached a production output of 93,511 barrels per day. He said that crude oil production at Amoco would decrease to 88,000 bpd during 1986. Manning said this decrease in production was understandable against the background of the rate of decline on the East Coast. He referred to the South West Nariva I field which he said had disappointing returns. He said the well did not yield as expected and a second look had to be taken at the seismic data. He said no platform will be put at SW Nariva I.

Amoco, according to Powers, discovered a new well at the Galeota Ridge 4 producing 3,000 bpd of crude oil. He said this was very encouraging production since it was a different type of crude. Powers told the media that Amoco did not benefit from the recent devaluation of the Trinidad and Tobago dollar. Said he: "It did not improve our bottom line at all."

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BRIEFS

NATURAL GAS PLANS--The Trinidad and Tobago Petroleum Company (TRINTOPEC) and the Trinidad and Tobago Oil Company (TRINTOC) are together going to develop the substantial natural gas and condensate reserves in the South East Coast Consortium (SECC) shortly. This was disclosed by TRINTOPEC's Board Chairman G. Hamel Legall during the company's flag raising ceremony at Palo Seco on Tuesday. A 1980 study on SECC estimated billions of cubic feet of gas reserves. It was estimated that the development of the SECC fields could cost approximately TT \$1,164 billion. Said Legall: "Co-operation with TRINTOC in a venture which is so vital for present investment opportunities and indeed the future of the country must also be extended to co-operation in rationalising all levels of operations of our two state enterprises in the wider national interest, especially in our land production which accounts for a high proportion of the employment and activity in the industry." [Excerpts] [Port-of-Spain EXPRESS in English 22 Jan 86 p 26] /9274

AMMONIA PLANT--Prime Minister George Chambers and Chairman and Chief Executive Officer of W. R. Grace and Company J. Peter Grace will both turn the sod in a new ground breaking ceremony today to mark the start of construction of a new 500,000 tons a year ammonia plant--Tringen Two. The new ammonia plant, expected to cost approximately \$800 million, will be an expansion of Trinidad Nitrogen Company--Tringen One. It will be a joint venture company in which the Government of Trinidad and Tobago will own 51 per cent equity, and W. R. Grace and Company 49 per cent. When the new plant comes on stream Tringen's capacity will increase from its current 400,000 tons to 900,000 tons a year. [Excerpt] [Port-of-Spain TRINIDAD GUARDIAN in English 21 Jan 86 p 1] /9274

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