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JPRS 81317

20 July 1982

Latin America Report

No. 2540

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20 July 1982

LATIN AMERICA REPORT

No. 2540

CONTENTS

ENERGY ECONOMIC

INTER-AMERICAN AFFAIRS

- Regional Seminar on Energy Development Opens in Barbados
(ADVOCATE-NEWS, 10 Jun 82, THE NATION, 10 Jun 82) 1

Adams Praise for Help
Alternate Energy Problems

BARBADOS

- Editorial Hails Natural Gas Potential, Stresses Safety Need
(Editorial; ADVOCATE-NEWS, 10 Jun 82)..... 3

- Briefs
Gas Price Hike 5

HONDURAS

- Country's Fuel Consumption for 1982 Increasing
(LA TRIBUNA, 7 Jun 82) 6

MEXICO

- Azcapotzalco Refinery Irregularities Investigated
(Humberto Aranda; EXCELSIOR, 24 May 82) 7

- Low Refinery, Storage Capacity Threaten Petroleum Self-
Sufficiency
(Edgar Gonzalez; EXCELSIOR, 23 May 82) 10

COUNTRY SECTION

INTER-AMERICAN AFFAIRS

- Colombian Loss of Meat Markets to Argentina
(German Navarrete; EL TIEMPO, 9 Jun 82) 12

ARGENTINA

- Biographic Details on New Army Commander in Chief
(LA PRENSA, 18 Jun 82) 15

BARBADOS

- Sugar Industry in Crisis; Plantations Put Up for Sale
(THE NATION, 9, 11 Jun 82, SUNDAY SUN, 13 Jun 82)

Accumulated Losses, by Charles Harding
Agriculture Minister's Assessment
Cane Fires

Papers Rap Reagan UK Speech for Skirting S. Africa Issue
(SUNDAY ADVOCATE-NEWS, 13 Jun 82, SUNDAY SUN, 13 Jun 82) 22

'ADVOCATE-NEWS' Editorial
Columnist's Critique, by R. Lawson Bayley

- Briefs
Government Help for Tourism 25

BERMUDA

- Government Defends Decision To Donate to Falklands Charity
Fund
(THE ROYAL GAZETTE, 5, 10 Jun 82) 26

Cox, Swan Remarks
Fund at \$100,000 Mark

Swan Calls UK Visit, Talks With Thatcher 'Successful'
(THE ROYAL GAZETTE, 10 Jun 82) 29

BRAZIL

- National Biotechnology Program (PRONAB) Document
(PROGRAMA NACIONAL DE BIOTECNOLOGIA, 1981) 31

COLOMBIA

- U. S. Foreign Policy Called Inept
(Fernando Galvis Gaitan; EL SIGLO, 12 Jun 82) 47

Remarks on Ironies of Falkland Islands Dispute (Alfredo Vazquez Carrizosa; EL ESPECTADOR, 11 Jun 82).	48
COSTA RICA	
Monge Discusses First Month in Government (Luis Alberto Monge; LA NACION, 10 Jun 82)	51
DOMINICA	
Charles Defends Civil Service Cuts Against Favoritism Charges (ADVOCATE-NEWS, 17 Jun 82)	56
Briefs Call for Loan Renegotiation	57
GRENADA	
Tourism Team Reports Good Prospects in Trinidad-Tobago (ADVOCATE-NEWS, 17 Jun 82)	58
Chamber of Commerce Report Notes Problems With Government (ADVOCATE-NEWS, 15 Jun 82)	59
GUYANA	
Editorial Assails PNC Record on Nation's 16th Anniversary (Editorial; MIRROR, 30 May 82)	60
Bauxite, Foreign Exchange Addresses at PNC Meeting (GUYANA CHRONICLE, 8, 9 Jun 82).....	62
Unspecified Remedies Call for Government Explanation	
Burnham Speaks on Venezuelan Threat, Economic Situation (GUYANA CHRONICLE, 27 May 82)	64
Mexican Envoy Presents Credentials; Foresees Stronger Ties (GUYANA CHRONICLE, 8 Jun 82)	66
Officials Give Details on Drawbacks of Soviet 'Aid' (GUYANA CHRONICLE, 11 Jun 82)	67
Reports Differ on Layoffs in Bauxite, Other Industries (GUYANA CHRONICLE, 4 Jun 82, MIRROR, 6 Jun 82)	69
'CHRONICLE' on Guymine Situation 'MIRROR' Figures	

Guyana Government Decides Against Hosting Caricom Summit (GUYANA CHRONICLE, 11 Jun 82)	71
'MIRROR' Hits Turnover in Government Officers, Use as 'Advisers' MIRROR, 30 May 82)	72
4,000-Foot Sea Wall to Dam River, Sea Waters in Essequibo (GUYANA CHRONICLE, 25 May 82)	74
Farmers' Applications to GAIBANK for Loans Increase (GUYANA CHRONICLE, 28 May 82)	75
Trinidad-Tobago Buying More Rice: 'Dumping' Charged (GUYANA CHRONICLE, 25 May 82).....	76
Briefs	
Civil Defense Committees	77
Planning Study	77
Police Reforms	78
HONDURAS	
Presidency Minister Denies Split in Liberals (Carlos Flores Facusse Interview; LA TRIBUNA, 9 Jun 82)	79
Official Discusses Reconstruction of Flooded Area (LA PRENSA, 7 Jun 82)	81
JAMAICA	
Government Providing Funds for Manufacturers, Exporters (THE DAILY GLEANER, 14 Jun 82)	83
Briefs	
Vaccine From Venezuela	85
MEXICO	
Sepulveda Amor Statements Criticized (Jorge Cruickshand Garcia; EXCELSIOR, 2 Jun 82)	86
Madero Warning on Latin American Immigrants (Alfredo Jimenez; EXCELSIOR, 2 Jun 82)	88
Need for Accord With U.S. on Migrant Workers Noted (Editorial; EL DIA, 2 Jun 82)	90

Briefs	
Cattle Ranch Takeover	93
Alfa Employees' Solidarity Committee	93

NICARAGUA

Bank President Denies Changes in National Economic Policy (EL NUEVO DIARIO, 4 Jun 82)	94
Report on Coordination Between Government, Industry (EL NUEVO DIARIO, 5 Jun 82)	96
Over \$200 Million in Exports Through May Reported (LA PRENSA, 2 Jun 82)	98
Intense Debate, Reforms, Mark Council Meeting (BARRICADA, 8 Jun 82)	100
Construction Minister Storm Damage to Highway Network (EL NUEVO DIARIO, 5 Jun 82)	103
Sugar Production in 1981-82 Harvest Second Highest (EL NUEVO DIARIO, 26 May 82)	105
Briefs	
Details of SFN Credits	107

ST VINCENT

Tannis Describes Three-Pronged Approach to Economic Progress (SUNDAY SUN, 13 Jun 82)	108
---	-----

TRINIDAD AND TOBAGO

'GUARDIAN' Editorial Hits 'Illegal' Status of Grenada Government (Editorial; TRINIDAD GUARDIAN, 10 Jun 82)	109
Agricultural Development Bank Increases Loan Budget (TRINIDAD GUARDIAN, 10 Jun 82)	111
Ince Discusses Ties With Venezuela, Other Foreign Issues (Norris Solomon; TRINIDAD GUARDIAN, 10 Jun 82)	112
Telco Warns Workers on Strike Action; Union Responds (TRINIDAD GUARDIAN, 9 Jun 82)	114
Chambers Announces Plans to Monitor Layoffs of Workers (TRINIDAD GUARDIAN, 28 May 82)	116
Monthly Import Bill Now \$736 Million, Up 1,400 Percent Since 1963 (TRINIDAD GUARDIAN, 28 May 82)	117

REGIONAL SEMINAR ON ENERGY DEVELOPMENT OPENS IN BARBADOS

Adams Praise for Help

Bridgetown ADVOCATE-NEWS in English 10 Jun 82 p 1

[Text]

Barbados' Prime Minister Mr. Tom Adams has lauded the efforts which three of the Caribbeans oil-producing States are making in helping to cushion the effects of petroleum supplies and financing in the region.

Mr. Adams who was addressing the opening of the first regional seminar on financing energy development which got under way yesterday, said the efforts by the three countries were to be commended in helping to resolve the short-term problems pertaining to supply and financing.

The three are Venezuela, Mexico, and Trinidad and Tobago.

Mexico and Venezuela have instituted a joint oil facility for

Central American and Caribbean States under a special financing and investment arrangement, while Trinidad and Tobago, in a similar move, assist regional countries with loans to purchase petroleum products, fertiliser and asphalt.

Also addressing the opening ceremony was Barbados' Energy Minister Senator Clyde Griffith who said that for too long the solution to meeting energy demands lay in the additional pumping of an extra barrel of oil from somewhere in the ground or squeezing an additional unit of power from the sun's rays by some unconventional means.

"It is safe to say, that, amidst all this, the oil im-

porting developing countries placed too little emphasis on the efforts to rid themselves of the dependency on hydrocarbon imports needed for economic development," Senator Griffith said.

The Minister said it was ironic in a sense, that the countries best suited to withstand the shocks of the international energy crisis, have been in the vanguard of training, research and development in the search for new sources of energy.

This can be explained, he went on, by the fact that those countries are in a better position to provide the financing needed for such efforts.

Alternate Energy Problems

Bridgetown THE NATION in English 10 Jun 82 p 20

[Text]

PRELIMINARY studies have indicated that the engineering works for Barbados' proposed wave energy project may be more difficult to deal with than originally anticipated.

So said Prime Minister Tom Adams at the official opening of the first regional seminar on financing energy development at the Dover Convention Centre yesterday.

Said Adams: "We are receiving assistance from the Inter-American Development Bank (IDB) to finance a pilot wind energy programme, and are at present financing from our own resources a pre-feasibility study aimed at determining the wave energy potential of our south-eastern coast.

"First results from the study suggest that while

the energy potential is fully as great as we had hoped, the engineering works may be more formidable than we had anticipated.

"Efforts also continue to popularise the use of solar energy and to expand solar cooling in some of our productive sectors."

Adams had earlier spoken of the increased emphasis on bilateral assistance being given to oil-importing countries in the region and specially commended the region's three oil-exporting countries—Venezuela, Mexico and Trinidad and Tobago—in helping to resolve the short-term problems pertaining to petroleum supply and financing.

About this he said: "I refer to the joint economic cooperation efforts of Mexico and Venezuela for meeting the petroleum requirements of Central American and Caribbean countries under special financing and investment arrangements, and the establishment of the Trinidad Oil Facility by the Government of Trinidad and Tobago, which finances loans for the purchase of petroleum products, fertilizers and asphalt from Trinidad by CARICOM states."

The Prime Minister said there was a need to sustain efforts to develop alternative and conventional energy systems to mount in-depth conservation programmes and to strengthen the institutional capability of the countries to administer their energy development."

He said that high risk and long gestation periods were involved in the implementation of important aspects of the energy development programmes, and successful implementation would require massive technical and financial support.

Adams added the oil-importing countries of the region were therefore looking to the international organisations and industrialised countries to provide the needed technical and financial resources.

CSO: 3025/333

EDITORIAL HAILS NATURAL GAS POTENTIAL, STRESSES SAFETY NEED

Bridgetown ADVOCATE-NEWS in English 10 Jun 82 p 4

[Editorial]

[Text]

The Chairman of the National Petroleum Corporation, Mr. Aaron Truss, has intimated that there may be increased supplies of natural gas for Barbadian consumers if a well which has been tested fulfills its potential.

In the light of current prices for petroleum and petroleum products, that would be a big boost for the Barbadian economy if the well proves out. A seismic test has been done by Mobil, the lone oil company with a refinery in Barbados, but word is still being awaited from overseas about the results.

If the well provides a high volume of gas, the system of pipelines which supplies natural gas to many areas of the island will be expanded. The NPC is embarking on a programme to bring natural gas to as many Barbadians as possible. It is unlikely that the entire island will be serviced with natural gas pipelines, unless huge new reserves of gas are discovered. In the light of the numbers of seismic and other tests conducted over the span of several decades this seems a remote possibility.

However, the NPC must be commended on its intention to expand the grid of pipelines now serving Barbadian consumers with natural gas. There are still some areas of dissatisfaction within the grid — districts which are not served with pipelines although other adjacent districts are so served.

There have also been complaints from time to time of low pressure in some districts especially during peak periods when most people are preparing meals. This can be most inconvenient, since Barbadians tend to depend on their utilities and seldom buy emergency equipment. This says a great deal for the efficiency of the various services generally, but the inconvenience of the occasional breakdown or malfunction is no easier because the service is generally good.

Technological adjustments are being investigated to ensure continuity of high pressure at all times. The problem is caused because all the supply wells are in one area — mainly St. Philip — and it is difficult to maintain even high pressure throughout the

entire system fed from this source.

But the NPC Chairman revealed an appealing situation — considerable loss of gas through leakages. He said that last year several leakages occurred when the Bridgetown Sewerage Project was being laid down and several lines were damaged. Last year there was a 32 per cent loss of all gas purchased and in 1976 a 40 per cent loss. Sometimes it took weeks to discover that a line had been damaged — resulting in considerable loss of gas.

The loss has however been reduced to 10 per cent, and new equipment is being brought in to test lines. It is hoped that contractors and workmen will report immediately when they discover damaged lines.

The high rate of loss revealed by Mr. Truss has been a heavy drain on a non-renewable resource which Barbados has been fortunate to possess. In the light of the multimillion dollar expenditures necessary to locate and exploit petroleum resources, and the pricing structures and policies of the oil exporting countries, that loss becomes a problem of national magnitude.

It must be viewed in the light of the high cost of energy to sustain the style, standard and quality of life to which most Barbadians have become accustomed and for which the others strive. The natural gas admittedly wasted could have been burned by the Barbados Light and Power Company which now uses gas for 10 per cent of its fuel needs to generate electricity.

And while we must bemoan the loss of such an expensive input to our industrial and domestic structures, we have been exposed to the danger of environmental pollution — an increasing condition that is threatening the very continued existence of the world, not just the quality of life as we know it. We have also been fortunate to have so far escaped the awful calamity of a major gas explosion which could have occurred if a leaky pipeline had been ignited.

We have read of the toll in human lives and property damage when gas explosions have ripped apart communities in countries overseas. Imagine what the damage would be like if a similar accident occurred in densely populated Barbados.

Natural gas is a resource which has served us well even if there are limits to the system. The NPC must continue its quest for the most efficient way to serve its consumers and combine absolute safety — as nearly as possible — with expanded reliable service.

BRIEFS

GAS PRICE HIKE--The cost of bottled gas has been increased and Barbadians are to be today officially notified of the new prices they now have to pay. An official of the Price Control Division of the Ministry of Agriculture and Consumer Affairs yesterday said the new prices would be published today. He declined to comment any further on the matter, but one of the local distributors of bottled gas said that Government had agreed to sanction their requested price increase after considering their increased operating, wages and other costs over the past two years. The last increase had been granted in April 1980. The new increases came into effect from last Monday and are as follows: Twenty pound cylinders--from \$14.45 to \$17.08; 25 lb. cylinders--from \$18.05 to \$21.35; 100 lb cylinders--from \$72.25 to \$79.40. [Text] [Bridgetown THE NATION in English 9 Jun 82 p 1]

CSO: 3025/333

COUNTRY'S FUEL CONSUMPTION FOR 1982 INCREASING

Tegucigalpa LA TRIBUNA in Spanish 7 Jun 82 p 7

[Article: "The Increase in Consumption Is Disturbing: The Importation of Fuel Will Cost More Than 400 Million"]

[Text] The country's economic authorities are extremely worried over the trend in the increase in fuel consumption, the consequences of which, according to esteemed officials, will result in an added expenditure of more than 400 million lempiras during the present year.

Last year, the oil invoice was estimated at 300 million. So far this year, almost 150 million worth of imported energy has been consumed. This was processed in Trinidad Tobago from Saudi Arabian crude.

For that quantity the country was not able to receive any discount whatsoever, since all of the purchases were completely outside the Mexican-Venezuelan Oil Agreement, which stipulates a 30 percent discount on invoices for an investment fund to be used by consumer countries in the search for alternate energy sources.

Also, last year Honduras could obtain only 28 million from that fund, whereas it had been estimated that it could have the benefit of 90 million.

If it imported oil from Mexico and Venezuela, it would be expected that there would be a greater discount and a considerable amortization of the flight of currency.

However, none of the currency generated by the purchase of already processed fuel can revert to the country, and if the same situation continues, the increase in consumption will have very serious repercussions on the national balance of payments.

The authorities attribute this year's increase of almost 100 million lempiras in consumption to the lack of awareness on the part of the public, which continues to consume fuel without giving thought to what it means for the economy of the country.

Consideration is being given to the possibility of conducting a fuel conservation campaign in order to reduce the impact of the oil invoice on the nation's economy.

AZCAPOTZALCO REFINERY IRREGULARITIES INVESTIGATED

Mexico City EXCELSIOR in Spanish 24 May 82 pp 4-A, 27-A

[Article by Humberto Aranda]

[Text] Large amounts of basic products, raw materials, have come into the 18 March Refinery in Azcapotzalco, products to be used to produce oils, grease and additives. But invariably, the quantities going in have never matched the products coming out for sale. There have also been frequent cases of undocumented shipments of basic products, or cases in which documentation was received but the corresponding raw materials were not.

There has been a lack of equipment to correctly measure the contents of the oil barrels sent to the market. These barrels are supposed to contain 200 liters, but they usually have a margin of 30 liters. When they are filled, they are measured either "by hand" or "by sound." When the worker feels the drum is nearly filled, he sticks in his finger to measure the level, or listens to the drum to determine the approximate oil level. "It was always at least 5 liters short."

Huge amounts of the polyethylene used for making containers for oil and grease have been squandered. "All sorts of raw materials have disappeared in amazing quantities."

Inexplicably, shipments of basic products have been immediately reshipped to private firms, and without documentation.

These charges are part of some of the testimony from former workers of PEMEX [Mexican Petroleum], prepared by a personnel committee from the department of shipping and deliveries, which has taken upon itself the job of investigating irregularities in the refinery, in order to lend support to its request that the attorney general's office conduct audits of the sales and personnel departments.

The committee, which was appointed at a meeting of the workers, is also requesting an investigation of the fortunes of some officials and former officials of the refinery, including: the engineer Eduardo Barreda Rodriguez, sales manager; the engineer Gustavo Bonilla Perez, deputy sales manager; Ramon Soto Rico, general superintendent of land terminals; engineer Renan Gonzalez Lopez, superintendent of deliveries; engineer Horacio Aragon Calvo; engineer Enrique Farias Rivera, general superintendent of construction and maintenance of the sales department; Roberto Vazquez Topete, former superintendent of the special products and lubricants terminal; and engineer Leoncio Nunez, former superintendent of terminals. The latter two are now retired.

This group of engineers came to PEMEX during the management of Antonio Dovali Jaime, and the group was consolidated during the time of Jorge Diaz Serrano, when Florencio Lara Sosa was sales manager. Lara Sosa is now the owner of a fuel transport company.

"The Engineers Mafia," according to the Committee

Clemente Manzano, J. Luis Garcia Reyes, Salvador Hernandez Ayala, and Hector Guerrero, members of the workers committee from the shipping and deliveries department, pointed out that most of these officials "came into the company with nothing, and now they are millionaires."

Roberto Vazquez Topete now owns an elegant "country estate" in Satellite, and Horacio Aragon is having "a mansion" built for himself in the Las Aguilas subdivision. Ramon Soto Rico, after living in a rented house in El Huizachal, "now has a large house in Lomas Estrella," claimed the committee members, citing these cases as examples.

According to the workers' testimony, Florencio Lara Sosa, when he retired from PEMEX, "left them set up so they could take turns running departments, thus perpetuating the system of privileges for officials and former officials who have interests in marketing PEMEX products."

As another example of the system of favoritism in the company, they mentioned the case of an oil distributor. "At the instructions of his friend, Ramon Soto Rico, every day he gets 15,000 liters of oil."

Panic at the Refinery

The committee reported that because of the workers meeting held on 12 May, denouncing the dismal condition of the fuel distribution equipment--"80 percent is pure junk"--the automotive and heavy vehicle repair and maintenance service has been working long hours, staying there late at night, to "correct" the documentation and destroy papers proving the existence of interests which refinery officials have in vehicle repair shops, some of which are actually owned by the officials themselves.

Employees in shipping and deliveries have worked to monitor these nocturnal activities and have salvaged from the trash some bills in which, they say, PEMEX was charged inflated prices.

For example, the committee says that there are bills for over 18,000 pesos for radiator parts which were supposedly new, but which in reality were simply repaired and painted. Some of the papers found in the trash also contain lists of vehicle repair charges, without dates or names of the terminal used, or the owner of the vehicles repaired.

Andres Fortalis, an executive in the refinery's transport division, was mentioned as one of those who send PEMEX work to his own shops. He owns FYRSA [Fortalis and Ramirez, S.A.] which repairs PEMEX vehicles. There are some oil trucks, said the committee, on which 1.5 million pesos have been spent for repairs in just 11 months, and which are still in poor condition.

They alleged that in shipping and parts, the employees don't even have any drinking water available, but in the PEMEX warehouses, they take bottled water to fill the coffee machines. "Even the PEMEX water is sold," they charged.

When there are changes in staff at the refinery, "one of the reports given the new staff members concerns workers who criticize irregularities at the refinery; these workers are called agitators and communists." At present, they said that a number of actions have been taken to keep the shipping and deliveries employees quiet. That is why they want the "office of the attorney general of Mexico to conduct audits; it seems that some investigations started last week are just a coverup."

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CSO: 3010/1688

LOW REFINERY, STORAGE CAPACITY THREATEN PETROLEUM SELF-SUFFICIENCY

Mexico City EXCELSIOR in Spanish 23 May 82 p 22-A

[Article by Edgar Gonzalez]

[Text] Mexico is on the verge of losing its self-sufficiency in petroleum because of the shortage of refinery and storage facilities. PEMEX [Mexican Petroleum] will then be forced to import its petroleum supplies for domestic consumption from foreign distributors.

During the Peoples Meeting for Energy and National Development Planning, which was sponsored by the IEPES [Institute of Political, Economic and Social Studies], in which some of the leading specialists and administrators in this sector took part, the following points were made.

The refining capacity is not integrated with the secondary processes needed for an optimum production of distillates. There is an inadequate high-vacuum asphalt viscosity-reduction capacity. This means that too much kerosene and diesel fuel must be used as thinners to produce the fuel oil.

The storage capacity of the tanker systems is also inadequate for handling both crudes and refinery products. Some only have a 2-day capacity, which means that they can not homogenize the raw material, and can not allow enough settling time to eliminate the brackish water which usually accompanies the crude.

Because of the strong demand last year, the refineries did not get enough maintenance and many of the plants, primarily processing plants, now need intensive repairs. This work could last until 1983.

Plans for new refineries are being delayed because of budget limitations.

The petroleum specialists also mentioned the levels of petroleum reserves in Mexico. In October these reserves stood at a level of 25 days of consumption, while in 1981 the reserves were only 11 days. "That is the result of not having suitable planning for production and distribution of petroleum products," they pointed out.

Refinery and storage facilities are being used to their maximum capacity, with all the disadvantages and dangers this entails. There is a growing risk that at some point in time, they will not be able to provide adequately for the nation's energy supplies.

For these reasons, they recommend the following.

- a. Integral plans for PEMEX should be prepared;
- b. Continuity in plans and programs should be guaranteed;
- c. A price policy based on costs should be defined;
- d. A new organization structure should be developed;
- e. Information systems should be developed and improved;
- f. The various planning organization of PEMEX should be made more uniform;
- g. The use of petroleum resources should be improved; and
- h. A program of alternate energy sources should be prepared to make Mexico less dependent on petroleum.

Among the energy specialists participating in this IEPES meeting were: Rodolfo Dominguez Calzada, deputy director of planning for PEMEX; Jose Luis Garcia Luna, deputy director of refining for PEMEX; Gilberto Escobedo Villalon, the PEMEX deputy commercial director; and the journalist Manuel Buendia, who pointed out:

"It is absolutely grotesque that today, in 1982, nearly half a century after the petroleum expropriation, we are pointing out the need for PEMEX to be more democratic. If the facts did not prove it, it would seem totally incredible that we should be demanding that the people participate in the management, by means of elections and information. For this company belongs to the people."

7679

CSO: 3010/1688

COLOMBIAN LOSS OF MEAT MARKETS TO ARGENTINA

Bogota EL TIEMPO in Spanish 9 Jun 82 p 13-A

[Article by German Navarrete]

[Text] Through the fault of Argentina, Colombia has lost the markets of the Soviet Union, Peru, Spain and Israel for the sale of its meat and is also about to lose a large part of the Venezuelan market.

Thus declared yesterday the president of the Agriculture and Livestock Development and Exports Financing Corporation (COFIAGRO), Horacia Lince Calle, upon revealing that because of this situation the country has lost 2 billion pesos up to the present time.

Lince Calle warned that "the outlook for cattle breeders and for the industrialists who generally dedicate themselves to selling meat is worrisome and somber; and he asked President Julio Cesar Turbay Ayala to take immediate measures to correct the effects of this serious situation.

CONFIAGRO's president revealed to EL TIEMPO, in an aside, during a press conference called yesterday to explain the effects of the "economic war with Argentina over meat," that this organization will make an impassioned appeal to President-elect Belisario Betancur Cuartes, to put into effect, during his presidential term, an aggressive meat export policy that will return to the country the markets that have been lost up to the present time.

During 1981 Colombia exported a total of 23,000 tons of meat and this year it will scarcely export more than 14,000 tons, which already gives us an estimated loss of 9,000 tons, explained Lince Calle.

'Retaliation' Because of the Malvinas Islands

The government official, who was counseled by three CONFIAGRO's vice presidents, Silvia Pilar Campo Jimenez, finances; Amparo Bermudez de Monroy, secretary and Jose Gonzalez Calderon, credit, warned also that if Colombia doesn't make a special effort to recover these markets, the future of cattle breeding will not only be somber, but it will have repercussion on the national economy and what is more, in the family budget of the Colombian people due to the lack of incentive that it will cause in that sector and the high prices that will result with the scarcity of this product for domestic consumption.

Even though Horacio Lince didn't rate the situation as "retaliation" by Argentina against Colombia for not having obtained its diplomatic support in the Falkland Island war against Britain, as persons connected with the international meat market insinuated, he acknowledged that on Monday night Argentina secured an agreement with Venezuela, by virtue of which, it practically snatched part of the annual meat sales from our country, when it offered meat to Venezuela at \$1,500 per ton, while the price in Colombia has fluctuated between \$1,800 and \$2,000 per ton.

CONFIAGRO and the Ministry of Agriculture were unaware yesterday of the exact terms of the Argentine-Venezuelan meat deal, but the corporation officials expressed their concern about the information from Caracas received on Monday.

6,000 Tons Annual Loss

Horacio Lince Calle insisted in expressing his deep concern about the dimension Argentina's offensive has acquired in the traditional meat markets that Colombia supplies and explained:

"In 1981 we sold 2,000 tons of boneless meat to the Soviet Union, 3,000 tons to Peru, 300 to Spain and 550 to Israel. This year they haven't bought even one ton because Argentine prices are at least \$500 per ton under our prices and under these circumstances all of our customers prefer to buy meat from the Argentines."

In four markets alone, those corresponding to the above-mentioned countries, Colombia lost the sale of 6,000 tons of meat annually, if one takes into consideration that the contracts are medium-and long-term.

Lince Calle and his advisors agreed to warn the country of the seriousness of what is happening to the Colombian products in the international meat market and added that in relation to Venezuela the situation could become more troublesome because it has to do with a meat market of 13,700 tons annually, part of which is sold as beef carcasses and the rest as boneless meat.

"This coming Wednesday we should have already received complete official information about the terms of the agreement contracted between Venezuela and Argentina. Even though we are not optimistic, because the low prices offered by Argentina are attractive to anybody, we hope that Venezuela has kept well in mind the high profile of the commercial and diplomatic relations with our country when carrying out a transaction which by its sheer volume may cause us grave economic difficulties," CONFIAGRO's directors said.

After having lost the markets of the Soviet Union, Peru, Spain and Israel and now possibly part of that of Venezuela. Colombia has only the British Antilles market left, where it sells 2,500 tons of beef carcasses annually.

They Ask for Emergency Measures

On concluding his statement, Lince Calle revealed to EL TIEMPO that this week he will officially petition the minister of agriculture, Luis Fernando

Londono Capurro, to study, along with President Julio Cesar Turbay, the immediate adoption of emergency measures that would alleviate the serious situation.

"For the moment I can only tell you part of the solutions that we will propose to the high government officials," said CONFIAGRO's president and he added that these were:

-an increase in the internal consumption

-the opening of new markets

-application of technology to cattle breeding to avoid the unproductive cycles that have dimmed this sector's prospects.

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CSO: 3010/1747

BIOGRAPHIC DETAILS ON NEW ARMY COMMANDER IN CHIEF

Buenos Aires LA PRENSA in Spanish 18 Jun 82 pp 1, 4

[Excerpt] The new commander in chief of the army is an ardent proponent of the objectives of the military process begun in 1976. On one occasion, citing national security requirements, he attacked with remarkable vehemence criticism coming from the political sector.

Within this framework, the predominant concern expressed by Gen Cristino Nicolaides in his public statements has always been the threat of subversion which he believes is always present and is only waiting for an auspicious occasion to become active again.

Nicolaides is the fourth commander in chief of the army since 1976 and up to now has been the commander of the First Army Corps. He is an army engineer. After receiving his commission as a second lieutenant in 1947, his first assignment was to the School of Engineers.

He was promoted to captain in 1954 and graduated from the War College as a general staff officer in 1957.

He was promoted to the rank of major in 1960. In 1966, with the rank of lieutenant colonel, he was appointed commander of the 121st Engineering Construction Battalion. In 1970 he was promoted to the rank of colonel and later graduated from the Advanced Strategy Course.

Between 1972 and 1973, he was the military attache at the Argentine Embassy in Paraguay and the next year was appointed director of the General Lemos School for Combat Support Services at Campo de Mayo.

After Nicolaides was promoted to general in 1975, his first assignment was as commander of the 7th Infantry Brigade with headquarters in Corrientes City.

Subversion

When he took over that post he promised "to fight as an Argentine soldier to maintain the offensive begun by the army against the gangs of criminal murders who like cancer scourge the nation's territory."

On that occasion, Nicolaides expressed his conviction that "the nation's problems should be solved with discipline, order, honesty and ability."

Later, in 1976, he said that the causes of subversion are essentially the problems created in the most needy sectors by extremely faulty action on the part of government. With these words he was passing judgment on the third Peronist regime which was overthrown some months ago. Nicolaides added that to fight the causes of subversion, it is necessary that those in command or in charge of the government should be of spotless conduct and urged that instruction should be given through example.

Toward the end of that year, 1976, he said, "one is either on the side of the legality imposed on 24 March or one is against that institutional situation. There cannot be persons who are indifferent because they contribute to a greater or lesser degree to one side or the other.

On 1 December 1977, General Nicolaides took over the post of Chief of Operations G-3 of the Army General Staff replacing Gen Luciano Jauregui.

In the Third Army Corps

Later he was appointed commander of Military Schools and then was promoted to the post of commander of the Third Army Corps with headquarters in Cordoba.

This post was turned over to Nicolaides on 10 December 1980 by Lt Gen Leopoldo Fortunato Galtieri whom he is now replacing as commander in chief.

Nicolaides said when he took over command, "No one will make us lower our guard...We are committed to support loyally the process, which doubtlessly will lead to important solutions."

He added, "Above all materialistic accomplishments should be placed a spiritual, a moral concept, a desire to find solutions which all of us, civilians and military men alike seek for the country's problems.

In 1981, now with the rank of Division General, he warned against, "the advances communism is making throughout the world and in every field. In an organized and orderly manner, communism is attacking the Western world which is splintered and defenseless."

He said, "The struggle against subversion is not a historical subject but a current one since subversion is lying in ambush, well organized for penetration, camouflaged within society, seeking a reaction of the masses.

He insisted that subversion "continues in our nation, attempting to take advantage of normal situations of conflict of demands, attempting to use them as political tools against the national government."

Later, in 1981, Nicolaides spoke of the use of force, "The military leadership of the country has as its mission to use force to accomplish objectives which it has not been possible to accomplish peacefully by political means in the conduct of the government.

He pointed out, "We are the defenders of force and by its use we seek to accomplish our objectives, fundamental among which are the defense and security of the national heritage."

However, he explained that "the use of force can be irrational if it is not used within a moral and spiritual framework which really makes it meaningful."

Confrontation With Radicals

In November 1981, Nicolaides had a confrontation with the leaders of the Cordoba radicals which had broad repercussions throughout the country when he reacted angrily to a critical document issued by that political group.

It was during the last weeks of Viola's administration. The radicals of the capital of Cordoba described that government as "marked by incompetence, rigidity, and the aim of perpetuating itself in power."

In their declaration they pointed out "the great responsibility" of the military regime "which has prostrated the nation and has made it kneel before the multinationals," and they called on the community to restore its institutions."

Nicolaides condemned the declaration as a "compendium of resentments and electoral frustration through which they were attempting to make definite changes in the present order which has been won with the blood of the people." By means of two military emissaries he requested ratification or rectification by its authors.

The commander said that the declaration was a violation of the National Security Law and announced his intention of taking the matter to the courts. He said that the authors and the newspaper which had publicized the declaration were jointly responsible.

Eduardo Angeloz, the radical leader in Cordoba, replied by denying the competence of the Armed Forces to call to account the statements of citizens or political groups.

Angeloz said, "Nowhere in the constitution is there a provision assigning to the Armed Forces the power to question a citizen, even though he may be representing a political body, no matter what opinions or statements come from that body."

When Nicolaides took over the command of the First Army Corps in December 1981, he promised to strive for "the accomplishment of a single objective: to serve the Army, to serve the nation with dignity and patriotism."

He said, "As a citizen and a military man I identify myself completely with the objectives of the National Reorganization Process and its purposes."

General Nicolaides was born in Cordoba on 2 January 1925, is married to Elda Juana Teresa Barale and has four children: Jorge Alberto, Daniel Nicolas, Elda Cristina and Mabel Alicia.

SUGAR INDUSTRY IN CRISIS; PLANTATIONS PUT UP FOR SALE

Accumulated Losses

Bridgetown THE NATION in English 9 Jun 82 p 1

[Article by Charles Harding]

[Text] A number of sugar plantations have been put up for sale as the Barbados sugar industry limps through what has been described as its worst crisis in nearly 100 years.

The Valley Plantation, in St. George, with some 223 arable acres (the plantation has a total of 265 acres) which was once considered as one of the more profitable plantations, has been put on the market for \$750,000.

Unconfirmed reports said the 91-acre Pollards Plantation, in St. Philip, has been offered for sale at \$200 000; and although management there could not be reached, real estate sources said it was likely the price would fall the longer that plantation remained unsold.

Black Bess has already been advertised for sale; the future of the 150-acre Congo Road plantation seems in limbo, with the owner, who is not expected back in the island until Friday, still undecided whether he would sell or not.

Vineyard has gone into bankruptcy; Fairfield and River Plantations are reported to be in trouble; and industry sources said Golden Grove and Bridge Farms were looking for interested buyers.

Indications are that the troubles in the industry stem from losses over the past two three years, and reluctance by commercial banks to put any more money into the ailing sector.

A senior Government source yesterday admitted that the state of the local industry was an area of concern for Prime Minister Tom Adams' administration which has been hard pressed to produce a solution to the crisis.

It was one of the matters which engaged the attention of Cabinet ministers during their retreat last weekend, but sources said the caucus ended without resolution on that matter.

An informed source said the administration was dealing with a twin problem. One was the question of refinancing for the industry as a whole, and the other was the problem associated with plantations at the south-east corner of the island, which were now about to give up the ghost, as the ministerial source pointed out, because of the marginal soil in that area, and the poor rainfall as well.

"We looked at those problems over the weekend; but we are not settled on the package of mechanisms that could be successfully introduced," a Government source said.

Sources have estimated that the industry would need about \$45 million to get ready for the next crop, but a number of them point to gloomy prospects for any dramatic change inside two years, even though Government is fighting to keep plantations under sugar cultivation to ensure that the industry does not fall further below the point of viability.

Some 39 000 acres were under sugar for the start of this year's crop, which was originally estimated to yield about 100 000 tonnes. This estimate was slashed last week by 4 000 tonnes--a shortfall which the director of the Sugar Producers' Association, Neville Osbourne, blamed on the spate of cane fires this year.

Sugar prices have also been a source of worry for the sugar producers here.

The world price was at a rock bottom (US) eight cents per pound, or about (Bds) \$375 a tonne, which would not even cover labour costs here.

The best prices gained from the European Economic Community (EEC) was (US) \$720 (about \$1 440) a tonne, which according to Osbourne was still below production costs.

"The industry therefore faces very severe losses in 1982," the SPA director declared.

It has been estimated that about 40 000 tonnes of cane were left unharvested last year, and indications are that a large quantity will again be unrealed this year, in addition to what has already been lost through cane fires.

Agriculture Minister's Assessment

Bridgetown SUNDAY SUN in English 13 Jun 82 p 1

[Text] While painting a bleak picture of Barbados' sugar industry, Minister of Agriculture, Dr. Richard (Johnny) Cheltenham has warned against panicking.

Delivering an address yesterday at the official start of the 1982 Crop Over activities at Hyde Mill, St. George, Dr. Cheltenham said that this year, the price of sugar is so low, that the country is unable to meet its total wages bill in the industry, from the price which we were getting for our sugar.

And, he said that with the price on the world market at eight cents per pound, the outlook was not good.

The Minister said that as a result of the effective devaluation of European currency vis a vis the Barbados dollar which took place last year, Barbados lost some \$43 million for our sugar last year.

He said that the industry which is heavily indebted to the banking community now needs some \$35 million in order to prepare the fields and factories for next year's crop.

He added that this year, the industry had not been able to repay the banks for money lent against accumulated debts over the last few years.

Dr. Cheltenham pointed out that this was not the first time that the sugar industry in Barbados was facing a crisis.

He said that in the past we had triumphed over our difficulties.

"It is now a challenge to our resourcefulness and to our determination, and I have no doubt that we will triumph on this occasion over our present difficulty", he said.

The Minister warned however against panic at this time.

"The Government is committed to ensuring that working along with the sugar industry we are able to find the money for next year's crop. We are further committed to ensuring that the industry survives as a viable entity in this country", he added.

The Minister said that he could only hope that "our determination as a Government and our commitment is matched with equal determination and commitment on the part of the employers in the industry, the owners in the industry and on the part of the workers and their representatives".

He also touched on another part of the local crisis--marginal estates, stating that they were hardest hit at this time.

Dr. Cheltenham said "we are in danger unless we come up with a support formula of their going out of production".

He explained why Government does not allow the 3 000 or 4 000 acres that are marginal and not making any money to go out of production.

The Minister said: "In sugar operations, you need a certain minimal scale of operations in order to be efficient. If you fall below that scale--about 40 000 acres in Barbados you will then not be able to provide the support services so necessary for maintaining the viability of the industry--for example, necessary research".

Dr. Cheltenham emphasised that it was very important that if the industry was not to fall below a certain minimal level and in the end lose its viability and collapse, that a formula was found to ensure that the marginal estates that were currently losing money, continued to operate through these difficult times, so as to ensure the short-term and long-term viability of the industry.

He said that great strides were made in mechanising the industry, but for a long while still, we would have to continue to rely on labour input particularly during the reaping peak.

Pointing out that the sugar industry found itself in an unhealthy state at this time, the Minister also looked at the global situation.

He said that seen from an international perspective, the sugar industry (cane sugar) "is facing acute competition from beet sugar, produced by the Europeans and also from corn fructose producers, and more recently, from the producers of rice which is now being converted more and more into sugar."

Dr. Cheltenham said that the European beet producers were not signatories to the International Sugar Agreement and they had not subjected themselves as a result to the discipline of their production.

He said that at present they have over 60 million tonnes surplus of beet sugar which with the aid of computers, they had been able to produce very cheaply and efficiently.

"In addition," the Minister said, "the United States Government in an attempt to protect the corn fructose producers has recently cut back on the importation of cane sugar into the United States by some four million tonnes."

He said also that because of the enormous surplus of beet sugar that there is hanging over the world market, the price of sugar is a depressed one and the outlook for the immediate future "is fairly dark indeed."

Cane Fires

Bridgetown THE NATION in English 11 Jun 82 p 2

[Text] Five cane fires in the east of Barbados from June 2 to June 6 destroyed 38½ acres of the crop of five plantations.

Police reports name the plantations as Golden Ridge, Staple Grove, Clifton and Guinea, in St. John, and Four Square, in St. Philip.

Golden Ridge lost four-and-a-half acres, Staple Grove 12 acres, Clifton one acre, Guinea 11 acres and Four Square 10 acres.

It was also reported that fire destroyed Glyne Clarke's house at Featherbed Lane, St. John, last Monday.

CSO: 3025/334

PAPERS RAP REAGAN UK SPEECH FOR SKIRTING S. AFRICA ISSUE

'ADVOCATE-NEWS' Editorial

Bridgetown SUNDAY ADVOCATE-NEWS in English 13 Jun 82 p 4

[Editorial]

[Text] When US President Ronald Reagan created history by addressing 500 members of the British Parliament last week, he made a stirring speech on the importance of freedom and democracy and exhorted his listeners not to flinch from the fight ahead as democracy came under scrutiny and was bound to face a testing time. He also praised peoples throughout the world fighting for freedom and made mention of some of these efforts.

The US President made note of the struggle in Poland and recalled how the spirit of freedom had been crushed by the Russians in Hungary and later in Czechoslovakia. He observed that the human spirit will not easily be crushed in its search for freedom. He drew attention to the struggle in El Salvador, where in spite of the efforts of guerrillas to keep people from the polls, the voters had nonetheless gone out and voted, symbolising their love for freedom and democracy.

It was easy to be impressed by President Reagan's sincerity. In fact his exhortations and observations drew frequent applause from his listeners. But for all that we got the impression that he was delivering a message more in the context of the threat he saw posed to freedom and democracy by Russian or socialist-inspired forces rather than taking cognisance of the forces of oppression wherever they operate to crush the spirit of freedom.

It is true that he had praise for peoples throughout the world who were fighting for freedom but it would have been interesting to know what thoughts had prompted this praise. For it was significant that President Reagan nowhere in his speech recognised the struggle being waged for freedom by the black people in South Africa. In no serious discourse on freedom today can the suppression of the black people in South Africa be disregarded, even if Mr. Reagan was endeavouring to limit his observations only to what he might have regarded as spheres of influence which mainly concern Western Europe.

It is this failure to note that the spirit of freedom beats as strongly in the breast of the black man in South Africa as it does, for example, in the

heart of any Pole, Czech or Hungarian, whatever might be the odds against him, that detracts from what Mr. Reagan had intended to be a hymn of freedom for all. But then South Africa might well have been too close to home. If this is the case, then expediency would once more have triumphed to the detriment of a principle.

The South African regime has not only retained suppressive legislation against the blacks in South Africa for years but has refused to allow Namibia (South West Africa) to move into independence in spite of calls by the United Nations for this to be done.

It was also significant that at the height of the struggle of the Polish people in their search for greater control over their affairs, and the martial law imposed by the Polish authorities, the Reagan Administration called for economic sanctions against the Russians, who the Americans had no doubt were behind the suppression of the Poles. Yet the same United States has never rushed to impose any economic sanctions on the South Africans.

The argument is not that sanctions will not be effective, but that it will harm the Africans even more than the whites in South Africa. But surely, any economic sanctions against the Russians will also have its backlash against the Poles. Yet this possibility has not prevented the Reagan Administration from accepting its efficacy.

Columnist's Critique

Bridgetown SUNDAY SUN in English 13 Jun 82 p 4

[Article by E. Lawson Bayley]

[Excerpts] Last week was the second time recently that we have seen and heard the American President, with his tremendous experience as an actor, making speeches of great moment. First, there was the address to Congress on the Caribbean Basin Initiative (CBI) and now his address to both Houses of the British Parliament.

Ronald Wilson Reagan is a great prosecutor of communism and he does it with feeling. Last Tuesday morning he addressed a large international jury on freedom. He deliberately elected not to talk about systems but about freedom and there he lost his case.

One expected to hear the shouts of the British people as he gave support to them in their fight against the Argentine dictator. He mentioned Resolution 502 from the United Nations but conveniently forgot Resolution 457 of the same body. Yet not one word was said about Namibia and about the poor, wretched, freedomless people in Southern Africa.

As long as the poor people in Southern Africa have to carry the white man's burden--the burden of greed, deceit and inhumanity--such speeches as Ronald Reagan makes about freedom are equivalent to the noise the birds are making in my garden right now. It is nice to listen to without stirring the imagination.

Most Capable

The president said in passing that the war in the Middle East must stop, but here was the president in a great international forum and he the man most capable of bringing that bloody war to an end and losing the opportunity to tell the Israeli people to stop committing their dastardly crimes.

Everybody knows that the Jews in the Middle East could not destroy Lebanon and indiscriminately kill the aged, the blind, the poor and the newly-born without American consent.

Israel is an American state with a pretence to sovereignty. They are a people who had much sympathy from most people until recently but now they seem to want to punish somebody for what they suffered in Europe 40 years ago and they have selected their age-old enemies--the Arabs--for special punishment.

This time they will not construct gas chambers as did Hitler but will just rush them out of existence. This should have been foremost in the President's mind when he had such an international audience.

Brutish

The very sad point about today's world is that it grows more brutish every day. Whereas the brutishness of yesterday stemmed from barbarism born out of poverty today we are living through determined barbarism. The bloodiness in the Middle East, the Argentine stupidity, the sheer villany of Afghanistan and Poland. It is all a bloody savagery born out of greed--man against man and nation against nation.

From South Africa there is a suggestion that cracks are appearing in the wall. What may be causing some confusion is how to deal with them before they become fissures. What is needed is for those who speak with authority to say and to mean that, in all the confusion, their weight is on the side of humanity. President Reagan missed a great opportunity last Tuesday morning when he saw freedom as a divided institution or only saw it through one eye.

CSO: 3025/335

BRIEFS

GOVERNMENT HELP FOR TOURISM--THE Barbados Board of Tourism has been allowed an additional sum of money for special promotions for the rest of this year, and next year. This was stated by Prime Minister Tom Adams, in a letter to the Barbados Industrial and General Workers' Union (BIGWU). He was responding to a union letter to him which queried the state of the tourist industry, among other issues. Adams said: "The Government is indeed taking a close look at the tourist industry in the face of the decline in tourist arrivals to the extent quite unprecedented for Barbados. The World Bank has supported your point that we may not be doing enough to attract tourist from the CARICOM region. The report points out that we are spending only five percent of our promotion budget on Trinidad, although tourists from Trinidad and Tobago constitute a much greater percentage of our overall arrivals than five percent". The Prime Minister, however, noted he had agreed to allow the board an additional sum of money for special promotions this year and next year. On the question raised by BIGWU about the percentage of the tourist dollar actually remaining in Barbados, Adams said this was not one of our greatest problems. He said that despite the four percent fall in the number of tourists last year, there was an increase in tourist spending and "it remains true that the tourists eat only a tiny percentage of the food imported into Barbados". Adams also noted the many other goods imported into Barbados to support the industry were generally a benefit to the island, since the retail stores selling duty free goods to tourists were earning foreign exchange which would otherwise be earned by shops overseas. On the question of high hotel rates Adams said that rates in Barbados were no longer at the height they were in 1980, compared with other destinations. [Text] [Bridgetown THE NATION in English 9 Jun 82 p 1]

CSO: 3025/335

GOVERNMENT DEFENDS DECISION TO DONATE TO FALKLANDS CHARITY FUND

Cox, Swan Remarks

Hamilton THE ROYAL GAZETTE in English 5 Jun 82 pp 1, 4

[Excerpts] The Opposition was given a verbal lashing yesterday for its criticism of Government plans to contribute public money to the South Atlantic Fund for families of Falkland Islands war victims.

A statement released by the P.L.P. earlier this week was attacked paragraph by paragraph in a speech delivered by the Hon. William Cox in the House of Assembly.

Speaking during the motion to adjourn, Mr. Cox branded the statement as "insipid", "irresponsible", loaded with "unjustifiable innuendo", "narrow" and "partisan".

The statement, which appeared in yesterday's Royal Gazette, said the P.L.P. was disturbed at Government's pledge to match private donations up to \$50,000. The Opposition was disturbed at the Premier using public funds for a purpose for which they were not designed.

Replied Mr. Cox: "It is incumbent on all of us in this House to rise above narrow partisan loyalties to make sure that the right thing is done. This statement fails to show that responsibility and wide sense of what is right and proper in dealing with this issue."

The statement suggests that Government has acted improperly in pledging public funds--an innuendo that is "totally unjustified", he continued. And in any event, there is no Government expenditure that is not brought before the House for its approval.

Mr. Austin Thomas, Shadow Minister of Health and Social Services, said he had sympathy for the plight of British families who had lost loved ones in the battle and supported the struggle to maintain the dignity of a people but he stressed he had no ties with the U.K. and argued that many people at large felt the same way, although he respected the rights of those who felt otherwise.

"How can we justify as a Government taking funds when no need has been expressed to us and yet we continue to have a pressing need with the housing problem at home," Mr. Thomas said.

Premier the Hon. Swan pointed out, however, that Bermuda had a tradition of showing generosity and helping out, as it had with Dominica, Grenada and St. Vincent and he accused the P.L.P. of having no complaints in these cases because they were largely black-populated islands, whereas the Falklands was predominantly white.

"They are speaking, as one says, with a forked tongue here," Mr. Swan said.

He said Bermuda had often turned to Britain for help in the past--and would do so in the future--and had received that assistance. "As Home Affairs Minister I heard many cries for help from Bermudians in all parts of the world and the first thing we looked to was Britain's assistance and influence," Premier Swan said.

"We cannot isolate ourselves from the rest of the world. This Government went to the polls in 1980 and asked the people to give us a mandate to run this Country and to spend the money in the way we thought fit--that was the democratic process expressing itself," Mr. Swan went on.

"This is a small contribution--under one dollar per head of population, from a Country which has the highest record of earnings per capita outside the oil-producing countries. If the Opposition objects it should have argued the same principle when we helped out Dominica and those other islands, but those places are black and the Opposition felt it politically justifiable then," Premier Swan said.

"We hope that if any foreign power tried to make any encroachment in a place like Bermuda, the British Government would take similar action as in the Falklands. Britain has been prepared to risk its economy all the way--we are giving less than a dollar a head," the Premier said.

Fund at \$100,000 Mark

Hamilton THE ROYAL GAZETTE in English 10 Jun 82 p 6

[Text] Government will now have to make good its controversial offer to match private donations to the Falklands Fund as the amount pledged to date by the public yesterday reached more than \$50,000, bringing the fund total to more than \$100,000.

A Government spokesman yesterday reported that private donations had reached \$59,282 as of Tuesday night. Government has pledged to match private funds up to a maximum of \$50,000. Yesterday's milestone means the fund now totals \$109,282.

Government set up the special "South Atlantic Fund" less than two weeks ago on June 1 with accounts at the Island's three banks in an effort to collect contributions to aid British troops involved in the Falklands war and their families.

The fund has been set up as a central fund in Britain and is for the benefit of servicemen and servicewomen, civilians and their dependents involved in the war.

Government's pledge to match private donations to a limit of \$50,000 has received widespread criticism from organisations including the Progressive Labour Party.

CSO: 3025/335

SWAN CALLS UK VISIT, TALKS WITH THATCHER 'SUCCESSFUL'

Hamilton THE ROYAL GAZETTE in English 10 Jun 82 p 1

[Text] Premier the Hon. John W. Swan returns to Bermuda today following what he called a successful and "opportune" visit to London during which he met with British Prime Minister Margaret Thatcher.

Mr. Swan is scheduled to catch a British Airways flight to Bermuda today following the whirlwind three-day visit which involved meetings with British Government ministers and officials from other organisations.

"I think it was an opportune moment to come here because you were in an atmosphere of activity," said Mr. Swan from the Inn on the Park Hotel in London's exclusive Mayfair district.

The Premier's visit coincided with the historic arrival of United States President Ronald Reagan.

"I would term the visit as a success because we had the opportunity to represent Bermuda's viewpoint, and the role the Island can play in other areas, particularly the Caribbean, in terms of technical assistance," said Mr. Swan, adding that Bermuda's offer of assistance was received warmly because the Island was viewed as a "success story".

"I think we in Bermuda are fortunate, and should look outward to help others," said Mr. Swan.

Mr. Swan yesterday met with the Caribbean Committee, made up of representatives from the Caribbean Islands, and during a lunch gave a fifteen-minute talk on how foreign aid to island communities should be turned into trade.

"I said that in dealing with industrialised nations the object of aid is to build a community's infrastructure to a point where its resources can be built to a maximum," said Mr. Swan.

The Premier also called on the Department of Tourism's offices in London, and discussed what efforts are being made to bring as much European business to Bermuda as possible.

Mr. Swan also met with Mr. Edward Decamann, Chairman of the 1922 Committee of the Conservative Party, and discussed how the House of Commons committee system has evolved to maximise participation in the House itself.

During the visit, which began on Monday, Mr. Swan met with Mrs. Thatcher, British Foreign and Commonwealth Secretary Mr. Francis Pym, Minister of State responsible for Bermuda, Mr. Cranley Onslow, and Commonwealth Secretary General Mr. Shridath Ramphal.

CSO: 3025/335

NATIONAL BIOTECHNOLOGY PROGRAM (PRONAB) DUCUMENT

Brasilia PROGRAMA NACIONAL DE BIOTECNOLOGIA in Portuguese 1981 pp 1-29

[Monograph by the National Scientific and Technological Development Council (CNPq) of the Secretariat of Planning (SEPLAN)]

[Text] Foreword

Consolidation of a first document aimed at a program of biotechnological activities followed the experience of various countries, where the mobilization of the scientific community was important in defining it.

The CNPq and the Studies and Plans Financing Agency (FINEP) coordinated their efforts with the Brazilian technical-scientific community and specialists with an industrial view resulting in the "National Biotechnology Program (PRONAB)."

Scientifically, the development of the program is a notable challenge because it demands the participation of specialists who are competent and capable of working in multidisciplinary teams. For that, it will be necessary to have microbiologists, geneticists, physiologists, immunologists, biophysicists and other specialists who will work alongside systems engineers, production engineers and specialties connected with the optimization of production processes. Together, all must have the industrial perspectives in view, for the use of "native" cellular systems in industrial production processes that will make use of techniques of hybridomas, fusion of protoplasts, mass cultivation, the culture of tissues and, most especially, genetic engineering.

Technologically, the opportunity is comparable because of the multiplier effect it manifests and because of the frontier condition in the whole world, which is seeking industrial alternatives derived from bioproduction.

As a whole, PRONAB has a strong content of technoscientific development directed at the preparation of human resources and, consequently, seeking in its area of influence promotion of the technological autonomy necessary for the development of the country.

Summary

Introduction

Methods and Processes

Field of Application

Objectives of the Program

Strategy of the Program

Addendum

Introduction

By biotechnology is understood the utilization of cellular systems to obtain products or develop industrial processes. Interest has been intensified in the field of transformation of organic substrates, notably by the action of micro-organisms, and of other cellular systems. More specialized procedures have been developed, on the basis of scientific knowledge, capable of inducing modifications in the genetic heritage--considerably purer--with technological aims.

Science revealed the nature of the genetic code responsible for translation of the biological activities of living beings. Later scientific advances revealed methods that made it possible to introduce desired modifications, opening up notable opportunities for industrial processes. Conditions may, thus, arise for obtaining certain chemical substances with great advantages over the classic processes of organic synthesis, through a smaller consumption of energy (in the form of pressure and heat), a smaller release of polluting effluents, the increased supply of specialized manpower and the use of local raw materials frequently considered to be residual.

In this such vast field for productive applications, the need to develop professional competence to work on problems and processes of an eminently interdisciplinary nature becomes evident. There is a need to recruit engineers and biologists, embracing specializations of a broad spectrum directed toward the areas of agriculture-livestock, health and energy. In those areas, the formation of competent teams becomes the key to the success of the application of engineering processes to biomass, involving exploitation of the biological action of specially selected and genetically modified living beings.

Countless examples will serve to justify the use of biotechnological processes in the national production sector, for which it will be necessary to educate and train qualified personnel for routines with which businessmen and industrialists are not always familiar. Biochemists, geneticists, microbiologists, engineers, veterinarians, doctors, agronomists, administrators, sociologists, economists and so many other professionals today known by their conventional titles must be mobilized.

Methods and Processes: New Prospects of Use

Various biotechnological methods and processes (biomass production, the culture of tissues, fermentation, fusion of protoplasts, genetic engineering, etc. have been studied and proposed for the resolution of specific problems of various sectors, especially agriculture-livestock, energy and health.

On the one hand, various industries related to those sectors gained new horizons with the introduction of biotechnological processes and the objective use of their products. On the other hand, the prospect of scientific advancement in the field of biotechnology is very vast when the application of the processes and methods and the concrete problems in which they can intervene are considered.

In that aspect, the use of biotechnology in regional and/or local matters is important in view of the fact that mastery of the knowledge and its application in addition to being universal (they are not subject to the rules of patents) favor the use of "native" assets. This also creates opportunities for the development of appropriate native technology and for the generation of human resources for immediate use.

Biotechnology requires the appreciation of quality control, standards, asepsis, the optimization of processes, appropriate controls of yield levels and common aspects in physical systems which generally do not deal with biological parameters.

This new scientific industry will go through changes, which are already occurring in various countries, learning better what science a long time ago defined as biotechnological processes and methods.

Genetic engineering makes it possible to manipulate the components of the hereditary system of living beings so that certain products of cellular metabolism may be obtained in a suitable form and on a commercial scale. In certain cases, a certain microorganism is modified and cultivated under special conditions in fermenters to produce the desired substance or raw material. In other cases, genes of microorganisms are transferred to other types of cells (vegetable or animal) which then begin to produce the desired chemical substances.

The fusion of protoplasts represents the junction of cells artificially deprived of their walls to allow the transfer of genetic material. Certain substances formerly produced on a small scale or only obtained through the isolated growth of conjoining cells become processed under better conditions. As a result, the hybrid cells can acquire the capacity to increase the synthesis of antibiotics, organic acids and vitamins, among other compounds. Strains of yeast can be improved with an increase of their fermentative yield.

The technique of hybridoma is essentially cellular fusion designed to obtain monoclonal antibodies, that is, a single species of antibody that acts against a specific antigen, of wide use in immunizations and diagnostic methods. Technically the process consists in the construction of a hybrid cell on the basis of lymphocyte B (obtained from animals immunized with antigens) and myeloblasts, in turn obtained from myelomas maintained in cultures. The hybrid cell resulting from the fusion embodies two important characters: immortality, coming from the original myeloblast and the production and secretion of a single species of antibody. Consequently, the technique of hybridoma is distinguished by the great potential for the industrial production of pure vaccines and reagents.

Fermentation as a process of conversion effected by microorganisms is of great economic importance today and it may pass through a new phase of expansion thanks to the use of genetic engineering, envisaging the possible use of new substrates, the development of new fermentation processes and the obtaining of new products.

The culture of tissues as an in vitro method of propagation of live cells of tissues set the basis for new genetic technologies, some widely used in agriculture, aimed at the qualitative and quantitative increase of the productivity of crops.

The classic or conventional genetic improvement made it possible to obtain new genotypes of plants, animals and microorganisms through the sexual and parasexual recombination of the genes already existing in the natural populations.

With the techniques of mass production, it was possible to multiply the desirable genotypes in quantities compatible with the needs.

Systems engineering permits the optimization of methods, both operationally and financially, at the pilot or industrial level, whatever might be the desired product. Consequently, two questions merit emphasis: the scientific advancement of the methods and processes and the national prospects for the resolution of problems.

The potential of the methods and processes is very great. For the advancement of scientific knowledge, the conditions for research and the preparation of human resources must be substantially improved and expedited. That way, the country will have guarantees of leadership and mastery of biotechnology. The national prospects for the resolution of problems thereby will be increased as the sectors incorporate the new technologies generated.

All together, the techniques to be adopted by the scientific industry stimulate other processes, new talents and interfaces thus far not even imagined. Concomitantly, the new productive sector will demand of universities and research and development centers new types of methodological emphases and approaches, new substrates and unlimited thinking regarding the prospects that biotechnology reveals.

With that movement of bilateral and complementary scientific and technological development, it will be possible to establish a broad competitive front for the industrial and technological independence demanded in government plans.

In fact, that question can be understood by observing international behavior. At the market level, the potential of biotechnology has already been perceived by various companies, especially because of the relatively low costs of large-scale production. Hybritec and Monoclonal's Inc are operating in the area of hybridomas and it is already possible to obtain monoclonal reagents for blood typing for organ transplants and for the detection of carcinogenic cells.

Genentech has developed research for the production of insulin by genetic engineering, and this product is in the process of being released for sale; together with the U.S. Department of Agriculture, it is developing a vaccine

against foot-and-mouth disease, for one of the strains of virus that cause that disease; it is also producing, on the basis of bacteria, substances that interfere with the synthesis of viruses within the host cell (the interferons) with great expectations for the treatment of cancer and an estimated reduction in the current price of interferon in the order of 150 percent.

The Cetus Corporation employs genetic engineering techniques using bacteria for the production of ethylene oxide for the manufacture of plastics and ethylene glycol, widely used as an antifreeze. Various projects include the production of growth hormone, enzymes, such as cellulase and urokinase, the latter used to dissolve blood clots, among others.

In Japan, Toram is entering the market; Britain has Celletech; France has Transgene and the government genetic engineering department called Groupe Genie Genetique (3G).

Governments and traditional firms are investing considerable sums in biotechnology. Pfizer built Pfizer Genetica; Monsanto bought about \$20 million worth of shares of the Swiss Biogen N.V. company; Dow invested \$5 million in Collaborative Genetics Inc; Agrigenetics Corp bought two seed companies from Union Carbide for \$70 million; Johnson and Johnson is investing about \$20 million in the Scripps Institute, on synthetic polypeptides. Smaller companies include Advanced Genetics Science Ltd and International Plant Research Institute of San Carlos. Recently, Allied Chemical applied \$30 million and Dupont \$42 million in research on the fixation of nitrogen. The British Government is investing \$35 million per year, until 1985; Israel is applying \$70 million in 800 projects. Canada launched a special biotechnology program of about \$50 million, with proposals for modification of patent law, industrial and tax incentives, support for research and the establishment of new university curricula directed toward industrial aspects.

Perhaps the profile of Japanese biotechnology may serve as a lesson. In 1974 Japan produced: 24,000 tons of organic acids, 67,000 tons of amino acids, 3,000 tons of nucleic acids, 7,000 tons of vitamins, 13,000 tons of enzymes, 1,200 kilograms of hormones and a considerable quantity of 30 new antibiotics. Thirty-four years before none of that existed.

In Brazil, two companies have already shown signs of becoming active in biotechnology, especially interested in genetic engineering: Biobras (Montes Claros, Minas Gerais) and Leivas Leite (Pelotas, Rio Grande do Sul).

The productive sectors that are users of biotechnology must surely have the internal competence and in some way have the means to resolve basic problems, responsible for the optimization of their procedures.

Field of Application

1. Biotechnology in Priority Sectors

The products resulting from the biotechnological processes are intended for the activities of various sectors directly related with social development.

As of now, the following are priority sectors: agriculture-livestock, energy and health.

In each sector, projects must be carried out that are capable of generating native technology, adapting to the already existing technologies or adopting those technologies that are appropriate to the Brazilian situation. Overall, the country must have management of the biotechnical methods and processes in use. In addition, it will be necessary to incorporate those basic efforts in the development of the program, especially devoted to the preparation of human resources and the installation of the Brazilian network of collections of reference cells.

1.1 Biotechnology for Agriculture-Livestock

The prospects for the application of biotechnology in the agriculture-livestock sector are broad, embracing agricultural resources (restricted sense), livestock, forestry resources, fishery, agroindustry and other segments. Among so many, the following are considered priorities:

a. Fixation of Nitrogen

The contribution of scientific research already conducted on the fixation of atmospheric nitrogen by the microorganism *Rhizobium japonicum* in soybean is considerable. The Brazilian production of that leguminous plant is about 15 million tons of beans for 1981. Assuming a content of 40 percent protein and 6 percent nitrogen in the bean, there is a saving of nitrogenated fertilizer of 900,000 tons of fixed nitrogen annually with an estimated value of millions of dollars.

Forage leguminous plants, producers of grain and gramineous plants (especially the cereals) can have their efficiency in fixing atmospheric nitrogen increased by means of the development of strains of bacteria more suitable for fixation. This prospect is already known and exploited in various countries. In the meantime, it is necessary to develop research in Brazil in terms of the specific ecological conditions.

b. Resistance and Tolerance in Plants of Economic Importance

Brazil has extensive areas that can be economically better exploited for agriculture when adapted plants are available.

With the advent of new techniques of genetic manipulation, the classic genetic improvement has gained new dimensions, increasing the prospects for resolving problems of adaptation.

At present, it is possible to optimize the production of plants resistant to high temperatures, high salinity, heavy metals and other situations that interfere with the appropriate development of plants.

Obtaining the genoma of microorganisms chemo-, osmo- and thermo-tolerant and their use in the improvement of superior plants through genetic engineering opens up broad prospects of obtaining plants adapted to adverse environmental conditions.

New strains of genetically improved plants are also obtained by the fusion of protoplasts derived from the culture of cells of different vegetable structures. Strains of sugarcane tolerant to herbicides are being developed in Brazil (Cena, Piracicaba).

c. Plants With Greater Photosynthetic Efficiency

The principal plants cultivated in Brazil still need to be improved with regard to photosynthetic efficiency. In Brazil, the highest production of corn is about 13,000 kilograms per hectare. The United States is already producing 20,000 kilograms per hectare and expects to reach 30,000 kilograms per hectare by the year 2000. To do this, it is necessary to obtain plants with a foliar architecture that is more efficient for utilization of sunlight and biochemically more active plastids.

It is important to point out also the improvement for nutritional quality, for obtaining products that are richer in proteins, essential amino acids, oils, vitamins, etc.

Biotechnology is of fundamental importance with regard to fodders, which have been little studied. The country has one of the largest herds of cattle; however, it imports from Australia seeds of leguminous plants carried out of Brazil 20 years ago.

d. Biologic Control of Pests

The trend of biotechnology for the biologic control of pests is directed toward the development of organisms that limit the propagation of agents that are harmful to the plants without harming the environment. In addition, biologic control should lead to increased productivity.

Biotechnology represents a notable landmark, in this case permitting the large-scale production of insect-specific microorganisms. In certain cases, such as that of the *Bacillus thuringiensis*, the products are already available commercially. Countries such as the United States, the Soviet Union, China, Mexico, Colombia, France, Japan, Poland and others are already producing parasitoids for various insects that are harmful to agricultural crops.

e. Improvement of Animal Productivity

The increased productivity of animals has been achieved directly through classic genetic improvement techniques. Indirectly, animal productivity can be increased by quantitatively and qualitatively improving the contribution of fodders enriched by the application of biotechnological processes.

1.2. Biotechnology for Energy

The use of biomass and the application of biotechnological processes for the generation of energy represent an efficient instrument for modifications of the national energy pattern, following the situation created by the oil crisis. In this case, industrial fermentations began to merit considerable importance for the utilization of vegetable material, effluents and other types of organic residues.

Whatever might be the national policy for the production of ethyl alcohol, this chemical substance must merit the greatest attention because of the energy potential it represents. Consequently, obtaining alcohol, optimized by conventional and more advanced biotechnological processes, especially with the new techniques of genetic engineering, must be stimulated, including the substrates traditionally exploited and the new alternatives represented by amylaceous and cellulosic material.

The production of methane is another subject that deserves to be highlighted especially when biogas is produced from residues of alcohol production itself with the distillation residue [vinhoto] being one of the sources. However, there are enormous opportunities for the utilization of other substrates because of the characteristics of national agriculture-livestock.

The production of enzymes for energy use (such as cellulose) represents a point of industrial and strategic interest in the branch of fine chemistry. The optimization of the use of enzymes increases the yield level of the conversion of substrates without nonfermentable subproducts that pollute the system itself.

Among the opportunities for the energy sector, the production of amylase and cellulase at the level of the biology of microorganisms and of the processes of production of the aforementioned enzymes merits emphasis.

For optimization of engineering processes, there is first of all the need for improved strains capable of guaranteeing the desired product. Emphasis must be given to projects that will result in strains more tolerant of high concentrations of limiting factors and high temperatures; in greater efficiency in the synthesis and secretion of useful metabolites in the different fermentative systems and under the different conditions of modeling and simulation of processes; and with greater adaptation to processes for the utilization of residues ("vinhoto," industrial effluents and other residues).

Under these conditions, the interdependence among engineering processes applied to biology becomes more keenly evident, the ignorance of which invalidates the attempts at an effective technical-scientific and economic-financial management of the production systems.

In a general way, the development of fermentative processes depends on a series of stages at the laboratory and pilot-scale levels.

The biotechnological projects in energy are directed on a priority basis toward alcoholic fermentation, the production of enzymes and the production of biogas.

1.3 Biotechnology for Health

Like the refinement of the processes and techniques, the potential of biotechnology in the health sector tends to increase significantly. In fact, one cannot even imagine the impact that the "synthesis" of microorganisms, especially bacteria, will have for the different industrial branches that operate in the sector, in view of the prospect of obtaining products with a great specificity of action. Much can already be anticipated regarding simplification of the

processes, from the moment in which a given cell can be genetically programmed to synthesize a given substance under conditions of high purity and efficiency. At the present time, in order to produce vaccines, it is necessary to handle the pathogenic organisms, attenuating or neutralizing their action, which always brings risks. The levels of risk are considerably reduced with the application of genetic engineering techniques.

Essentially, it can be said that the applications of biotechnology in the area of health are grouped into five principal fields: the production of polypeptides, of medical or biologic interest; the production of vaccines; the production of antiserums; the production of enzymes; the the identification of pathogenic bacteria.

a. The Production of Polypeptides

Genetic engineering techniques have had the greatest impact in this field of productive activity. Through processes of genetic manipulation, by means of the DNA-recombinant technique, it has been possible to modify the genetic heritage of bacteria, making them capable of producing polypeptides that could hardly be obtained by conventional industrial processes. In this case, one can cite the production of insulin, growth hormone and human interferons, already obtained on a pilot scale by large pharmaceutical companies of various countries that have adopted genetic engineering technology.

It is important to emphasize that although obtaining microorganisms capable of expressing the gene involves complex studies, it is not a particularly difficult task. The principal factor is represented by the need for time and investment in an infrastructure.

b. The Production of Vaccines

The technology for the production of vaccines by traditional ways is undergoing a radical transformation after science revealed the potential of obtaining monoclonal antibodies associated with the DNA-recombinant technology.

In view of national conditions, projects pertaining to the production of vaccines for foot-and-mouth disease, for parasitic diseases (Chagas, malaria and possible leishmaniasis), African swine fever and hepatitis could be emphasized.

c. The Production of Antiserums

Monoclonal antibodies are already being used for diagnostic techniques, in epidemiological surveys and in the preparation of pure antigens for affinity chromatography.

The list of possible applications of the monoclonal antibodies is a long one; some examples meriting emphasis are:

--Obtaining monoclonal antiserums against antigens of parasites of medical importance, making it possible to examine the proteic components of cellular membranes of pathogenic organisms and to understand the infectious, epidemiological process and serologic typing of strains. Such technology will be of

considerable importance for the better understanding of Chagas disease and leishmaniasis, in which the phenomena of cellular examination and the heterogeneity of the parasites represent problems for an adequate understanding of the biology and epidemiology of the causal agents.

--Obtaining monoclonals for use in diagnostic methods and the production of dosage "kits" of products of medical importance, such as those necessary for the diagnosis of Chagas disease and hepatitis, among others.

--Obtaining monoclonals for use in research projects.

Despite the technological novelty represented by the production of monoclonal antiserums through the use of hybridomas and genetic engineering, there is still considerable room for the industrial production of complex antiserums by traditional processes intended for various types of diagnosis in view of the numerous pathological processes of man and animals.

d. The Production of Enzymes

The production of enzymes constitutes an important challenge for the Brazilian industrial sector because of their wide use in the market and the considerable amount of foreign exchange that the country expends on imports.

Various industrial sectors make use of enzymes, not the least of which are those involved in the production of reagents and other products for biologic use. In the area of health, because of the industrial opportunity they present, the production of the following merit emphasis: urease, uricase, glyucose-oxidase, hexokinase, galactosidase, sulfatase, in addition to various insolubilized enzymes and electrodes of enzymes.

e. Detection of Pathogenic Bacteria

The diagnosis of bacterial infections has always been done by the isolation and identification of the species of bacteria causing the infections. The advancement of knowledge regarding the genetic mechanisms of bacterial virulences and the simplification of the techniques for identifying chromosomal or extrachromosomal genes will permit the development of another approach to the examination of the pathogenic germ: identification in the bacteria of the genes responsible for the virulence, that is, for the capacity to cause disease. This approach is still in the research phase but the results already obtained indicate that it will revolutionize the etiological diagnosis of bacterial infections and probably of infections caused by other microorganisms.

From the foregoing, it is observed that the specific expectations in the three sectors indicate equations that it is obviously in the national interest to solve, because of the economic and social value they represent. In a general way, we have to consider the opportunity to establish the biotechnology program regionally, since the various biotechnological processes require respect for local environmental characteristics. In that context, the program must be fitted in as one of the instruments of regional development which envisages the redistribution of resources in an attempt to correct the great differences between the five Brazilian regions.

2. Basic Preparation

2.1. Human Resources

Considering the vast application of the biotechnological processes in the sectors mentioned, the possibility of advancing and increasing their knowledge and potential and the urgent need of the country to master those processes and to become autonomous in the use of the products of that technology, immediate plans for the development of human resources are essential.

Preparation of the critical mass, both qualitatively and quantitatively, to face up to the challenges and to denote the national competence must initially multiply the already competent nuclei. Afterwards, it must observe regional needs and, above all, stimulate coordination among the genetics, microbiology, immunology and biochemistry groups, among other disciplines. From that coordination, the need to use centers abroad for the preparation of human resources may be identified.

An important step was taken with the "Genetic Engineering" subprogram established by the CNPq/FINEP.

2.2. Brazilian Network of Collections of Reference Cells

Intensification of the economic interests in biotechnology, especially after the exploitation of the techniques involving DNA-recombinant, further demonstrates the importance of microorganisms. The meaning of viruses, bacteria, fungi, algae, protozoans and cellular strains is already well known to scientists and technicians, especially from the viewpoint of research and development and their social consequences. Now the economic sector is motivated by unusual curiosity and concern.

Countries such as Japan, Britain and Australia have already found the means to care for their collections of cultures for reference and technical-scientific support. In France, the Pasteur Institute was accredited as responsible for the national collection of cultures of microorganisms.

In Brazil, the proposal to create a network of collections of cells took shape starting at the Second International Conference on Culture Collections organized by the Brazilian Microbiology Society in 1973 under the auspices of UNESCO and the World Federation for Culture Collections (WFCC) and with the support of the CNPq. Topics, symposiums and conferences were successively introduced at annual congresses. In 1976 and 1977, Brazilian specialists studied the subject together with specialists from other Latin American countries, formulating a proposal for the establishment of a national network for the collection of reference cells, of a basic nature in relation to the National Biotechnology Program. The plan for establishment of the network must be understood as a very important stage for the development of the program.

Objectives of the Program

1. General Objective

To create the means and conditions to implement the integrated program involving research (basic and applied) activities, experimental development (technology) and technical-scientific services, to master the process and methods of biotechnology and its application in agriculture-livestock, energy and health.

2. Specific Objectives:

2.1 Of a Basic Nature

Develop competence to:

- a. Favor the qualitative and quantitative preparation of human resources;
- b. Establish the Brazilian network of collection of reference cells;
- c. Develop competence in basic and applied research related to genetic engineering.

2.2 Of an Applied Nature

To develop competence in research and development in the following sectors:

- a. Agriculture-livestock, with a view to the qualitative and quantitative increase of production, through the:

--Culture of vegetable and animal tissues for purposes of genetic improvement.

--Application of genetic (in the broad sense) engineering for the selective transfer of desirable characteristics, for the better utilization of plants and animals of economic value.

--Biologic control of pests.

- b. Energy, with a view to increasing the energy potential, through:

--Alcoholic fermentation.

--The production of enzymes.

--The production of biogas.

- c. Health, with a view to obtaining products necessary for the activities of diagnosis, control, and treatment of infections through the production of:

--Polypeptides.

--Vaccines.

--Antiserums.

--Enzymes.

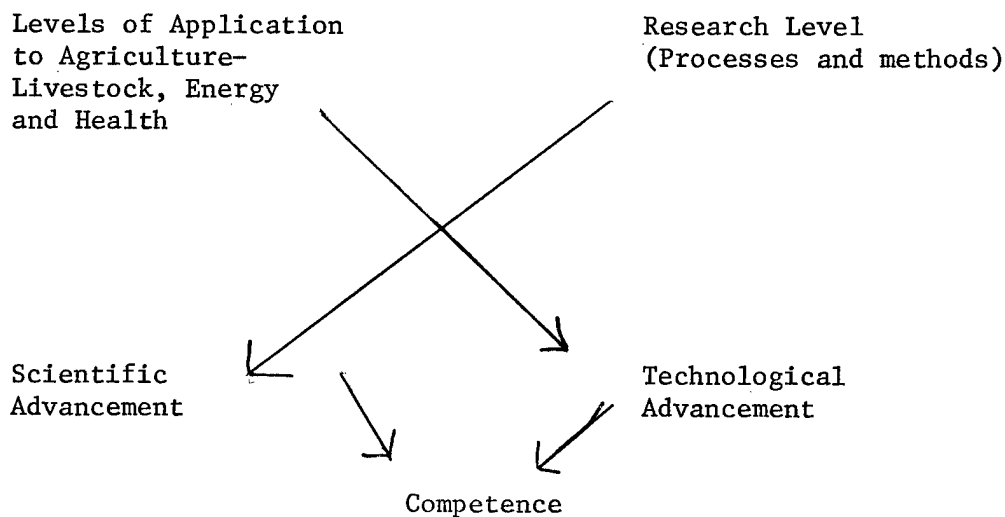
--Detection of pathogenic bacteria.

Strategy of the Program

1. The Model

The National Biotechnology Program must be understood and administered as a program of an integrated transdisciplinary nature, closely related to the needs and problems inherent in the sectors involved.

The understanding that the biotechnological processes and methods can be applied jointly or separately to obtain products or results according to the specificities peculiar to the three sectors defined as being priority sectors leads to an administrative option that considers two levels. The first, of a basic nature, is comprised in practice of the methods and processes (genetic engineering, hybridomas, mass production, etc.); the second level is represented by the application of the processes to the problems of the sectors.



The matricial diagram explains that the motivations at the research level can be determined by the components of the level of application (problems); on the other hand, the application level should find responses in the products of scientific advancement which the components of the research level will certainly provide.

The model reveals two important administrative mechanisms. One pertains to the ordering of projects. Knowing the level of research (processes and methods already developed, the degree of depth of knowledge, the capable centers, etc.), specific and objective projects will be ordered for the solution of problems at the level of application. The other aspect is related to development of the

potential and performance at the research level. Assuming that a sequence of increasing complexity or of logical interdependence can be established among the related processes and methods, the coordination of the program will be in a position to suggest the implementation of projects in a more objective manner and with a greater margin of safety. In addition to that, determination of the potential and the performance of the components of the research level can surely be the indicator of the stage at which they are and of the support necessary for participation in the desired scientific advancement.

The administrative model, of the ordering of research and experimental development projects presupposes complementary attitudes. Research, development and technical-scientific service projects will be set up with the object of encouraging the emergence of new groups and new competence in other institutions or in different Brazilian geo-economic regions. With the object of developing institutional competence, for the officially sanctioned support of the institutions to the research groups, the biotechnology program envisages the formulation of special projects for bibliographic documentation, the installation of specialized laboratories, publications, technical meetings, specialized courses, consultation and other activities designed to raise the levels of efficiency and effectiveness of the institutions.

Within the guided model, the decisions will be the result of the diagnoses of the levels of competence, technical-scientific maturity, production, experience, tradition and potential for development of the groups operating in areas of knowledge and in the mastery of techniques important for the development of biotechnology.

Nevertheless, the program will consider proposals generated by the initiative of persons, groups or organizations which feel that they are in a position to participate, within the objectives of the biotechnology program. In order to do so, they must observe the directives and other indicators of the goals sought and submit their proposals to the financing agencies that participate in the effort, and observe the respective instructions.

The study of the proposals will be made by groups of specialists who will act in accordance with criteria established by the respective agencies but who will take into account the original proposal of the present program. When aid or financing is granted, the monitoring and evaluation of the activities performed will be done in such a way as to integrate the efforts carried out with the program as a whole. Consequently, the institution will be comprising the task force with which it is sought to develop scientific and technological competence and resolve problems in the productive sector, of rendering services and others, that characterize the model of the sectorial program adopted in the present cases, the principal characteristics of which are presented below.

2. Administrative and Technical-Scientific Structure of the Program

a. The National Biotechnology Program, necessarily and obviously, will have a strong tendency toward preparing and qualifying human resources in the most diverse fields, areas and subareas of the knowledge and mastery of techniques in institutions of research, development, education, industrial production, etc;

- b. The activities will be directed toward the development of competence that can solve problems in fields of application of that knowledge or in basic matters that limit the generation of industrial products;
- c. The type of product to be considered for purposes of delineating and implementing a project will be defined on the basis of indicators of industrial need, with their social and economic implications, particularly those described in the Third Brazilian Plan for the Development of Science and Technology (III PBDCT); the multiplier effect which the acquired technology may release in the science and technology system; the possibilities of success, in cost-benefit-opportunity analyses; the demands of the domestic market and the possibilities of competition in the foreign market; and the impact on the national scientific and technological potential;
- d. According to the type of product for which the project may be formulated, the areas and subareas of the scientific knowledge directly involved will be identified and the nature of the activities and lines of research to be carried out will also be determined in order that the configuration of the scientific bases may be shaped;
- e. In the configuration of the technological bases, the areas of engineering (engineering of the project, installations, equipment, etc) as well as the economic bases, which include marketing, economic-financial feasibility and other specific indicators, will be denoted; and
- f. The necessary funds for the scientific technological and marketing administration, with the respective management systems of the project, of monitoring and evaluation of its implementation, of technical-scientific information, and of promotion and use ("marketing") of the technology generated [sentence as published].

The encompassment desired for the National Biotechnology Program will depend on the constant advancement of professionals who are operating today and on the emergence of new talents in different areas of knowledge, particularly microbiology, genetics, biochemistry, immunology, biophysics and others. Therefore, the projects must be interactive so that the response may be integrated and directed toward the solution of scientific, technological and productive sector problems.

In order that the transdisciplinary action may occur, the biotechnology program will have the participation of the following decision levels:

- a. National Coordination: Centered in the CNPq, responsible for the activities of research and development administration at the program and economic-financial management level, when the funds are distributed directly by the CNPq.
- b. National Technical-Scientific Committee: Comprised of professionals with real competence in the subject, belonging to the government sector, the scientific and technological sector and the productive sector (public and private companies). This committee is composed of sectorial (agriculture-livestock, energy and health) subcommittees whose function it is to monitor the implementation of the program, also in the political, strategic and administrative

aspects, from the overall point of view and in relation to the regional and sectorial goals proposed.

c. Sectional Committees: Comprised of specialists in the fields of biotechnology, responsible for the identification of topics, problems or needs to be approached and evaluation of the execution of the effort carried out for consolidation of the general view of the program at the national level.

Addendum

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Published by: CNPq Publication Coordinator

Art and Composition: Editorial Service

Printed: Uberaba Publishing Ltd

8711

CSO: 8142/1313

U.S. FOREIGN POLICY CALLED INEPT

Bogota EL SIGLO in Spanish 12 Jun 82 p 4

[Fernando Galvis Gaitan Commentary: "United States: Foreign Policy"]

[Text] U.S. foreign policy has not been very fortunate. Jane Kirkpatrick, U.S. ambassador to the United Nations, talks about the incompetence of her country in handling international relations. It is true that this is the best word to describe what has happened in the United States during the last few years. Perhaps in the history of the great powers there isn't a nation that has committed more political blunders. During the last few years, to mention only a few examples, they won the war in Vietnam, but lost Southeast Asia; they abandoned the Shah and lost Iran; they traded Somoza for a Sandinist junta that gets closer to communism every day and now, if this weren't enough, they decided to back Great Britain and they have no friends left in Latin America. In this case, it would have been wiser for this great power to remain neutral. They didn't do that and they have created much resentment in Argentina and all of Latin America, which will bring them serious problems. Worst of all is the total collapse of American solidarity. When the United States supported Great Britain it showed great disregard for Latin America and placed the mutual aid agreement and even the Organization of American States (OAS) in danger. Already some countries have proposed the creation of an organization of our states leaving the United States out. If this idea materializes, the United States would be isolated in Latin America and this would be serious for all nations in the area. Even if the OAS survives, its credibility and importance have already diminished considerably. It is no longer the organization that backs up and supports all of its members, but an institution subject to U.S. interests. The fall of great international organizations in which so many people thought to find the ideal solution for achieving cooperation, solidarity and peace, is a pity.

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CSO: 3010/1747

REMARKS ON IRONIES OF FALKLAND ISLANDS DISPUTE

Bogota EL ESPECTADOR in Spanish 11 Jun 82 p 3-A

[Alfredo Vazquez Carrizosa column: "Castro Wins in the Malvinas"]

[Text] The following message, transmitted from Havana and published in LA REPUBLICA, went unnoticed and without comment:

"Havana, 3, AP--Argentine Minister of Foreign Relations Nicanor Costa Mendez, in an action without precedent in the recent history of his country, embraced Cuban Minister Fidel Castro and pointed out to the movement of nonaligned nations that Argentina's struggle in the South Atlantic should be seen in the light of struggles for national liberation in countries like Algeria, Cuba and Vietnam.

"In a speech before a full meeting of the movement in this city's Convention Palace, Costa Mendez criticized 'the military and colonial aggression by the United Kingdom, which now has the help of the U.S.'. The Argentine Minister of Foreign Relations began his speech by expressing 'happiness and satisfaction at being in Cuba, the pride of the Caribbean'".

For these words to be said by a spokesman for a military government that has spent 6 years on an internal war against Marxist groups and movements in the country, this has to be a topsy turvy world. Foreign Minister Costa Mendez must have sensed a strange smell in pure Havana tobacco of the long cigar smoked by the commander when his face came close to that of the president of the nonaligned nations. Nonetheless, the spokesman for the military junta at Buenos Iares talked like a true veteran from the Left.

The struggles for national liberation in Algeria, Cuba and Vietnam are actually the three largest decolonization successes achieved in the last 25 years. Costa Mendez, what did you do to learn the lesson so quickly? It wasn't many months ago that Argentina's diplomacy revolved around Washington, helping the U.S. with the war in El Salvador, and that the Reagan administration counted on its faithful allies in Buenos Aires.

American military missions succeeded one another in this capital by the La Plata River to coordinate the efforts of two countries of the Right on this continent. An inconspicuous envoy, not quite undercover, General Vernon

Walters, a former employee of the CIA, travelled repeatedly to Argentina to take special messages to the Secretary of State, Alexander Haig. The Washington-Buenos Aires axis was firmly established to get rid of the Left in Central America, in contrast to the other axis, Mexico-Paris, two countries that search for a political solution in the region.

With the Malvinas Islands war the political panorama in Latin America changed. Washington did an about-face and abandoned the "Latins" as they are mistakenly called in North America. Central America, particularly Nicaragua and El Salvador, was relegated to a second level. Argentina, in order to speed up a war that promises to last beyond an unexpected defeat of this country in the Malvinas, has searched for support in the sectors that seemed most alien to the military rightist ideology of Generals Roberto Viola and Leopoldo Galtieri, shaped by North American strategic thinking. The notorious East-West confrontation, or if one wishes, United States against the Soviet Union, has been the basis of Latin American military thinking turned into action at the local level.

The Soviet ambassador in Buenos Aires now occupies a prominent position in the epicenter of militarism in the Southern Cone. Technical assistance from the Soviet Union to improve an incomplete radar system in the southern country, which was to be used for peaceful civilian flights and not for air-sea war operations, was disclosed in the North American press.

With the disastrous Argentine economy, which is a pathetic case of inflation and indebtedness of colossal proportions, the sale of grain to Moscow, with payment in cash, represents a life saving device to the Argentinians.

THE NEW YORK TIMES of 5 June gave the news of the Cuban-Argentine commercial agreement, signed the previous day by Costa Mendez before the end of his resplendent visit to Havana. This is a political and economic collaboration that curiously enough includes the government of the ultra-Christian democracy of the Venezuelan President, Luis Herrera Campins and the ultra-fragile one of the Peruvian President, Fernando Belaunde Terry. The friendship circle includes various capitals that previously were definitely anti-Castro, but now are not.

A few months ago President Turbay was suggesting a Caribbean inter-American force to stop Castro, but now all that plan directed from Washington, has come to an end. Unfortunately we are left with the sale of F-16 airplanes to Venezuela, which we have denounced so many times, to be used for the salvation crusade against Cuba which will never come about. Latin America continues to go around in a diplomatic dither.

Fidel Castro has recovered his image, oh irony!, in the country of the military counterinsurgency experts which is Argentina. The Malvinas war has produced the miracle of reconciliation between two countries that are ideological enemies. From now on and as long as the British-Argentine conflict lasts, Latin America will lean more every day towards expressing solidarity with the country to the south, which won't be able to avoid Castro's company.

So, there is a new alliance, Havana-Buenos Aires. What will Colombia do? For the present administration, which will end its mandate in less than 2 months, not counting handing over documents and vacating office space, there is a possibility of modifying the rigid stance enclosed in the guidelines for confrontation in the Caribbean. The president elect, Belsario Betancur, who has a promising future, has shown himself in favor of Argentina.

The problem consists in deciding if Colombia should maintain one policy of confrontation in the Caribbean and another one of solidarity with Buenos Aires, which at the same time receives support from Cuba. And if we should admit that Argentina has buried the principle of renunciation of force as a means of occupying foreign territory. The case of the Malvinas Islands confronts us with undeniable situations. We ask ourselves, where is Colombia heading?

9907

CSO: 3010/1747

MONGE DISCUSSES FIRST MONTH IN GOVERNMENT

San Jose LA NACION in Spanish 10 June 82 p 16A

[The text of a speech delivered by President Luis Alberto Monge at a luncheon organized by the Chamber of Commerce of Costa Rica, on 9 June]

[Text] The following is the full text of the speech delivered yesterday by the president of the republic, Luis Alberto Monge, at a luncheon organized by the Chamber of Commerce of Costa Rica. In it he defines and assesses his administration's actions during the past month.

During these 4 weeks, we've been able to confirm, in the course of running the government, the truth and accuracy of our remarks made during the electoral campaign and during the transition period between February and 8 May. Furthermore, we may have underestimated the situation. Some of the figures furnished by our staff of experts should have been altered and made more precise to reflect exactly the country's economic and social reality and the deplorable state of administrative and financial exhaustion in which we found the government.

On the one hand, this bears out and confirms our charges. We told the public the truth. We indicated accurately, without sensationalism, the reality of a situation. On the other hand, it enlarges our commitment, for while our diagnosis was fair and correct, we shall be firm and resolute in implementing the remedial policies we announced in our platform "Let's return to the land" and in the provisions of our emergency plan.

Organization of the Administration

Our first responsibility, when we took office, was to organize the administration and make operational decisions needed for establishment of a team-oriented system. During the electoral campaign, I said very clearly that my administration would be one of teams operating under the leadership of the president. I said that I did not consider myself super-endowed, and that I did not believe in men-of-the-hour. On the contrary, I expressed great doubt about those men who have an opinion on everything and who have the last word on all human, as well as divine, matters. This country needed a radical change. Costa Rica required a different, fundamentally altered style of governing. One-man rule had to give way to a joint effort, to teamwork. Thus, on those grounds and because of the firm belief that it is the only way to govern in 1982, I proposed to the Cabinet, at its second meeting, an operational organization that, clearly and firmly establishing the chain of command and responsibilities that are definite and unavoidable, will effectively articulate that idea of joint effort, of teamwork.

We decided that the Cabinet would ordinarily meet every week. We created the Economic and Social Council and divided it into an Economic Committee and a Social Committee, which would be made up of the ministers for one area or another and coordinated by the vice presidents. We also created the National Security Council. We indicated responsibilities and set up a *modus operandi* that was consistent and fully articulated with the highest policy-making level, which Costa Ricans entrusted to me, through the ballot box, for a 4-year term. Moreover, we established that system's links with the government's subsidiary agencies to create a proper balance between the principle of autonomy and that of efficiency and rationality which I am determined to give to the Executive's joint effort. Thus, only a few days after entering office, we were operationally prepared to deal with the immense responsibility of national reconstruction.

To our surprise, some members of the media, including commentators in the press, have not understood the extent of this change in style. It seems as if the country has become accustomed, though it may be only according to these commentators, to the easygoing, personal style of recent times. The clear, sincere warnings from the president-elect during the transition period were not enough. I said that I wasn't a man for daily press conferences and that I had no wish to generate news each day. I stated that we would have a team-oriented administration, one based on joint effort. I indicated that the ministers and vice presidents would assume their responsibilities fully. That is what I have set myself to make clear during this first month in office as president.

Policy of Consensus

We immediately initiated the policy of consensus that I had announced to the country. I met with representatives of the Union of Chambers, and I also met with representatives of the democratic labor movement. At the same time, I've been in contact with the cooperative movement, and I'm maintaining an open, free-flowing dialogue with all the political groups in the country. That is the present administration's style. We have established and agreed upon mechanisms to make the dialogue operative in the different instances in which it should take place, from lower staff levels to the one where decisions are made, whether in regard to a given sector or from a national standpoint.

There have been some misunderstandings, and that is normal and natural in any human undertaking, and in a pluralistic, democratic country like Costa Rica. But I haven't hesitated to use my influence to remedy a problem or to seek alternative paths to consensus that make it possible to keep the channels of communication open and to maintain agreement among those with different views and interests. The most notable instance of this attitude involves the plan to create the Labor Economy Group. I don't claim that we're reaching complete agreement because that isn't possible. It is possible, however, for the businessmen and workers, the solidarists and the representatives of the Executive, the Judiciary, and the Legislature to reduce conflicts to a minimum and find many points of agreement. That is the purpose of the joint committee we created recently.

At the same time, after the Cabinet was sworn in, we began to make decisions based on our platform and on the provisions of the Emergency Plan. Here we again need introductory clarifying remarks. We have never said--and we insisted on this repeatedly during the months before we took office--that the emergency is

to be dealt with entirely by a legislative program. Absolutely true. The program of legislative changes is one of the basic aspects, but it is not the entire emergency plan. This country has an adequate legal apparatus for undertaking the national reconstruction effort. What is needed is to use those legal instruments properly and to place the existing legal system at the service of Costa Rica's economic and social development.

Economic Adjustments

Another point regarding principles. The present administration is aware of the need for economic changes. We've always been clear and forceful about this. But we also have never tired of pointing out that the economic changes will be made within the framework of a body of compensatory measures for the social system. I said so during the electoral campaign, and I said so emphatically to all Costa Ricans in my speech of 30 April. Thus, we've created an Economic and Social Council, whose economic and social decisions will be made under the same circumstances. At the same level and with identical concern. That has been a manifest policy since 8 May, and it will continue to be so until the end of my term.

You are very familiar with the budgetary reforms of Articles 93, 94, and 100 of the Organic Central Bank Law and with the regulation approved by the governing board of the bank. We agreed on the content and scope of those reforms, which at another time were unanimously approved by the Cabinet. In our opinion, that was the first step, and it was taken resolutely.

At the same time, we began the process of economic adjustments to rectify the economy and make it accurately reflect costs. We authorized the elimination of the subsidy for wheat, in addition to adjustment of the electric power rates; and we are recommending to the National Electricity Service an increase in the prices of gasoline, diesel oil, and other petroleum products. Moreover, the Economic Committee is considering a program of gradual elimination of subsidies; and additional changes in rates and in the cost of other services will surely have to be approved. All this is necessary. The structural dislocation obliges us to make these decisions that, in fact, can't be taking any Costa Rican by surprise. We talked about all of it in the electoral campaign.

We have insisted, however, that the primary thing is to reactivate the country's productive apparatus. Regarding this, considering the matter urgent, we have organized a joint committee to provide assistance to firms with problems stemming from the economic crisis and from the bad exchange-rate situation of recent months. That committee has its work cut out for it. For the time being, we have respectfully asked the commercial banks to suspend, to the extent possible, attachment proceedings against those firms. In turn, the Cabinet, approved a respectful recommendation to the Central Bank to substantially reduce interest rates for the farming sector. The bank responded to our request, approving that reduction. With that, we've fulfilled one of the few-but-firm promises I made before the public during the electoral campaign. With approval of this important reduction in interest rates, our slogan of "Let's return to the land" begins to become a reality.

Foreign Sector

One of my chief concerns has been foreign markets. While dwelling endlessly on production, I've given no less emphasis to the subject of the Mexican and Venezuelan markets, which offer our exports a valid short-term alternative. We said that in our platform and in the emergency plan. I can report to you today, with some satisfaction, that negotiations at a staff level with the Mexican Government are nearly completed, and within a few days we will sign an important trade agreement that establishes novel mechanisms for customs treatment of a long list of Costa Rican export products. Also, within the framework of existing oil-trade agreements with both Mexico and Venezuela, we have also concluded significant negotiations concerning compensation and adjustment with respect to the oil account and accumulated debt. The ministers involved will report on that in detail in the near future.

In the foreign sector our chief concern is the debt. The government's economic team has been preparing for the negotiations with the International Monetary Fund, the World Bank, creditor governments, and private banks, which will soon enter a decisive stage. We are prepared for these negotiations. It isn't simply a matter now of totaling up the debt or of pointing out errors in economic policy committed by the previous administration. Reality has arrived. These negotiations are of fundamental importance. Costa Ricans and the private sector in particular can be absolutely certain that present obligations, both external and internal, will be honored. They can be sure, too, that a capable group of experienced men will bring a great sense of responsibility to this official mission to international banking and the country's creditors.

Regarding the social order, we have primarily been concerned with developing a comprehensive basic package. We're ready to announce to the country the contents of that package and the prices involved. At the same time, in keeping with our statements during the electoral campaign, soon it will be necessary to begin a gradual process of increasing wages, depending on the behavior of the package, as a fair means of offsetting the cost of the economic adjustments. In this same sphere, moreover, the Cabinet approved creation of two national committees. One is to deal with the struggle against unemployment, and the other is to deal with problems of inadequate diet and poverty. Here is a broad area for cooperation among government agencies.

On another topic, a few days ago the Executive submitted a bill to the Legislative Assembly about illicit enrichment of public officials, in which severe penalties for this type of crime are established. By doing that, we have fulfilled one of my most cherished political dreams. Without public morality and ethics, no governmental achievement can be sustained. I said it very clearly when telling Costa Ricans about my four basic commitments and when stating that there's no confidence in the people without the instructive example of those who govern them. This bill embodies that idea, which will be the required standard for conduct during this administration.

Public Security

While decisions on economic and social issues have accounted for much of the Cabinet's time, the other important area of action we are committed to is national

security. On 8 May we found an unarmed country. Only a few days after I assumed the presidency, it was necessary to make critical decisions to insure Costa Rica's neutrality in connection with regional conflicts, as well as to preserve our territorial integrity. It was also necessary to act to draw a clear line regarding foreigners whose presence in our country has been commented upon repeatedly by the public. All that is a part of a definite policy concerning migration and the status of aliens that is consistent with our best national interests and that, at the same time, takes into account the Costa Rican tradition of granting political asylum and the legal commitments undertaken by our country on signing the Convention on Refugees.

In any process of economic adjustment and recovery, the important thing is to have a clear sense of the objectives and the alternative means of attaining the goals set. We are determined to stabilize the situation. At the same time, we intend to give full impetus to the country's production. As for the adjustments, they must take place in stages because reality is changing, and we are dealing with a process, not some static facts. Resoluteness and a clear sense of objectives, but with flexibility at the same time, are what Costa Rica needs. We are implementing the "Let's return to the land" platform and carrying out the emergency plan. We are guided by a spirit of understanding toward all sectors. There are no prejudices toward anyone. We're convinced--and I want to confirm that today before the Chamber of Commerce--that there is a great national consensus for facing the crisis. I have insisted on that over and over again. Soon the Cabinet will make new decisions that complement and extend those already approved, which are public knowledge. All of them rest within the spirit and the letter of my speeches on 30 April and 8 May. Thus, there'll be no surprises. Those who have listened to me carefully know this administration's thinking and its official line.

Those, and not others, are the rules of the game, as is often said in the world of economics and private activity. The rest is the process, administration by men, the success or miscue of daily governing. The people of Costa Rica, those in all spheres of national activity, know that the president of the republic is a man who is open to dialogue and the workings of consensus.

9085

CSO: 3010/1751

CHARLES DEFENDS CIVIL SERVICE CUTS AGAINST FAVORITISM CHARGES

Bridgetown ADVOCATE-NEWS in English 17 Jun 82 p 3

[Text]

ROSEAU, Dominica, Wednesday, (CANA) — Prime Minister Eugenia Charles has defended her government's decision to make a number of posts in the public service redundant, saying that the move was aimed at saving scarce funds.

"It has always been my point of view that one makes good use of money not only by spending it wisely, but also by saving it wisely," she told Parliament on Monday during her hour long presentation of the 1982-83 budget of EC\$177 million (EC\$1 — 37 cents US).

The government said that it was tightening its employment policy, as well as restructuring several departments in order to make them more viable.

The move has led to opposition claims that the government has embarked upon a victimisation scheme under which people opposed to the ruling Dominica Freedom Party would be laid off.

But Miss Charles told Parliament: "We need to ensure...that money spent on salaries and wages is spent for the best purpose and to greatest advantage."

One area in which the government has dismissed workers is in the Price Control Division. Miss Charles said

the move was aimed at "Redirecting the policy on consumer protection to the dissemination of market intelligence, consumer advisory services and the review of commodity prices at the point of wholesale."

"It is my belief that the most successful regime of price control will be maintained when the citizens of this country are well informed of the official prices and are prepared to insist on their rights to obtain goods at the official prices."

She said in keeping with this objective the two posts of Price Control Enforcement Officers had been abolished and replaced by one senior clerk to assist an executive officer in charge of the Consumer Protection section.

She was unable to elaborate at this time on the new policy for fixing prices of imported commodities, but said its main purpose "will be to induce our importers to seek markets offering the best goods at the lowest prices."

She announced that government had reviewed the functions and operations of the Construction Division of the Ministry of Communications and Tourism and that a new policy had already been established.

"It is therefore unnecessary to retain the large number of construction foremen and supervisors. Three of the posts in that division have been abolished. We are firmly convinced that contract work allows for greater efficiency and spreads the benefits of public works among a much larger section of the population," she told Parliament.

Workers at the Housing Development Corporation have also been made redundant following the government's move to restructure the housing division.

Miss Charles told Parliament that the decision to dissolve the housing corporation was "as a consequence of the continuing financial non viability of the Housing Development Corporation and to allow greater attention to and closer monitoring of the housing development programmes."

No exact figures of the number of workers dismissed from the public service have been disclosed here, but the left leaning Dominica Liberation Movement Alliance (DLMA) said at least 160 workers had been affected,

BRIEFS

CALL FOR LOAN RENEGOTIATION--ROSEAU; (GNA)--Former Dominican Prime Minister and Leader of the Dominica Labour Party (DLP) Patrick John has called on Prime Minister Eugenia Charles to re-negotiate the terms and conditions of a \$37 million loan agreement with the International Monetary Fund (IMF). In a letter to Prime Minister Charles, John, who was last month acquitted on charges of attempting to overthrow the present Dominican Government, said: "We fear that presently the economic future of Dominicans is in the hands of the IMF and not in the hands of Dominicans." The three-year loan agreement with the IMF was finalised in 1980 by the Charles Administration. In keeping with the agreement, the Dominican Government has put a 10 per cent ceiling on wage increases and halted its subsidies to statutory bodies. In defending the agreement with the IMF, Prime Minister Charles said it was only through this agreement that Government had been able to meet its monthly salary bill and provide essential services to Dominicans. But in his letter, the DLP Leader said only through a re-negotiation of the terms and conditions of the agreement could increased productivity and job opportunities and true economic recovery be achieved in Dominica. [Text] [Georgetown SUNDAY CHRONICLE in English 6 Jun 82 p 2]

CSO: 3025/326

TOURISM TEAM REPORTS GOOD PROSPECTS IN TRINIDAD-TOBAGO

Bridgetown ADVOCATE-NEWS in English 17 Jun 82 p 3

[Text]

ST. GEORGES, Grenada, Wednesday (CANA) — A Grenada mission has just completed an exploratory visit to Trinidad and Tobago reporting good prospects for selling the Spice Island there as a tourist destination.

The team which comprised Jane Belfon, Director of Tourism, Dr. John Watts, Chairman of the Tourism Development Council, and Royston Hopkin., Manager of the Blue Horizon Hotel, held discussions with top travel agents and tour operators on the possibility of promoting Grenada as a tourist destination on the Trinidad market, and the formulating of an August vacation package, an official statement said.

Belfon said that the delegation, in discussions with the officials, felt that there should be an immediate concentration on August because of the important activities in that month.

These include the Carriacou Yacht Regatta, from July 31 to August 3, the Caribbean Netball Competition from

August 4 to 12, and carnival celebrations, from August 16 and 17.

She said the mission felt that Grenada could successfully sell such a package to Trinidadians, who are "Grenada's traditional relatives." A tremendous amount of good will towards the island was expressed by the agents and other Trinidadians, the government statement said.

The Tourism Director identified difficulty of obtaining flight confirmations from the regional airline LIAT and the rumours that there were people with guns on the streets of Grenada as two (of the main) problems cited by the Trinidad officials. After lengthy discussions with the officials a familiarisation trip for top agents was planned for the third week of this month.

However, LIAT's recent installation of a computer system in Grenada will link Grenada to the other Caribbean islands and alleviate the difficulty of obtaining flight confirmations, the statement said.

CSO: 3025/336

CHAMBER OF COMMERCE REPORT NOTES PROBLEMS WITH GOVERNMENT

Bridgetwon ADVOCATE-NEWS in English 15 Jun 82 p 3

[Text]

ST. GEORGE'S, Grenada, Monday, (CANA) — Grenada's leading private sector organisation has reported achieving some success in improving relations with the socialist government here, but says there are still several outstanding differences.

In its report to the just-ended annual general meeting of the Grenada Chamber of Industry and Commerce, the Council of Management said it "was disturbed by the Prime Minister's (Maurice Bishop's) invectives against the private sector at the heroes day rally at Queen's Park, St. George's on 20th June 1981."

The report said that from time to time there had been criticisms of the private sector by the government-controlled media. The council said that in November 1980 the Chamber indicated that one of businessmen's main concerns was unfair and unjust criticism by the media which accused the private sector of being exploitive.

There had also been other public rhetoric which was counter productive to private sector development, the Council of Management said.

A letter was written to Prime Minister Bishop on June 25, 1981 seeking an interview with him to discuss "our apparent differences", the report says, adding that a receipt of the letter was acknowledged but no further communication had been

received.

The report said there were seven other "matters of concern to businessmen which could cause them to delay or cancel expansion or investment plans."

However, the Council of Management said that it had not been able to arrange a meeting with the Minister of Finance (Bernard Coard) for a continuation of discussions on these matters.

Nevertheless, the report said the Chamber had continued to work, with some measure of success, towards improved relationship with the government.

The Chamber of Commerce report also expressed concern about "the continued increase in the level of taxation."

"As far back as 1972," the report said, "the Chamber drew Government's attention to the fact that its recurrent expenditure, and consequently its tax revenue, had exceeded 50 per cent of the gross domestic product, and that this was very disturbing."

The report said that since then the increase in the level of taxation had continued on the same narrow tax base.

The report suggested that the Chamber hold discussions with the government "in view of the urgent need to broaden the tax base to avoid having to increase the level of taxation when additional revenue is needed."

EDITORIAL ASSAILS PNC RECORD ON NATION'S 16TH ANNIVERSARY

Georgetown MIRROR in English 30 May 82 p 2

[Editorial]

[Text] THE President's stale and dull 16th independence anniversary message had little to offer Guyanese caught in the deep quagmire of economic, political and social problems created by his government. We were again assailed with the feeble excuse that we are buffeted by factors beyond our control, as if most of the problems had not been created by the PNC government which has literally ruined Guyana!

WAS the destruction of the milk, copra, citrus, coffee and other agro-industries the fault of outside factors? Was the closure of the railway caused by outside factors? Was the decline in production of the sugar, rice and bauxite industries due to outside factors? Was the rising corruption, thefts of public funds, mismanagement etc., caused by factors beyond the control of the government? Was the mess-up at the Guyana Electricity Corporation caused by factors other than the inability of the government to run the electricity plant intelligently?

MR. BURNHAM, in his message referred to the achievements of his government, but did not enumerate its colossal failures which have brought havoc and despair to the people, now trying to survive as if they were living in war-torn Europe after World War II.

INSTEAD of shaking a fist at the Venezuelans, it might have been more practical and realistic to talk about settling the border issue by peaceful means and to outline to the Guyanese people the steps which will be taken after the Port of Spain Protocol ends on June 18. It would be more sensible to advise the people on the various steps which must be taken when the Geneva Agreement comes into operation. Mr. Burnham could also have explained why the matter has not been presented to the United Nations Security Council as a practical step to avoid confrontation at the border.

WE were also assailed, over the radio, by one of the regular speakers on the joint transmission of the two government-owned radio stations, Mr. Fenty, speaking for the government on the occasion of the anniversary of independence day. We agree with Fenty that Guyana has a proud history of struggle for independence.

He merely forgot to mention that the struggle was carried on by the People's Progressive Party which had to fight even against the then opposition PNC which was thoroughly opposed to independence for Guyana! So much for the myth of the PNC involvement in that struggle!

HE praised up the national radio stations which give voice to Guyana's aspirations, etc. He may have overlooked the fact that the so-called national radio stations are in fact partisan radio stations, since they reflect only the PNC views and permit only PNC and pro-government speakers, especially in its "Viewpoint" and "Analysis" programmes.

NOT only is newsprint controlled for the non-government newspapers, but the radio waves are controlled, keeping out very carefully, the views of those who do not follow the government line.

AFTER 16 years of independence, with all Guyana's natural endowments, its flourishing agriculture (at that time), its intelligent and industrious people, with so much help and good will, Guyana today should have been a healthy, prosperous third world country.

INSTEAD, every single thing is collapsing. We don't even have fuel to keep electricity going, or water flowing! Workers' rights have been trampled on. Democracy and free elections have become the butt of a huge, frightening joke perpetrated by the PNC on the people of this nation.

THERE have been many calls for a political solution. It could be the beginning of a halt in the head-long plunge into total disaster!

CSO: 3025/338

BAUXITE, FOREIGN EXCHANGE ADDRESSED AT PNC MEETING

Unspecified Remedies

Georgetown GUYANA CHRONICLE in English 8 June 82 pp 1, 4

[Text] The perplexing state of the world sugar market and the country's acute shortage of foreign exchange, all featured prominently in discussions at least weekend's General Council meeting of the ruling PNC.

The local bauxite industry, it was explained, has been doing reasonably well this year in terms of meeting its production targets. Unfortunately, however, primarily because of the current slump on the international market, companies world wide are cutting back on their operations thereby causing a great slackening in demand for bauxite.

Stockpile

..As a result of this international development Guymine has been unable to sell its bauxite and has been forced to stockpile the ore. It has, consequently, been unable to earn much-needed foreign exchange.

...The situation with sugar was somewhat similar. The price on the world market was a low 103 pounds sterling per tonne - as compared with over 500 pounds sterling per tonne a few years ago. At the same time however, the local cost of production was over 200 pounds sterling per tonne. In addition, because of unfavourable weather conditions locally, there was a shortfall of over 20 per cent in sugar production during the just concluded first crop.

It was also pointed out that the second sugar crop was not scheduled to get under way until the second half of next month and that the first earnings of foreign exchange from the second crop was not likely to be transferred to Guyana sometime in August.

In the meantime, however, and in the face of the serious shortfalls in foreign exchange earnings, consideration must be given to how best to allocate the limited foreign exchange available in order to meet a wide range of overseas financial obligations and to import the more important of a wide range of what are considered priority items.

Delegates at the meeting made a number of suggestions for coping with the crisis.

Call for Government Explanation

Georgetown GUYANA CHRONICLE in English 9 Jun 82 p 4

[Editorial]

[Text] The decisions emanating from last week-end's meeting of the P.N.C's General Council, are so grave in their implications, that they ought to have removed any lingering doubts about the seriousness of our economic situation.

The consensus among delegates, that this nation's economy should be placed on a "war footing"--for example--opens up the prospect of far reaching changes in our economic life.

Within the next few days, the government will no doubt spell out, precisely which measures are to be introduced.

Whatever they are, they are certain to be tough. Equally certain, is the fact that things are now so bad that, even without the threat from Venezuela, only the most drastic measures, can pull us out of the present crisis.

Even taking into account the existence of an inefficient and often unjust distribution system, it remains true that there can be no economic recovery, without increased productivity.

To produce more at any cost, therefore, especially in those sectors of our economy which can earn foreign exchange, must be a central economic ambition of both the government and the nation.

But the central political ambition of the government, and we believe, of the overwhelming majority of the Guyanese people, is to "adhere to the general direction of socialist development."

In the end, our present circumstances argue for a more careful and far reaching central direction of investment strategies, and at the same time a more careful control of capital formation.

The preparations of a socialist economy, facing the possibility of armed conflict cannot be otherwise approached.

But such economic strategies can only be made effective by the massive support of the population. People cannot support what they do not understand.

Government's first task must therefore be, a detailed, clear and accurate exposition of its next economic proposals.

CSO: 3025/337

BURNHAM SPEAKS ON VENEZUELAN THREAT, ECONOMIC SITUATION

Georgetown GUYANA CHRONICLE in English 27 May 82 pp 1, 6

[Text]

THE President of the Republic yesterday struck a note of hope when he addressed the nation at Bartica as observances for the sixteenth anniversary of Guyana's independence merged with a military parade that marked the end of the two week exercise that the joint forces held in the region.

President Forbes Burnham dealt with the two issues foremost in the national consciousness : the Venezuelan threat and the economic crisis.

"The time is not far distant", he declared confidently, "when the clouds of our present economic and territorial problems would be lifted and we will all bask in the sunshine of prosperity and safety."

It is not, the President stressed, that GOD gave us more than we could bear, but that we should have the mettle to withstand what comes.

The assembled citizens and members of the armed forces were told that once the development of our oil resources was effected, the Government would deploy our increased resources in the continuance of the revolution and for the consolidation of social and economic gains.

The President identified one important condition for

the development of all our resources, including the oil which was discovered. He emphasised that peace was a prerequisite pointing out that unless our territorial integrity were secured there could be no assurance of development.

"It is said," he told the thousands there, "that if you cast your bread upon the waters it would return in due course.... we shall be a resilient, prosperous, free and independent Guyana.... But we must operate to ensure our territorial integrity and funds are required."

The President congratulated the three thousand soldiers who had participated in the exercises and said that it was not sufficient for Guyanese merely to permit themselves hearty congratulations and the utterance of good wishes to our forces. Our commitment he said, must manifest itself in substantial ways. He urged the continued purchase of bonds. "The equipment and uniforms which you see before you have had to be paid for and there are other fronts on which we must operate to ensure our territorial integrity and funds are required."

Not many years after our independence, he continued, the eastern half of Ankoko was seized and a

decree issued by the Venezuelan President calling for territorial waters off the Essequibo that fell within our jurisdiction..."Sixteen years of irritation and provocation have passed. It is hoped that we will never have to go to the United Nations Security Council to ask for a ceasefire. They must understand that we are entitled to a little peace. We shall meet them and we shall match them and we shall outmatch them."

Describing the country's other preoccupations, the President said that Cabinet had been looking at the problem of having to find seven million dollars within the next two weeks to pay for the tuition of overseas students. He mentioned the poor condition of some of the country's roads and the effect that this has had on our agricultural development.

Challenge

"This," he declared, "is the worst hour before the dawn. It is the coward that shrinks from the challenge. It is the courageous man or the courageous woman who stands up and comes out triumphant."

Cde. Burnham told Guyanese that the achievement of political independence 16 years ago had given us the opportunity to move on to economic independence and that though this had caused envy and animosity, as well as having induced much respect, our duty was to press on.

CSO: 3025/338

MEXICAN ENVOY PRESENTS CREDENTIALS; FORESEES STRONGER TIES

Georgetown GUYANA CHRONICLE in English 8 Jun 82 p 1

[Text] Mexico's Ambassador to Guyana, Antonio Villalba Acevedo says that his country insists on the prohibition of threats and the use of force and of political pressure in International affairs.

Presenting his credentials to Vice President Steve Naraine at this home yesterday afternoon, Senior Villalba Acevedo said that it was by no means accidental that Mexico and Guyana had fought side by side to attain the economic and social development of all nations. He added that both countries insisted on the respect for self determination and independence of all countries, the peaceful solution of controversies and the right of each state to choose its own means of political development.

Forums

"We know that at present" he said "the Caribbean region is in conflict and in a preoccupying position, and that at international forums proposals have been made to recognise it as a zone of peace."

In response Vice President Steve Naraine said that relations between the two countries had been marked by many positive developments and programmes of co-operation which had strengthened our relations, making them more meaningful. He noted Mexico's role in the Caribbean Basin Initiative and in hosting the Cancun Summit.

He said that the accreditation came at an important time when the Protocol of Port of Spain would soon be terminated.

He said that it was Guyana's hope that Mexico would join with this country in combating sabre rattling across the Caribbean and in ensuring that good sense will prevail.

CSO: 3025/337

OFFICIALS GIVE DETAILS ON DRAWBACKS OF SOVIET 'AID'

Georgetown GUYANA CHRONICLE in English 11 Jun 82 p 6

[Text]

Guyana and the Soviet Union have signed numerous agreements including the Trade Agreement signed on March 14, 1973, but there have been instances when attempts to satisfy these arrangements have been frustrating.

Commenting on recent Soviet expressions that the Soviet Union had extended numerous offers of aid to Guyana under very easy conditions, a senior government official said that in many cases the Soviets failed to respond to proposals from Guyana.

The official said that last year the Soviets had proposed to set up a bauxite mine with an output of five million tonnes per annum.

The proposal also indicated that the Soviets wanted 50 per cent of the production in lieu of payment for the infrastructure they had intended to set up, the official said.

He said that establishment of an aluminium plant as a joint venture was also included.

The official added that the Soviets had expressed the desire to have the

Guyana Government pay for the feasibility study in American currency, in advance, and at that point the negotiations broke down.

He said that there was also an occasion when the Guyana Government had offered the Soviets an opportunity to seek bauxite anywhere in Guyana. This was later amended after the Soviets had specified that they were interested in the Guymine concession. The Soviets were then granted a concession in Berbice.

Problems again developed when the Soviets insisted that they were only interested in calcined bauxite.

Another official stated that while the Soviets had made many purchases of alumina from Guyana they had only purchased bauxite from Guyana on one occasion, he added.

He noted, however, that their purchases were made under strict business conditions and that they paid the same price as the other buyers.

It was also reported that although wood from Guyana were purchased by many countries throughout the world the

Soviets claimed that none of the local woods was suitable for their conditions.

An official in the Ministry of Energy and Mines said that contrary to the statement that the Soviets had offered to assist Guyana in uranium exploration, there was never any such offer.

However, there has been an agreement for gold mining and the Soviets are definitely involved. But even in this area there has been some serious problems.

In another mining programme in Guyana, the Soviets submitted a list of equipment and the expertise that should accompany the equipment. This cost was some U.S. \$2 million and did not include the cost of housing 10 Soviet specialists and providing each with a motor car.

The cost also excluded the salaries of the Soviet technicians which ranged

from US \$2,800 per month for the project head to US \$2,200 per month for the foreman.

The Guyana Government was also to be responsible for paying all storage and transportation costs which would have developed subsequently. Government would also have been responsible for the transportation arrangements between Leningrad and Georgetown.

The local officials responsible for the negotiations subsequently decided that they were not interested in this programme.

They expressed surprise that the list of equipment for this mining project was similar to that prepared for a programme in the Mazaruni-Potaro where the topography and the geographical setting were different, the mines official said.

CSO: 3025/339

REPORTS DIFFER ON LAYOFFS IN BAUXITE, OTHER INDUSTRIES

'CHRONICLE' on Guymine Situation

Georgetown GUYANA CHRONICLE in English 4 Jun 82 p 1

[Text]..RETRENCHMENT in the bauxite industry appears to have made little difference to life in general at Linden.

--"Retrenched workers", says one source, "have adopted a realistic attitude."

The "Dread Letters", as they are called, were distributed on May 31. The source said that only 131 persons of Guymine's 8 000 permanent work force have been "sent home," but the Chronicle learnt that plans are afoot to place several of those retrenched persons in alternative positions. Casuals and probationers have, however, suffered a more permanent setback.

There is little hope of their regaining employment at Guymine unless a sharp upsurge in the economy should occur.

But as an ex-worker said: "Everything stock-piling and no boat coming. How they gon pay awee? Me and me partner done decide we gon start farming. Nuff space deh on de highway."

There is, however, an under-current of resentment.

One worker--not retrenched--referred to the Public Service. He made mention of the fact that the Public Service subsidised by government was employing persons while Guymine, a self-supporting organisation was sending people home."

General Secretary of the Guyana Bauxite Suerprvisors Union (GBSA) Cde. Lennox Simon said that his union was "not at all satisfied with the way things were being done."

He said that the action of the company would seriously affect industrial relations.

And he added that his union accepted the proposition that workers who are near retirement age would be sent off with full retirement benefits. However, the union is unhappy at a management's suggestion that some workers accept demotion ... and resultant cut in pay ... rather than be laid off the job.

The union, he explained, did not have the money to help retrenched workers over this crisis, but consideration is being given to the setting up of a contingency fund to provide relief for them.

Guymine Communications Manager Orlinda McInnis, has expressed regret that the company has been forced to lay off some 130 workers.

'MIRROR' Figures

Georgetown MIRROR in English 6 June 82 pp 1, 4

[Text] GOVERNMENT plans to lay off well near 1,000 bauxite and textile workers as an initial step to cut down on the wages bill at the two state-operated enterprises. Some 600 altogether are being dismissed from the Tapakuma Project, almost 3,000 from the flour shortage, and hundreds from other impending closures, e.g. stockfeed plan, etc.

Usually reliable sources in the Lindenbauxite town said that 209 workers have already been booted out, at least 19 of whom were among the supervisory staff. The employers, Guyana Mines Ltd., have said that so far only 131 workers were fired, but it is understood that the figure may rise to 400 or above.

Our sources said that the employment situation will worsen as there is a heavy stockpiling of ore for which there is no market. "The North American market has already frozen," the sources explained, and pointed out that China has invaded this market and pelted Guyana out.

The Guyana Mine Workers' Union had been informed by letter that 250 workers would be fired. There was no consultation with the union prior to the announcement. The Union was told that the lay offs would be done in three stages, but workers fear an eventual fourth stage if ships do not arrive on time to collect their cargoes.

The bauxite community is agitated over the lay offs and is contemplating some sort of action to stay the hands of the retrenchment bosses. It is not known what this action would be, but the present mood at Linden does not rule out strike action.

Already there have been reports of family dislocations, of families having to uproot themselves from the bauxite town after years of living there and making for the coast to start an uncertain existence. The major problem immediately facing dislocated families is housing.

The Sanata Textile Mill, considered the pride of the PNC, is running out of steam. Already 162 out of an estimated 500 to be retrenched, have been sent home, and the home-bound line gets longer each day. Cotton yields at Kimbia have been below expectations and the hungry mills have had to be fed with most of the cotton being imported from the USA. American cotton has not been coming in recent time, due to the zero-level of foreign exchange.

It is understood that the government's Chinese partners are packing up, and Sanata might fall flat on its face without expert help in running an antiquated, raw material starved, entity.

CSO: 3025/337

GUYANA GOVERNMENT DECIDES AGAINST HOSTING CARICOM SUMMIT

Georgetown GUYANA CHRONICLE in English 11 Jun 82 p 1

[Text] The Guyana Government has decided not to host the Caricom Summit scheduled for next month, because of "unfolding political and security developments within the hemisphere and the region, and related constraints of time."

The Guyana Government has decided not to host the Caricom Summit scheduled for next month because of "unfolding political and security developments within the hemisphere and the region, and related constraints of time." ..This decision has been indicated to the Caricom Secretariat in Georgetown, a statement from the Office of the President said yesterday.

The statement said, "Inexpressing its regret at any inconvenience the decision may cause, the Government of Guyana had reaffirmed its commitment to Caricom and has reiterated Guyana's firm conviction that consultations at the highest political level are indispensable for strengthening Caricom and deepening the integration process."

Resolved

Meanwhile, Barbados Prime Minister Tom Adams has been reported as saying that he sees no urgency about the summit, since numerous matters of note had been resolved despite Caricom's inability to call a Summit.

In terms of alternative venues, Antigua had offered to undertake the role of host, but had deferred to Guyana.

It is possible that Antigua would again be considered . However, since events of such moment take some time to organise, decisions on a new venue and, perhaps, date for the Summit would not be immediately forthcoming.

CSO: 3025/334

'MIRROR' HITS TURNOVER IN GOVERNMENT OFFICERS, USE AS 'ADVISERS'

Georgetown MIRROR in English 30 May 82 p 1

[Text] Quite a large number of persons formerly in high office in the PNC and government are now overseas. Some of those who have emigrated are now opposed to the PNC regime and are actively involved in political agitation. Numbered among these disillusioned persons is a former cabinet Minister.

Indications are however that many PNC top-level has-beens are still around in Guyana drawing fat salaries, and enjoying privileges and perks traceable to the Ministry of National Development in which the General Secretariat of the PNC is located. It has been noted that when some Minister or other PNC hierarch is sacked or retires from public office, he or she may be shunted to various areas where the PNC exercises control or patronage.

They are sometimes labelled "advisers" or are allocated mysterious "party tasks", in which case there is little or no difference between party and state as far as the PNC's paramountcy doctrine is concerned. Despite demands in and out of Parliament for an audited account of Ministry of National Development expenditure in detail, no such thing has been entertained by the PNC since the said Ministry of National Development--Office of the General Secretary of the People's National Congress was set up in 1975.

For 1982 in keeping with this unsatisfactory tradition, out of a total vote of \$4.3 million, \$3.1 million or 72 per cent is in the form of a block vote--absolutely no explanations as to what it is to be spent on. The regime seeks to justify this absurd "Ministry" by all means, even to the point of adding a legitimate Department to it....Forestry.

Over the recent past, some formerly important persons have more or less faded out for various reasons. Some were sacked. Others either retired, or resigned as the case may be. A short list of the more important names is as follows:

Sattie Jaiserrisingh MP; Frederick Wills, Minister of Foreign Affairs; George King, Trade Minister; Beryl Simon, City Mayor; Dr. Oliver Harper Health Minister; Dr. Silvia Talbot Health Minister; Christopher Nascimento Minister of "Mechanical Equipment"; Dr. Kenneth King Economic Minister; Sir Shridath Ramphal Foreign Minister and Attorney General; Abdul Salim Minister; Winslow Carrington Labour Minister; Cecilene Baird Education Minister.

William Haynes Trade Minister; Llewellyn John Home Affairs Minister; Dr. Wilfred David Economic Minister; Mustapha Ally; Kenneth Percival (one time Asst., PNC General Secretary); William Bascom former head of the Co-op Bank; Neville Bishem-ber Trade Minister; David Singh (deceased Housing Minister who was one of two Ministers haled before the Ombudsman by Eusi Kwayana); Dr. Henry Thomas Economics Minister; Rudy Luck one time "political adviser" etc; Robert Jordan, Agriculture Minister;

Dr. Littleton Ramsahoye MP; Deorooop Maharaj Health Minister; Mohamed Nissar MP; Shirley Field-Fidley Education cum Information Minister; Mohamed Zaheerudeen, Minister; Margaret Ackman MP; Gavin Kennard Agriculture Minister; Keith Jonas MP; Eugene Stoby MP; Lola Willems MP; H. A. Taylor MP; Edgar Ambrose MP; C. V. Mingo Home Affairs Minister; W. Hussain MP; etc., etc.

In the last cabinet shake-up on May 1, 1982, those Ministers who lost their portfolios were: Joseph Tyndall Minister of Agriculture; Stanley Moore, Home Affairs Minister; Oscar Clarke, Minister of Regional Development; Seeram Prashad, Minister; R. Williams, Minister of Fisheries; Conrad Wrights, Minister of Construction.

Despite their removal from Ministerial posts, the former incumbents have not been dumped on the streets jobless as the regime is doing to ordinary workers currently getting the axe. Many of the former incumbents of Ministerial posts have been awarded other lucrative posts as "advisers" or consultants, or they have been simply shunted elsewhere into well-paying sinecures.

Nascimento is accredited to a diplomatic post; Salim to a party post; Carrington to an "advisorship" in the field of labour; Baird is also an education advisor and Pro-Chancellor of the University of Guyana; Jordan holds posts with certain outfits including the KSI; Field-Ridley has a party post; Kennard is an agricultural "advisor" to the President; Tyndall is tipped for some sort of post overseas; Moore has returned to the University of Guyana "to continue research"; Clarke has been shunted to the chairmanship of the Guyana Rice Board; Prashad has been given a cushy post as "Consultant to Guyana Transport Services Ltd" while Wrights has been named "Vice Chairman of the Construction Group of Companies."

Williams has been shunted to "Executive chairman of Guyana Fisheries Ltd."

CSO: 3025/338

4,000-FOOT SEA WALL TO DAM RIVER, SEA WATERS IN ESSEQUIBO

Georgetown GUYANA CHRONICLE in English 25 May 82 p 3

[Text]

THE Hydraulics Division of the Ministry of Agriculture plans to build 4 000 feet of sea and river defence walls on the Essequibo Coast during this year as government continues its battle against the sea in that region.

Because of financial constraints, government has had to revise its original programme on sea defence on the Coast for 1982, slashing the Hydraulics Division's initial target of 8 200 feet of sea and river defence dams, for which cost was estimated at \$8 million.

But a Hydraulics Division spokesman said yesterday the revised programme still takes into account the importance of sea defence in boosting the agricultural drive in the Essequibo area.

Approximately \$11 million was spent on the construction and major rehabilitation of a total 4 000 feet of sea and river

defence walls on the Essequibo Coast in 1981.

The Essequibo has been government's main target area for sea defence works over the past 16 years.

The absence of a proper sea defence network on the coastland led to intense flooding of hundreds of acres of fertile land, particularly in the soil-rich Pomeroon region.

Government has been quick in going to the rescue of farmers in the area by intensifying its sea defence programme. As a result, the farmers soon overcame their initial frustration with a new zeal to cling on to their plots, and have been seeking governmental assistance to develop and expand their holdings.

Some \$27.2 million was spent on sea and river defence works between 1978 and 1980, an Agriculture Ministry official noted recently.

CSO: 3025/338

FARMERS' APPLICATIONS TO GAIBANK FOR LOANS INCREASE

Georgetown GUYANA CHRONICLE in English 28 May 82 p 3

[Text] **THERE** has been an upsurge in the application for loans by farmers to the Guyana Agricultural and Industrial Development Bank [Gaibank]

These loans are for artisanal fishing, food crop and charcoal production.

Fishermen from rural areas of the country have received loans for purchasing fishing machinery and equipment. Most of them are involved in off-shore fishing activities.

A senior official of Gaibank said yesterday that "borrowings" were made, through the Canadian International Development Agency (CIDA) line of credit, which was executed by the national financial agency.

Regarding food crop loans, farmers from the Pomeroon, Black Bush and other suburban areas have borrowed several thousand dollars to cultivate as much as five acres of land. These

holdings will produce ground provisions,

vegetable crops and citrus fruits. Regional Agricultural Extension Officers recommend loans for would-be cultivators, and Gaibank in turn approves applications for monies.

Charcoal producers, not to be outdone, have made applications for finance to acquire kilns and basic tools for charcoal production.

Presently there is a lucrative export market for the commodity and according to the official, individual charcoal producers will sell their product to the National Forestry Commission which will grade, package and conduct the necessary marketing arrangements.

Members of the charcoal association on the Soesdyke/Linden Highway are responding to government's call to seek alternative sources of energy for industrial development.

According to the recent figures given by Gaibank,

between January to April of this year, there were 144 approvals, for food crops loans, while in May there were 51 such approvals, yielding some \$318 010.

During this month also there were 43 confirmed loan applications for fishing, valued approximately \$139 700 and 35 such applications for charcoal production, totalling \$550200.

The official added that this move by farmers and would-be agricultural producers was an indicator of the seriousness to which some Guyanese were regarding agriculture, as the mainstay of the country's economy.

He said that the recovery of loans was satisfactory and the arrears position of Gaibank were up to 17 per cent. These, the official contended, were remarkable achievements, when compared with other developmental banks in the Caribbean.

TRINIDAD-TOBAGO BUYING MORE RICE: 'DUMPING' CHARGED

Georgetown GUYANA CHRONICLE in English 25 May 82 p 1

[Text] The Guyana Rice Board [GRB] is currently stepping up its shipment of rice to Trinidad and Tobago, General Manager Leon Dundas reported yesterday.

Some 3 680 tonnes have been shipped for this month and another 1 755 tonnes are to be shipped by the end of this week.

The shipment of rice in May to the twin-island republic represents a marked increase over last month's shipment of 1 631 tonnes.

Trinidad and Tobago, Cde. Dundas explained, was one of Guyana's main markets for rice.

Meanwhile, reports reaching Georgetown from the oil-rich republic said that in the midst of a shortage of bulk rice which hit Trinidad and Tobago last week, two boats with 32 000 bags of rice from Guyana were awaiting berthing space at the Port of Spain wharf last Friday.

The reports also said that in the midst of the shortage, directives were issued for thousands of pounds of rice on Port of Spain wharves to be dumped--the second such directive within two weeks.

Last Friday 'Trinidad Guardian' quoted an unnamed source as saying that the dumping of rice was 'a regular thing' and that the reason included the fact that rice sometimes 'gets wet' or 'lies around in sheds at the wharves for such long periods that the bags collect dust and weevil.'

The paper which commented editorially on the current rice shortage in Trinidad also reported that because of the shortage of 'loose' rice on the Trinidad and Tobago market the country's consumers had to resort to buying pre-packaged rice from the United States which sells at as much as three times the price of the 'loose' rice from Guyana.

In its editorial, the paper steered clear of the dumping of rice and the fact that over 30 000 bags were waiting to be unloaded at Port of Spain wharves, but contended that the Trinidad and Tobago consumers were being left "at the mercy of Guyana". It implied that Guyana might be concentrating on selling its rice to countries outside the region.

However, Cde. Dundas explained that Guyana had been giving priority to the domestic and Caribbean markets and that since the year began, not even one bag of rice had been shipped outside the region.

BRIEFS

CIVIL DEFENSE COMMITTEES--(GNA)--The recently appointed Civil Defence Commission has been given six major tasks all intended to ensure the general preparedness of the nation whether in times of peace or war. The Commission, which is headed by Vice President, State and Party Matters, Cammie Ramsaroop, is in the process of organising its work and its executive officer, Leo Ramotar, is housed at the Public Buildings on Brickdam. In keeping with its mandate for ensuring the protection and safety of the population in times of peace or war, the commission has been asked to: --Prepare and work out plans for emergencies and intervention, and education programmes; --Co-ordinate activities with various services and organisations which can assist in rescue and relief work; --Arrange for the training of personnel; --Consider what uniforms and range and type of equipment would be vitally necessary for civil defence use; --Inform and educate the public "as regards dangers and various disasters and possible means of protection"; and Implement protection, rescue and relief plans. Meanwhile, at a recent meeting of the Commission, five committees were set up to assist the Commission with its tasks. Major H. S. Godette will head the Recruitment Committee; the Chief Fire Officer--the Fire-Fighting Committee; the Minister of Health, Environment and Water Supply--the Medical Committee; the Commissioner of the St. John's Ambulance Brigade--the First Aid Training Committee and Businessman Ken De Abreu--The Welfare Committee.[Text] [Georgetown GUYANA CHRONICLE in English 2 Jun 82 pp 1, 12]

PLANNING STUDY--An examination of the National Planning system at all levels will be undertaken shortly by the State Planning Commission in collaboration with the Inter-American Development Bank (IDB) with a view to making recommendations for improving the methods of planning and their implementation. The programme which in the initial phase includes diagnostic work as well as the training of local personnel for the national, regional, sectoral and project planning systems, is expected to run for about two years. It also includes the setting up of a central project unit aimed at improving the design of projects and reducing the costs of their execution. Through the programme which will be partly financed by the Inter-American Development Bank, a team of eight Yugoslav planning consultants has been engaged to work along with local personnel. Local management of the project will be the joint responsibility of Deputy Chief Planning Officer, Clarence Blue, and Dr. Rudolph Jakhel, Project Director and head of the Yugoslav team. [Text] [Georgetown GUYANA CHRONICLE in English 2 Jun 82 p 2]

POLICE REFORMS--The Deputy Commissioner of Police (Administration) Cde Balram Raghubir has been appointed head of a special committee aimed at improving standards within the Guyana Police Force. Arrangements have also been made for the setting-up in Divisions and branches, of sub-committees which will report to the Central Committee at the Central Headquarters. The Commissioner of Police, Cde Lloyd Barker, believes this will reduce the number of complaints made against the police by members of the public, and also foster better relations between both parties. The special committee has similar terms as the National Committee of Standards regarding the role of the Force. Some of the areas on which the Committee will concentrate include (a) Training, supervision, discipline and culture, (b) Personal appearance of ranks, including their dress, (c) Cleanliness and tidiness of stations and compounds, (d) Attitude of members of the Force when dealing with members of the public on the telephone, on beat and at stations. (e) Service to the public in relation to reports and complaints made by them. (f) Absenteeism, dishonesty and corruption. It is expected that the Commissioner of Police will review the work and progress of the committee from time to time. [Text] [Georgetown GUYANA CHRONICLE in English 11 Jun 82 p 6]

CSO: 3025/339

PRESIDENCY MINISTER DENIES SPLIT IN LIBERALS

Tegucigalpa LA TRIBUNA in Spanish 9 Jun 82 p 2

[Interview with Carlos Flores Facusse, presidency minister: "There Is No Split Among the Liberals"; date and place not specified]

[Text] Presidency Minister Carlos Flores Facusse, talking with journalists as a liberal leader, denied yesterday that there was any split between the old leaders and the young militants of that political group.

[Question] Do you not believe, engineer, that some leaders of the Liberal Party are hurrying in the face of an event for which there is not much time,? he was asked.

[Answer] I believe that there is much speculation concerning what is occurring. Today, for example, I heard some remarks. There are people who believe that there is disagreement between what the young members of of the Liberal Party and the old members of the Rodas Liberal Movement say. We should like to express this criterion regarding them. I am a fervent admirer and have great respect for the old members of the Liberal Party and of the Rodas Liberal Movement. They are all forgers and builders of our Honduran democracy. Many of them accompanied Dr Roberto Suazo Cordova and Mr Modesto Rodas Alvarado. They constituted a group, the Rodas Liberal Movement, which accomplished what we could not call public resistance in Honduras. So, it must have been a fundamental honor to accompany Rodas Alvarado at that time. And I say that it must be an honor because many persons who did not accompany him, who did not go along with him, who were against him, say that they did accompany him and that they can interpret his thinking. Roberto Suazo Cordova is a man who accompanied Rodas Alvarado and the person to whom the leadership of the party and of the movement was entrusted after the deplorable death of Rodas Alvarado. However, we do not believe that the fact of having accompanied Rodas Alvarado is the only requisite needed for aspiration to positions in the party and in the administrative mechanism of the country. Because there must be a balance which includes the limitations and the

capabilities of persons. Just remember that we know that Rodas Alvarado went on horseback to many of the municipalities and small villages that he visited in the company of Roberto Suazo Cordova. So, don't be surprised if one of these days the horse that Rodas Alvarado rode appears, aspiring to be president of the Central Executive Council or president of the republic, saying that he has the right to aspire because he accompanied Rodas Alvarado.

[Question] Specifically, who would those persons be who, for the mere fact of having gone on the campaign, now feel that they have the right to aspire to high-level political posts in the party?

[Answer] No. I did not refer to anyone in particular. What we have said is that there are, and that there must be, some persons who believe that having accompanied Rodas Alvarado constitutes the only requisite needed to aspire.

Fine...Everyone has a right to aspire...but we believe that the Honduran Liberal Party must have some objective balance of the distinct requisites and qualities needed for aspiration to any public post or to the mechanism of the Honduran Liberal Party, itself. We would also like to say something regarding that great multitude, that great number of young people who are militating in the Honduran Liberal Party. Because many times they are referred to with epithets that characterize them as newcomers or neoliberals. I should like to say that at least 70 percent of the members of the Liberal Party agrees with the youth of this country. And to impede or obstruct them, or to try to denigrate these persons who aspire to participate in the mechanism of the Liberal Party, and who militate and are active in the Liberal Party, would practically be the same as reducing to a bare minimum this party which is a majority party in Honduras and throughout Central America in terms of number of members. I believe that intelligent persons, the old leaders whom we respect and admire, also have a great respect and great admiration for that dynamic and vibrant youth that keep party in harmony with the high doctrinarian postulates of the present situation.

[Question] Do you mean that the brand new liberals are causing serious harm to the granitic unity of the party, itself?

[Answer] I do not know if what one says is not understood, but I have said just the opposite. We have said that the Liberal Party is suited to young people, the old, and the middle aged. The Liberal Party is all of that and the Liberal Party was united in the campaign, was unified in its agreement on the elections, and will continue to be united in order to preserve the strength of the republic for the benefit of the Honduran people.

8255

CSO: 3010/1764

OFFICIAL DISCUSSES RECONSTRUCTION OF FLOODED AREA

San Pedro Sula LA PRENSA in Spanish 7 Jun 82 p 48

[Article: "Fifty Million Are Needed for the Reconstruction of the Disaster Area"]

[Text] Mr Arriaga Iraheta expressed optimism that said amount will be supplied by international organizations.

Tegucigalpa--International organizations may give Honduras 50 million lempiras to reconstruct the southern area of the country that was damaged by recent floods.

The announcement was made by lawyer Ubodoro Arriaga Iraheta, director of the National Agrarian Institute (INA), who explained that this aid would be in addition to that which is presently being supplied by various countries for emergency work.

"At the moment, about 2 million lempiras are needed to carry out emergency rescue and salvage work, which is why the government hopes that the rest of the aid that would be on an intermediate basis will be channelled in due time by the international organizations," he explained.

The official explained that the destruction of farms, coffee tree plantations, sugar cane plantations, tobacco, basic grains, and lodgings represents an immense economic loss. That is why Honduras is asking for international aid amounting to about 50 million lempiras.

"At this stage," he indicated, "we are doing whatever we can in the way of rehabilitation, like the repair of emergency routes, which does not mean that all of the destroyed land routes have been repaired."

The official announced that the government has decreed a state of emergency for 40 more days, in order to complete a series of urgent projects, like the reconstruction of the Guasaule bridge and the section of the Pan American Highway that were destroyed.

He also said that the aid that has been received up to now is channelled as priority aid for food, lodgings, and medical supplies.

"The physical and social reconstruction of the disaster area represents an estimated cost of 50 to 60 million lempiras, the greatest portion of which it is hoped will be supplied by the international organizations that have already announced they will give aid to Honduras," said lawyer Arriaga Iraheta.

He then announced that within the next few hours the authorities will take the steps that are needed to obtain a reply from those foreign institutions.

8255
CSIL 3010/1764

GOVERNMENT PROVIDING FUNDS FOR MANUFACTURERS, EXPORTERS

Kingston THE DAILY GLEANER in English 14 Jun 82 p 2

[Text] An additional \$100-million is being provided by the Government under the foreign exchange budget, to assist Jamaican manufacturers and exporters to obtain more raw materials for the production of more goods.

This was announced by the Minister of Industry and Commerce, the Hon. Douglas Vaz, at the annual Awards Dinner of the Jamaica Exporters Association, at the New Kingston Hotel on Saturday night.

Mr. Vaz told the exporters that the additional funds would be available in two instalments of \$60-million and \$40-million from now to the end of the present fiscal year.

Expressing the hope that this additional funding would assist the productive sector to increase their output, the Minister said that in the next nine months there would be adequate foreign exchange available to meet their requirements.

Worst Behind Us

"I am confident that the worst six months of the foreign exchange problems are behind us", he declared.

Last year, he recalled, there was a U.S. \$290 million incremental raw material budget, which only resulted in 0.4% growth in the manufacturing sector.

Declaring that "an incremental \$290-million to gain 0.4% growth, does not compute, "Mr. Vaz went on to say: "Within the august body of manufacturers there are regrettably a number of rip-off artists who use raw material licences to bring in finished goods. They not only pay no import duty on those finished goods; they did not produce them so they pay no excise and they benefited and the consumer did not, and the prices at which those goods reached the consumer without any benefit to the public purse was nothing short of criminal.

"This year we are putting in an incremental U.S. \$100-million for raw materials. But as manufacturers, as exporters and as the Government, we cannot afford for that incremental to go the way that it went last year.

These fundings must produce goods, it must create employment, it must benefit the consumer and it must add to our export pool. We are taking the necessary steps."

Mr. Vaz said that Government was aware that there was anxiety in the manufacturing sector that to date, only 53.4% of raw material licences have been issued.

In the last number of weeks, an exhaustive exercise had been completed which had revealed that as of shortly, and the period up to the end of September, a further U.S. \$60 million would be put into the system for licences, which will be primarily for raw materials, to take up the slack.

There were also additional plans to deal with the problem which would be announced shortly.

Inbond Liberalization

Small manufacturerers should be assisted by the inbond liberalization policy which had been announced and the Government was in fact encouraging that raw materials be made available to small manufacturers, through this system.

An inter-Ministerial Committee, headed by the Prime Minister, had been examining incentives for production, as well as assessing foreign exchange earnings, the local value added, price and cost efficiency, employment potentials and competition in the domestic market.

At the same time, the Certified Exporters Scheme is being modified and letters have been sent to 202 companies in the six sub-sectors to be given priority in the manufacturing field to obtain information on their imports in 1981; their requirements in 1981; how their requirements are being met; and their export potentials and a number of key requirements.

Mr. Vaz noted that exports to CARICOM had continued to grow and chemicals had become the leading export sector in terms of value.

Jamaica is committed to an expansion of CARICOM trade and recently the country had increased significantly its issuance of CARICOM licences.

Events had increased the need to export, but, at the same time events have also reduced the country's capacity to achieve the export targets.

"But we cannot allow our problems to overpower us. No country can be wound-up. The situation may be difficult, but it is not hopeless. Our temporary difficulties must not impair our vision or obscure our final objectives," he said.

"What Jamaica needs now, and what I am looking for, are entrepreneurs; men and women who want to take the calculated risk, to dream and to build and also to promote.

"What Jamaica needs now is positive thinking, positive action; as it is only from the positive that we will overcome the negative. I am positive the Government is positive and I view the private sector to be positive too," he declared.

BRIEFS

VACCINE FROM VENEZUELA--The Ministry of Health yesterday received its second gift of vaccine--a donation of 100,000 doses from the Venezuelan Government. The vaccine valued at about \$100,000 was given as a result of a request made by the Venezuelan Ambassador to Jamaica, Mr. Pedro Luis Echeverria to his Government. The Ambassador, who is in Venezuela on other business, heard of the outbreak and requested assistance in the form of vaccine from his Government. Mr. Lester Woolery, Director of Pharmaceutical Division, Ministry of Health, expressed gratitude on behalf of the Government for the gift. Mr. Roman Valero Espinal, Third Secretary, Venezuelan Embassy, said he hoped the gift would be useful to the people of Jamaica and that it was one more step in the co-operation between the two countries. The Venezuelan Government was willing to help in this circumstance, he said, and he noted that the Government was trying to start co-operation in fields other than Finance and Oil. Meanwhile, the Ministry of Health reported yesterday that 500 doses of vaccine were forcibly taken from two nurses at the Logwood and Seventh Road Clinics in May Pen, Clarendon, on Wednesday. The Police in May Pen are investigating the matter. The Ministry said yesterday that it was advising the public not to buy the vaccine from unauthorised sources. The vaccine, it said, was of no use unless kept at a temperature of 30 degrees fahrenheit, and it might be harmful, if used. The Ministry also stated that up to Thursday 1.1 million doses of the vaccine had been given in the first phase of the programme. Immunisation will continue today in the Corporate Area at the Glen Vincent and Edna Manley centres, between 9 a.m. and 1 p.m. [Text] [Kingston THE DAILY GLEANER in English 12 Jun 82 p 1]

CSO: 3025/340

SEPULVEDA AMOR STATEMENTS CRITICIZED

Mexico City EXCELSIOR in Spanish 2 Jun 82 pp 7-A, 9-A

[Commentary by Jorge Cruickshank Garcia "The Sepulveda Case"]

[Text] The U.S. Government has always selected its diplomats, choosing them very carefully from among the politicians that most closely identify with the international aims of the empire. Yankee leaders watch out for their interests; they do not care if their representatives are agreeable to the countries to which they are assigned, and much less allow them to have weaknesses or indulgent attitudes in their diplomatic dealings.

But our government acts with a different criterion. It does not take care that our representatives at the highest diplomatic levels are persons familiar with our historic international policy or supporters of the basic tenets of the Mexican Revolution, or that their background and social status guarantee a staunchly patriotic behavior free from fawning attitudes and submissiveness to imperialist interests.

For that reason, we have had frequent problems with a good number of our diplomats--we admit there are exceptions: individuals that have acted with exalted dignity--who behaved rather irresponsibly and, in some instances, in a fashion unbecoming to our principles and to their capacity of ambassadors of a sovereign nation.

There are numerous examples: businessmen, petty politicians, individuals lacking refinement that have been exalted to the rank of diplomatic representatives, whose performances have done us great harm rather than lend us luster and enhance our international policy.

A few weeks ago, there was an appointment of an ambassador to the United States in the person of Bernardo Sepulveda Amor, who had been and still is the object of interesting press commentaries to the effect that he is destined to be the next foreign affairs secretary, and has been appointed to the present post in order to give him exposure and ingratiate him with the White House.

But it seems that Ambassador Sepulveda, answering more to his class interests than to those of our independent international policy, is

actively seeking U.S. support for his nomination to the Foreign Affairs Secretariat. That is evinced by his unacceptable statements at San Diego University and the interview with the newsmen who covered the 22d Mexico-United States Interparliamentary Meeting.

Upon receiving his honorary doctorate at San Diego University, Sepulveda asserted, among other things, that "the philosophy which drives the Mexican development project fully coincides with that which has nurtured the finest chapters in the history of the people of the United States," and on the same occasion, he stated also that "it is imperative that the requirements of the endeavors of economic growth of both countries, often at odds, be reconciled for the purpose of correcting the imbalances of a bilateral relationship which has produced substantial, though unequal, benefits for both countries, and which proffers a very vast potential for cooperation."

Our country cannot identify its philosophy with that of imperialism. We have not used the policy of force; we have not attacked any country; we have no hegemonic aims; we do not base our international policy on militarism, on the threat of nuclear war; we do not infringe on the national sovereignty of other countries. We have not bolstered our development with the plunder of the natural resources of other countries, nor have we resorted to crime or to subversion, to economic pressure, to espionage in order to destabilize democratic governments legitimized by the will of the people.

The bilateral relationship with the United States has been painful to us, full of provocations, aggressions, thefts, threats, extortions, interventions and plunder of our economy. The huge benefits of this relationship have been for the Yankees and not the Mexicans; one only needs to remember what they have gained with the exploitation of the territory they stole from us in the last century.

Ambassador Sepulveda purposefully ignores the dramatic reality of our relations with the empire, and expounds a hypothetical and idyllic friendship.

This gentleman has already fallen into the trap set by the extreme rightist U.S. politicians who drafted the guidelines to be followed by Ronald Reagan in his policy concerning Latin America.

"A campaign should be started to ensnare the Latin-American 'elite' by means of radio, television, books, articles and pamphlets, in addition to donations, fellowships and prizes," the doctors of the Santa Fe Committee cynically assert.

Ambassador Sepulveda has been already rewarded with the honorary doctorate of the San Diego University. But the reward they cannot give him, because it is contrary to the national interests, is a state secretariat. The people of Mexico refuse to have U.S. imperialism point out their path.

MADERO WARNING ON LATIN AMERICAN IMMIGRANTS

Mexico City EXCELSIOR in Spanish 2 Jun 82 pp 4-A, 29-A

[Article by Alfredo Jimenez]

[Text] Rincon de Romos, Aguascalientes, 1 Jun 82--Violence and unemployment in Central and South American countries are resulting in an average daily arrival of 1,000 aliens across the southern border, in search of peace, work and protection for their families.

This year, it is expected that some 360,000 political refugees and unemployed persons will enter the country, hence we must be careful and see to it that there are no undesirable individuals among them who could be coming in to agitate and create problems.

This was pointed out here by Pablo Emilio Madero, presidential candidate for the National Action Party (PAN), who said that it was not a question of closing the doors on them but of helping them and ourselves by trying to provide them with work, so that they will not become a burden or are forced to resort to crime.

Madero pointed out that even though it is our obligation to welcome them with open arms, we should also take care that Mexicans are not relegated and deprived of work opportunities to be given to aliens.

When assessing this situation, he asserted that we are still incapable of creating the 1.5 million jobs a year that we require, therefore we must be cautious when offering work to refugees, creating in the country an undesirable situation from the economic standpoint.

Regarding the bracero migration, he pointed out that Michoacan and Zacatecas rank highest in the exportation of undocumented workers to the United States, where they are subject to vexations and all sorts of abuses.

Let There Be a Temporary Contract

He proposed that an agreement be sought between Mexico and the United States providing for the issuance of a document that will make it possible

to hire Mexican workers on a temporary basis, in order to prevent them from illegally entering the country to the north and to be able to exert control on both sides of the border over the people who go to that country in search of better opportunities.

He underscored that the purpose of this agreement is not to try to increase the bracero migration, but, seeing that it is an incontrovertible fact, to provide for the security of those who cross the border in search of wages and jobs they cannot get in Mexico.

He deplored the fact that the issue of the undocumented workers was not dealt with in the Mexico-United States Interparliamentary Meeting, but while the U.S. legislators lack a thorough knowledge of the reality of our country, the delegation of deputies and senators headed by Joaquin Gamboa Pascoe does not have the required capability to settle this matter, he said. Therefore, it was better somehow that the subject was not considered.

Pablo Emilio Madero noted that the importance of the problem of the undocumented workers warrants an immediate solution because it runs the risk of becoming stale.

The Mexican legislators "did not have the capability to seek out the agreement. That delegation was not adequate for the purpose. It lacked personality and resoluteness. Therefore it will be necessary that after 1 September, when the results of the federal elections are in, a commission be appointed which will really be able to seek out solutions to the problems of thousands of Mexicans who are forced to emigrate."

He reiterated that the issuance of a temporary permit allowing our people to work in the United States would put an end to "the selective dragnets with which Mexicans are prevented from filling jobs of moderate importance, forcing them to engage in the hardest tasks which U.S. citizens themselves shun."

Today, the PAN candidate toured the Aguascalientes towns of Cosio, Pabellon, Rincon de Romos and Jesus Maria, where he spoke to thousands of his followers about the problems of the countryside, the undocumented workers and the arrival of foreigners in our country.

8414

CSO: 3010/1743

NEED FOR ACCORD WITH U.S. ON MIGRANT WORKERS NOTED

Mexico City EL DIA in Spanish 2 Jun 82 p 5

[Editorial: "A Comprehensive, Active and Vigilant Policy for Undocumented Workers"]

[Text] Certainly, migratory laws are within the province of the countries receiving aliens. Nevertheless, the international commitment to respect human rights is above migratory regulations.

Mexican workers who go to the United States in search of work are subject to the laws enacted by that country, but the United States in turn has the moral, political and juridical obligation, arising from international principles, of respecting the human and working rights of the Mexican workers. However, this tenet, which should not have created any controversy, has been the cause of many problems and frictions between the United States and Mexico because the actions of some U.S. authorities in effect ignoring their obligations toward Mexican workers are a commonplace.

Unfortunately, no definite agreement regarding the undocumented workers was reached in the recent Mexico-United States interparliamentary meeting held in Santa Barbara, California, and the matter had to be postponed until next year.

In the face of this situation, there is encouragement in the statements of Alfonso de Rozensweig-Diaz, the undersecretary of foreign affairs, in the sense that no efforts will be spared "to defend the human rights of our undocumented countrymen in the United States, to which end all our consulates will be reinforced with personnel trained on the subject with a view to prevent mistreatment of our compatriots in the jails of that country."

As Bernardo Sepulveda Amor, the Mexican ambassador to Washington, pointed out, at the bottom of the issue of the undocumented workers lies the fact that the political interpretations of the reality of the problems entail divergent postures and lead to different solutions in the United States and in Mexico.

It is evident that to face the problem of the undocumented workers one must start with an accurate diagnosis such as the existence of different political philosophies and practices in the two countries, but also of international principles acknowledged by both countries and, consequently, of tenets that can be used to protect the human and working rights of the undocumented workers.

Naturally, this protection requires an active policy--such as that proposed by the Foreign Affairs Secretariat of Mexico--which will remain aware of the situation of the Mexicans migrating to the United States most of all because there is not only a common principle as regards the law, but also the fact that while Mexico is interested in a humane treatment for the undocumented workers, the United States as well has some very definite interests regarding the Mexican work force.

In the past few years, those interests have increased because in addition to the traditional exploitation of the Mexican work force in the fields of the South and the industrial areas of the East of the United States, there is a project involving numerous enterprises that consists in the relocation of factories to the southern border in order to take advantage of a work force which, being defenseless in many instances, represents lower costs that permit a larger accumulation of capital, even in times of recession such as the United States is currently going through.

It is a question, therefore, of a need of U.S. interest groups rather than a problem affecting Mexico alone.

Of course, the basic solution to the problem of the undocumented workers hinges on the increase of job opportunities in our own country. And employment has been one of the priorities established for the years ahead, but it is evident that the magnitude of the problem does not make it possible to envisage a fast and easy solution.

It is then necessary to consider over the short term the need to implement a comprehensive policy that will establish, through dialogue, the rules for dealing with the undocumented workers, who do not lose their status of workers--i.e., of creators of wealth--because they lack migratory documents to enter the United States.

In this context, and out of its own necessity, the recognition that international labor law has accorded to the migratory status of workers should be invoked and put into practice, and all sort of negotiations should be directed toward the unreserved respect for the rights and obligations arising from such a condition on the part of the countries that enrich themselves with a foreign work force.

So long as U.S. acknowledgement of this indispensable starting point is not obtained at the bargaining table, the finding of solutions that are equitable to both parties and that basically entail a better treatment and a recognition for the Mexican undocumented workers is a long way off.

This improved treatment does not consist solely in ending abuses, but mainly in guaranteeing better pay to Mexican labor. It includes also effective social security contributions on the part of managements and U.S. authorities.

As can be seen, this is a problem that requires an effective political determination in order to sustain and enhance an equitable relationship between two neighboring countries.

8414

CSO: 3010/1743

BRIEFS

CATTLE RANCH TAKEOVER--Acapulco, Guerrero, 1 Jun 82--Some 150 armed peasants from the region of La Reforma, backed up by university students, took over the cattle ranch El Capulin 3 days ago and forcefully expelled the workers, burned the pastures, destroyed the fences and seized cattle valued at 2 million pesos. The charge was filed at the State General Prosecutor's Office by Rosa Elena Zapata Lopez, owner of the ranch since 1950, who requested that the interlopers be ousted. The plaintiff is the widow of Eugenio Bustos Fuentes, who was killed by a gunman in his apartment in this port some months ago. The cattle ranch El Capulin is located in the municipalities of Igualapa and Ometepepec, in Costa Chica, and armed clashes between the ousted and battered workers and the interlopers could occur there, according to the complainant. [Text] [Mexico City EXCELSIOR in Spanish 2 Jun 82 p 34-A] 8414

ALFA EMPLOYEES' SOLIDARITY COMMITTEE--Monterrey, N.L., 28 May. In response to the "ridiculous and unwholesome attitudes of those people who used to praise the Alfa group when it was in a period of strong expansion, and who now attack it," the workers of this industrial group have formed a solidarity committee in support of the firm. The committee, which consists of Julio Galindo, Jorge Cantu, Jose Luis Zuniga, Epifanio Gonzalez, Rodolfo Leal, and Juan Manuel Gutierrez, is working to strengthen the confidence of all Alfa employees. They have proposed that each worker contribute 1 day's salary in order to save the company, which provides jobs for thousands of people all over the country. Their other proposals include: that each worker do his best to avoid job-related accidents, that unnecessary spending be cut, and that the initiative of each worker be developed. Posters and leaflets have been placed in all of the enterprises belonging to the Alfa group. [By Manuel Galvan] [Text] [Mexico City EXCELSIOR in Spanish 29 May 82 p 8-D] 7679

CSO: 3010/1688

BANK PRESIDENT DENIES CHANGES IN NATIONAL ECONOMIC POLICY

Managua EL NUEVO DIARIO in Spanish 4 Jun 82 pp 1, 11

[Text] The new minister-president of the Central Bank, companero Luis Enrique Figueroa, yesterday made statements to EL NUEVO DIARIO aimed at denying and destroying rumors and speculations that have been spreading in this country and especially abroad in connection with his appointment and alleged changes in the national economic system.

In fact, it has been confirmed that following the appointment of companero Figueroa as president of the Central Bank, there have been speculations practically every day in Central American, U.S. and Mexican newspapers and magazines, as well as in Costa Rican radio stations.

That media have been maintaining that with the departure of Alfredo Cesar from the Central Bank and arrival of companero Figueroa, the Nicaraguan Government is going to disclaim its external obligations and, on the other hand, will try to stifle the country's private sector.

They Are All Tricks

With these disturbing reports, reaction logically is trying to generate unfounded fears in the national private sector and, at the same time, to accelerate deterioration [of relations] between that sector and the state. And, of course, these are all tricks designed to destabilize the revolutionary process. This is emphatically and clearly inferred from what the minister-president of the Central Bank told us yesterday.

People's Patrimony

In fact, companero Figueroa warned precisely that "the economic policy of our revolution, which does not belong to any organization and much less to any person, is being applied in our country. The economic policy of the revolution is the patrimony of our people. Therefore, there can be personnel changes at various levels of government or of the institutions, but the economic policy to be applied always will be of the revolution. All else is pure speculation."

"We have said this," he continued, "to private producers, to the Chamber of

Commerce, to representatives of foreign firms that operate in Nicaragua, specifically telling them that it is our desire to maintain the best of relations between the bank and them and to support their activities and, above all, the producers, within our abilities."

The official added that in this emergency stage, the instructions of our government are going to be complied with through an Emergency Plan that will help us to immediately reactivate production and make adequate and efficient use of our resources.

"Private producers can rest assured," he said, "that our government, through the bank, is going to guarantee them the necessary financing, and we expect from them a commitment to work for that reactivation, for reconstruction and to produce by making the greatest efforts to be more efficient."

Companero Figueroa emphasized that he believes the bank is an important support for the country's economic activity and, therefore, the bank should and must be an excellent friend of the producers, since banking is a relevant government instrument in fulfilling the economic plans that have been made.

Foreign Obligations Unchanged

Furthermore, he emphasized, it is important to note that the change of bank president in no way means that our country will renounce to meet its external obligations. We must be clear, therefore, that it is Nicaragua's obligation and at no time of any person.

"Our revolution," he continued, "has characterized itself by its seriousness. We will meet our obligations regardless of the unfairness of a large part of the inherited debt which was not used to take care of the needs of the people and part of such resources were used instead to aggravate the situation of our people. But I repeat, our government is serious and we will make every effort to meet our obligations within our capabilities."

On the other hand, companero Figueroa stressed the support which the government has received from all banking personnel, who have closed ranks pledging all their expertise, capability and experience to cope with the present or future problems of our process.

Of course, he added, the difficult situation we have been experiencing was seriously aggravated by the damage caused by the rains and floods over the past 15 days on production and on the economic and social infrastructure. The losses already exceed \$200 million, and approximately 70 dead and nearly 50,000 people left homeless.

Concluding, the official noted that we feel the effects of this natural disaster now and we will feel them in coming months and over the next few years. However, there is the conviction that neither nature nor any other force, technical or human, will prevent the Nicaraguan people from building their future of well-being and a new society based on justice.

REPORT ON COORDINATION BETWEEN GOVERNMENT, INDUSTRY

Managua EL NUEVO DIARIO in Spanish 5 Jun 82 p 12

[Text] Since January of 1980, the revolutionary government has granted private industrial firms a total of 180,037,000 cordobas in customs duty exemptions through the Ministry of Industry's Department of Business Firms, which is headed by Companera Mary Jane Mulligan.

Such exemptions make it possible for said companies to bring raw materials, semi-finished products, containers, parts, accessories, machinery, equipment, etc., into the country duty free.

Companera Mulligan emphasized that the ministry, through the offices of her department, is currently maintaining the best of relations with private industry. With few exceptions, industrialists have taken a real interest in understanding the economic difficulties we are going through, especially as regards the scarcity of foreign exchange.

Better Information

In this sense, Companera Mulligan added, private industries have cooperated well with the ministry, to the point that we now have in-depth knowledge of their problems, their working procedures, and their needs.

"In the industry sector," she remarked, "we can say that there currently exists a great rapprochement between private industry and the state, and that goes for both businessmen and their unionized workers."

As an example, Companera Mulligan cited the case of CERISA workers, who used their own initiative and creativity to seek out alternate sources of raw materials. After a nearly nationwide search, they finally found clay deposits in the foothills of Momotombo, which they now buy from INMINEH.

This has naturally resulted in a notable foreign exchange savings, since the clay formerly used by Cerisa had to be imported.

The same thing has happened with unions in other private industrial firms, which have sought out production alternatives to counter the scant availability of foreign exchange on hand.

Companera Mulligan explained that the department she heads, in its relations with both government and private industries, is in charge of everything relating to supplies of foreign exchange, technical and financial aid, and of conferring tax exemptions, in coordination with other state institutions such as the National Bank, the Ministry of Finance, MICE [Foreign Trade Ministry], etc.

65 Percent of Foreign Exchange to Private Sector

As for the supply of foreign exchange to the private sector, she said 65 percent of total supplies are going to private enterprise, in accordance with productivity priorities set out by the state.

Companera Mulligan indicated that up to and including the first part of 1982, some 80 million dollars have been supplied to private firms--in other words, 65 percent of the total, and the remaining 35 percent has been distributed to areas that are public property.

As far as financing new investments goes, nearly 70 million cordobas have been channeled into private industry. Among the first receiving help are two toilet paper factories, one manufacturer of mosquito-killing spirals, a toy factory, a polymer plant, new investments in Shaler Kola, the Dentex toothpaste factory, etc.

Companera Mulligan ended by saying that foreign exchange supplies and financing of the private sector can be seen as part of an industrial policy and a strategy for developing the revolutionary state, which mean that the private sector will no longer act in an anarchic manner, but will rather respond to previous planning.

9839

CSO: 3010/1749

OVER \$200 MILLION IN EXPORTS THROUGH MAY REPORTED

Managua LA PRENSA in Spanish 2 Jun 82 p 4

[Text] Nicaragua's exports amount to more than \$200 million thus far this year, according to the latest report of the Foreign Trade Ministry (MICE) which has been outlined in a bulletin.

Nicaragua expects to obtain about \$500 million from the sale of its products in foreign markets this year.

This figure was estimated prior to the storm which caused an estimated 40 percent damage to export goods.

According to MICE reports, exports over the first 5 months of 1982 amounted to \$206,080,172.

Cotton

A total of 236,434 bales of Nicaraguan cotton had been sold as of 8 May from the 1981-82 crop.

The report adds that this figure amounted to earnings of \$77,292,973.93. The buyers were Japan, the People's Republic of China, France, Italy, Belgium, West Germany, Czechoslovakia and Honduras.

Coffee

The breakdown of Nicaraguan exports shows that 587,545 quintals of coffee had been sold as of 30 April, for earnings of slightly more than \$71 million.

Sugar

As of 8 May of this year, 1,461,903.68 quintals of sugar had been exported, representing earnings of \$23,811,242.95.

Beef

The MICE reports indicate that beef sales abroad as of 17 April of this year generated earnings of \$15,282,697.45.

Sea Products

The information contained in the same MICE bulletin adds that Nicaragua exported 1,801,817.22 pounds of sea products as of 8 May.

This generated earnings of \$8,258,446.93. The sea products exported are: shrimp, lobster, fresh fish, dry fish, dry turtle meat, "chacalin," dry shark fins, shark and turtle shell.

Nontraditional Products

Nicaragua obtained \$4,214,256.35 for its exports of nontraditional products as of 8 May.

The Nicaraguan Export Promotion Enterprise (ENIPREX) coordinates the sale of leaf tobacco, plywood, frozen vegetables and primary products such as radicle, castor-oil plant, ginger, peanut in the shell and others.

The aforementioned products are purchased by Panama, the United States, Spain, England and the other Central American countries.

9925

CSO: 3010/1748

INTENSE DEBATE, REFORMS, MARK COUNCIL MEETING

Managua BARRICADA in Spanish 8 Jun 82 p 5

[Text] Five laws and an edict were approved yesterday by the Council of State after intense debates that lasted until nearly 6 pm. During the debates, an educational precedent was set when two representatives who made unfounded accusations later retracted their positions.

The council approved projects calling for: reform and establishment of new regulations for the law on public safety and keeping the peace; reform of the immunities law; establishment of regulations for the immunities law; reform of the Council of State's general statutes; and a decree suspending Articles 14 of the basic statutes, and 20 of the general statutes, of the Council of State.

A detailed report on these proposals, which have now become law, was offered by BARRICADA in its 19 May issue, when said proposals were first introduced to the Council of State. The respective committees that studied these proposals and the members of the plenary council who discussed and approved them, made no basic changes in any of them.

Representatives Accredited

Reform of the law on public safety and keeping the peace consisted basically of fusing the former law and three attached decrees issued by the Junta of the Government of National Reconstruction (JGRN) into a single law. Also incorporated into the law was classification of offenses such as provoking price alterations, hoarding, and usury, offenses already included in the socio-economic law that was abrogated to clear the way for the present State of National Emergency.

At 10 am yesterday, Commander Dora Maria Tellez, who was presiding over this session in the absence of Commander of the Revolution Carlos Nunez, called the meeting to order, and the various representatives and their substitutes were issued their respective accreditations.

Immediately afterwards, debate began on reforms to the law on public safety and keeping the peace, with a proposal by Social Christian Jose Davila to postpone the discussion. This brought sharp replies from several council members, who

reminded Davila that the public safety law is a tool to defend the revolutionary process against those who would attack or ambush it.

From "Civil Opposition" to Counterrevolution

Domingo Sanchez, second vice president of the council and member of the Socialist Party, scolded Davila, saying his opposition was based on the fact that those in the "civil opposition need a wider range of action so they can move toward counter-revolution.

Dora Maria Tellez, on the other hand, called the proposal "ingenuous," because "it would be like asking a soldier in wartime to put down his rifle as a show of patriotism." Federico Lopez, of the Sandinist National Liberation Front (FSLN), defined the law as a tool that allows the government to punish those who are in the service of counterrevolution or of imperialism's intelligence agencies.

Ultimately the law was approved, except for paragraph (g) of Article 3, which reads: "Anyone who assists or participates in, or incites others to initiate or continue, any labor strike for purposes other than legitimate labor demands, or anyone who performs such actions during an illegitimate work stoppage." The Commission on Work and Social Security will study the paragraph cited at the request of the Sandinist Workers Federation (CST) and the Agricultural Workers Federation (ACT), with support from the General Labor Confederation (CGT).

Outburst by CAUS

During the discussion of reforms to the immunities law, an outburst by CAUS [Center for Labor Unity and Action] representative, Mario Betanco, provoked outrage among the members of the council. Betanco accused the Revolutionary Government of using the immunities law to cover up for officials who had committed crimes.

Dora Maria called upon council members to "moderate their language," and pointed out that making grave accusations without any foundation could lead to an indictment for libel and slander. Assistant Commander Rafael Solis Cerda, first secretary of the council, said that such accusations were a serious matter, and called upon the CAUS representative to either substantiate or withdraw them. Domingo Sanchez said that the CAUS delegates "have fallen into ultra-leftism and anarcho-syndicalism."

Speaking for a second time, Mario Betanco stated that he said what he did "unintentionally on purpose," but did not offer an explicit retraction. Marta Cranshaw, of the FSLN, asked that the tape recording of Betanco's accusations be played back. The meeting came to a halt for half an hour while the tape recording was sought. Cranshaw and Vanessa Castro emphasized the educational and training value of listening to the recording, which would teach councilmembers to be more careful of their words.

Self-Criticism

But the tape recording was never heard. Manuel Perez Estrada, a CAUS delegate, spoke in mature and serene self-criticism, stating that "in reality we had no intention of making accusations Consequently we withdraw any mistaken or imprecise indications we may have expressed"

Discussion on the public safety law continued, and under the new reform, the Council of State is now empowered to hear, on its own initiative, accusations brought against any of its own representatives, as well as to set up a procedure for processing complaints.

During the discussion on regulations to supplement the immunities law, Jose Espinoza of CUS [Confederation for Trade Union Unity], suggested that the Council of State not order officials or councilmembers who had been stripped of their offices brought to trial. Federico Lopez insisted that trials must be held, and recalled the case of Omar Hallum, member of the Nicaraguan Democratic Movement (MDN), who was stripped of his office but never brought to trial. Espinoza's motion stalled, and there were no fundamental changes in this legislative proposal.

No More Mocking the Council of State

A measure to prevent the bourgeois representatives from continuing their attempt to make a mockery of the Council of State, pointed out council members Alejandro Solorzano of the CGT, Domingo Sanchez of the Nicaraguan Socialist Party (PSN) Mariano Fiallos of the CNES [National Council of Higher Education], Jose Maria Ortiz of the ATC, and Jose Luis Villavicencia of the ANDEN [National Association of Nicaraguan Teachers], would be an agreement that failure to attend three consecutive sessions of the people's parliament would be just cause for suspension of a member's immunities.

Such a measure is now included in the reforms to the Council of State's general statutes, in spite of opposition by conservative Felix Pedro Espinoza and Jose Davila, both of whom, together with other rightist representatives, have on various occasions withdrawn from the people's parliament, only to return when their particular interests were at stake.

It was also decided that for the duration of the State of Emergency, the deadline for the Council of State to approve or propose reforms to proposed legislation be extended to 25 days.

President for a Few Minutes

Conservative, Social Christian, Federation of Nicaraguan Workers (CTN), and CUS representatives arrived late for the meeting. MDN representatives did not attend, and it was said off the record that the Council of State would be revising the status of the latter organization, whose 14 executive directors left the country. Domingo Sanchez made his debut as president of the Council of State, presiding over the meeting for a few minutes beginning at 5:40 pm, until Dora Maria Tellez, who had temporarily left the room, returned.

9839

CSO: 3010/1749

CONSTRUCTION MINISTER STORM DAMAGE TO HIGHWAY NETWORK

Managua EL NUEVO DIARIO in Spanish 5 Jun 82 p 12

[Text] At least 1 billion cordobas are required just to restore the highway infrastructure that was damaged by the rains which recently hit the country, Construction Minister Dr Moises Hassan has reported. In addition, we have to think of repairing the bridges and road surfaces, he said.

He explained that the damage is enormous and exceeds the capability of our material resources, but we can make progress with the effort of all the people and international solidary support.

He said for the time being ministerial delegates at each of the regions into which the country has been divided and at least 2,200 workers are evaluating the damage on the 25,000 sq km of the highway system throughout the country, as well as on the sectors that still are inaccessible or flooded.

He indicated that at least 2 or 3 weeks are required to make a serious and responsible evaluation of the damage because such a task cannot be done overnight.

The Paved Area

Regarding damage on the paved highway system which is 6 percent (1,600 km) of the 25,000 sq km of the country's highway network, he said most of the damage occurred in the west where 150 million cordobas have to be spent on repairs.

On the national level, 732 km of the paved highway system are damaged, along which there are 7 bridges destroyed, 15 bridges seriously damaged, 2 bridges lightly damaged, 57 drains destroyed or damaged, and 4,000 cubic meters of landslides, plus 160 lineal meters of shoulders-ditches damaged and 60 km of highway inaccessible.

Among the areas with the most damage on their paved highways, he mentioned first of all the west, followed by Managua, Carazo, Rivas, Boaco and Chontales, then Jinotega and Matagalpa, and finally Zelaya and Rio San Juan.

He emphasized that great difficulties exist for restoring these lines of

communication to their original state and that it is a big task which will take a long time and can be measured only in years, possibly 2 or 3, and that our people, the organizations and our authorities must be aware of this.

In this regard, he announced a national work program in which people's participation, through the roads maintenance and repair brigades, would play an important role, especially in the repair of summer roads.

He indicated that within an overall context, priority should be given to bridges located on highways. He said no time should be lost on the repair of bridges in cities or regions, which logically has to be done although these are on a second or third order of priority.

In addition to the paved highway network, he mentioned as priorities the feeder and strategic roads for production, communication and defense.

9925

CSO: 3010/1784

SUGAR PRODUCTION IN 1981-82 HARVEST SECOND HIGHEST

Managua EL NUEVO DIARIO in Spanish 26 May 82 p 12

[Text] Nicaragua had the second highest sugar production in the country's history during the 1981-82 sugar harvest with a production of 4,939,000 quintals, which is exceeded only by the 5,349,000 quintals produced in 1975-76.

This year's production goal was 5,118,000 quintals of sugar. However, it was not attained because the rain over the past few days severely affected feeder roads, resulting in the suspension of work at three sugar mills--Camilo Ortega, Julio Buitrago, and German Pomares--which still had sugarcane to grind.

APP Had Best Yield

The data furnished by Eduardo Jerez, official of the Directorate General of Agroexports, show that the Area of the People's Property (APP) had the best production yields this year, surpassing private sector producers although these also exceeded last year's goals.

He said the private sector produced 2,526,000 quintals of sugar during the previous 1980-81 harvest and this was increased to 2,720,000 in 1981-82. Meanwhile, the APP's production was 1,733,000 quintals in the 1980-81 harvest and 2,038,000 in 1981-82.

In percentage terms, this means that the private sector had a 6.8 percent production increase while the APP had 9.12 percent. There was a 16 percent rise in overall production.

Production records also show that the APP had the highest industrial yield by obtaining more sugar per ton of sugarcane ground.

The Xavier Guerra sugar mill, which started grinding operations this year after 3 years of inactivity, led in productivity with 213 pounds of sugar per ton.

Another state sugar mill, the Benjamin Zeledon, was second with 190 pounds and the privately-owned San Antonio sugar mill was third with 188 pounds of sugar per ton. The Julio Buitrano sugar mill had a yeild of 174 pounds, the German

Pomares had 158 pounds and the Camilo Ortega had 135 pounds.

The APP also led the private sector in greater yields in agricultural productivity. As an example, it was reported that the private sector produced 55 tons of sugarcane per manzana [1.7 hectares], while the APP produced 58.2 tons per manzana.

Reactivation Achieved

Jerez stressed that these figures show that reactivation of the sugar industry has been achieved. He added that there is no doubt that sugar production will increase next year when it is expected to reach from 5.7 million to 5.8 million quintals, something unprecedented in national production.

Regarding sugar marketing, he explained that 2 million quintals will be available for export from this recently concluded harvest and 2,934,000 quintals for national consumption, which will be supplemented with the country's reserves.

In connection with the drop in international prices, he said all the producing countries are victims of dependence on the international market which arbitrarily affects the economies of sugar exporting countries.

He stressed, however, that although the current international price is approximately \$9.00 per quintal, Nicaragua had been able to sell its export futures for this year, averaging \$17.30 per quintal. Nevertheless, this figure is much lower than last year's price of \$24 per quintal.

"Taking into account this price difference, it can be deduced that Nicaragua will receive approximately \$34 million in gross earnings from this harvest and that the price drop in comparison with last year will cause losses of \$14 million." [he said].

Abundant Consumption

Abundant sugar consumption in Nicaragua is another bit of information offered by Eduardo Jerez. He asserted that Nicaragua is 10th in the world in sugar consumption per capita. According to statistics, the only countries with consumption higher than ours are Cuba, Costa Rica, Hungary, Czechoslovakia, Bulgaria, Venezuela, Brazil, Canada and the United States.

Our average annual sugar consumption per capita is running about 99 pounds.

9925

CSO: 3010/1748

BRIEFS

DETAILS OF SFN CREDITS--The National Finance System (SFN) has granted financing to various branches of the country's economy for a total outlay of 4.178 billion cordobas during the first quarter of this year, according to SFN's Press and Public Relations Department. Outlays for agriculture alone will total 742 million; in second place, credits offered to industry amount to 702 million cordobas. Other branches receiving similar credits are the cattle industry, with more than 234 million cordobas, government enterprises such as ENAL [Nicaraguan Cotton Enterprise], ENCAR [Nicaraguan Meat Enterprise], ENCAFE [Nicaraguan Coffee Enterprise], etc, which have received up to 1.038 million cordobas in aid from SFN. The financing will be used to buy goods from various producers and guarantee foreign marketing of domestic products, foreign exchange income levels, collection of credits, and injections of new resources into productive enterprises. [Text] [Managua LA PRENSA in Spanish 2 Jun 82 p 4] 9839

CSO: 3010/1749

TANNIS DESCRIBES THREE-PRONGED APPROACH TO ECONOMIC PROGRESS

Bridgetown SUNDAY SUN in English 13 Jun 82 p 30

[Text] KINGSTOWN, St. Vincent--The St. Vincent and the Grenadines government was pursuing a three-pronged approach to the country's economic development, paying particular attention to diversification of the agricultural sector, according to foreign minister, Hudson Tannis.

Speaking on "Development strategies for St. Vincent and the Grenadines", Tannis said government's economic development programme placed emphasis on agriculture, tourism and industrial development.

He explained that within the banana-dominated agricultural sector, government was pursuing a programme of diversification. Tannis said government realised how vulnerable agriculture was to the forces of nature and had consequently been moving into diversification of crops.

"Even though we have two other major sectors of the economy we are trying to develop, even within the agricultural sector, we believe that diversification should take place in a significant way," he added.

Tannis said however that many problems faced the country's development efforts, he said it was very difficult for small developing countries like St. Vincent and the Grenadines to produce viable long-term strategies for economic development, since they did not control the major marketing and financial institutions of the world.

He declared that large inputs of finance and technology were required to facilitate St. Vincent and The Grenadines' return to the 1979 level of economic growth.

The island has had two major set backs since 1979. The eruptions of La Soufriere volcano severely affected agricultural production, and before the country could recover from the ravages caused by the volcanic eruptions, hurricane Allen struck in 1981 flattening the island's banana industry, mainstay of the country's economy.

CSO: 3025/340

'GUARDIAN' EDITORIAL HITS 'ILLEGAL' STATUS OF GRENADA GOVERNMENT

Port-of-Spain TRINIDAD GUARDIAN in English 10 Jun 82 p 8

[Editorial]

[Text] WHAT are the democratic governments of the Caricom community going to do about Maurice Bishop's illegal regime in Grenada?

The question, we believe, assumes greater urgency as West Indian leaders meet with greater frequency and the momentum quickens towards a Summit meeting some time later this year.

More than three years after this tawdry little coup in Grenada, no one should have any doubts about the intentions of Mr. Bishop and his Marxist revolutionary regime.

It should be clear to all democratically-elected Caricom leaders that we cannot in good conscience accept Grenada's PRG as a partner in good standing while they perpetuate their dictatorship over the people of Grenada and insult our intelligence with their hypocritical posturings.

BETRAYAL

We cannot really see Caricom leaders sitting around the Summit table with Mr. Bishop without seeking from him some firm commitment to legitimise his government by seeking a popular mandate from the Grenadian electorate.

We know that every West Indian Prime Minister who has been placed in power by the people is deeply committed to the democratic process and holds dear all the popular rights and freedoms

guaranteed in the constitution of the country which he or she governs.

Not to want the same for the people of Grenada and not to seek it within the Caricom relationship would be a betrayal of the spirit of Caribbean integration and a mockery of the freedom we ourselves enjoy.

We suppose Mr. Bishop will be feeling utterly at home when he visits the Communist countries of Cuba, East Germany and Bulgaria.

That he should choose to establish friendly ties with these Communist countries is no surprise to us. What we find amusing, however, is the fact that Mr. Bishop has set himself up as an expert on "revolutionary theory," a subject on which he will speak at a conference to commemorate the birthday of George Dimitrov, founder of "the modern state of Bulgaria."

Mr. Bishop leaves behind dozens of persons languishing in his jail, accused of no crimes known to the normal law. Many of them know not what they are accused of; they know not when, how and why they will be tried, and, if convicted, what they face.

Indeed, they may not even be certain of being freed, if not convicted.

Grenada functions without a Parliament and her laws are merely announcements over the radio, repeated in the so-called

Free West Indian newspaper, misappropriated by the regime from its lawful owners, and in so-called government handouts.

Under the laws introduced by the revolutionary regime there are provisions for armed minors to lock up "on suspicion" so-called law-breakers who, in their view, might have retroactively committed this, that or the other.

The people of the Caribbean, knowing this — if they value their own freedom, if they have any concern for their fellowmen, if they cherish the rule of law — must condemn the abominable rule of Mr. Bishop and his colleagues.

CSO: 3025/341

AGRICULTURAL DEVELOPMENT BANK INCREASES LOAN BUDGET

Port-of-Spain TRINIDAD GUARDIAN in English 10 Jun 82 p 4

[Text]

THE LOAN budget of the Agricultural Development Bank (ADB) for 1982 has been increased by ten per cent over last year's figure and now totals \$112 million.

According to the bank's organ, "The Villager", substantial sums have been earmarked for agro industry, family farms and farm houses, and machinery and equipment.

Land is always the major element in farming and it is no surprise that the ADB has allocated \$20 million or 17 per cent of the loan budget for land transfers.

Mechanisation, now becoming more prevalent on many farms, gets \$16 million this year, or 14 per cent of the budget. This sum includes financing for purchase of farm vehicles.

The rapidly expanding area of agro industries will get \$20 million in loans this year for ventures such as food processing plants, cold storage, broiler and meat processing.

One of the major objectives of the bank is to promote family type farms, with resident farmers living on farm houses.

Such an operation should help in proper management and combat the problem of praedial larceny. Loans for farm house areas have been upped by over 100 per cent to \$5 million.

Looking at direct food production, the ADB this year continues its campaign to reduce the

high import bill and increase self sufficiency in food.

It has been estimated that 1982 demand for poultry meat will be 84 million pounds, but with local capacity well up to this figure loans will be given not for expansion but for improvement of existing poultry enterprises.

The bank's strategy is to avoid saturation of the local market and in the area of poultry suggests that export markets for excess poultry may have to be sought.

However, more money will be spent on production of food crops and \$6 million is earmarked here. In the fishing sector there has been an increase of \$500,000 over the 1981 figure, and the bank noted an increase in loan applications for fishing activities.

"The attractive prices being offered for fish and fish products throughout last year is luring more and more people to this type of activity," noted "The Villager."

Loans for agricultural co-operatives remain at the 1981 figure of \$8 million, with efforts being made to revive dormant ones and to form new ones. Priorities are: the improvement of beach facilities and transportation.

There has also been an increase of \$1 million for the Tobago broiler programme, which does not have contract farming, and hence causes loans to include plucking and marketing costs.

INCE DISCUSSES TIES WITH VENEZUELA, OTHER FOREIGN ISSUES

Port-of-Spain TRINIDAD GUARDIAN in English 10 Jun 82 p 1

[Article by Norris Solomon]

[Text] TRINIDAD and Tobago's relationship with Venezuela remains friendly despite differences in the voting over the Falklands crisis at meetings of the Organisation of American States.

This was emphasised by Senator Dr. Basil Ince yesterday when he addressed the travelling National Defence College of Canada at the Hilton Hotel in Port of Spain.

Dr. Ince, Minister of External Affairs, pointed out that governments of Trinidad and Tobago and Venezuela have had friendly relations for a number of years and the relationship remains unchanged.

"Venezuela is close to our country and as such we would like to have, as we do have, friendly relations with all other countries," he said.

He was at the time answering a question on the relationships in the light of the Falklands crisis and the stands taken by the two governments.

Both countries took part at the OAS meetings, he said, and Venezuela voted to support while Trinidad and Tobago abstained.

Dr. Ince said: "My belief is the differences between the two countries on this situation will not impair the relationship between the two countries."

In answer to another question Dr. Ince said that Trinidad and Tobago's membership in the OAS was not embarrassing, but it might be embarrassing for some other people.

The National Defence College of Canada, with headquarters in Ontario, includes in its year-long travel courses by Canadian Defence Force 'plane to countries around the world where participants get first hand insight into different areas, in their training for positions of high responsibility.

The College is on a 3½ day stopover in Trinidad as part of its Latin American and Caribbean itinerary.

Dr. Ince, speaking on Trinidad and Tobago's foreign policy, explained that it operated as an extension of domestic policy with the aim of promoting the interests of Trinidad and Tobago.

The foreign policy was guided by several well-known principles, he said, and he included among them non-alignment and non-interference or non-intervention in the domestic affairs of foreign states.

Other principles include peace, disarmament, and peaceful settlement of international disputes, equality of peoples, regional and international co-operation and when feasible integration.

Not Passive

Dr. Ince said that Trinidad and Tobago "has never permitted any subversion aimed at another state to obtain root or succour within its boundaries."

Non-intervention, he said, did not mean or imply a lack of interest unwillingness to be involved in international affairs.

"Non-intervention is not a passive policy," he declared.

Trinidad and Tobago's commitment to regional integration has been an enduring aspects of its foreign policy, Dr. Ince said.

"The collapse of the federation has not deterred Trinidad and Tobago from pursuing the idea of regional integration."

Answering another question about Cuba's participation in the non-aligned movement, Dr. Ince said that if one were to look at the composition of the non-aligned group one would find various spectres of ideology. It was a mottley group, he said.

Dr. Ince told the participants of Trinidad and Tobago's initiatives and assistance given in te region.

Earlier, the College was addressed by Opposition Leader Basdeo Panday and Senate Opposition Leader Lloyd Best.

The touring party is to visit Point Lisas and will have discussions with other prominent persons in the community.

CSO: 3025/341

TELCO WARNS WORKERS ON STRIKE ACTION; UNION RESPONDS

Port-of-Spain TRINIDAD GUARDIAN in English 9 Jun 82 p 1

[Text]

THE TELEPHONE company is to get tough from today with its workers who take industrial action.

The stern warning was given in writing on Monday afternoon by the Trinidad and Tobago Telephone Company (Telco) to the Communications Workers Union, representative of the workers.

The letter, signed by Telco's personnel manager, Mr. C.L.H. Worrell, accused the workers of embarking on strikes and insubordination.

Mr. Worrell said that in recent times workers have been engaging themselves in a series of illegal industrial actions which included sick-out, refusal to perform official duties which, he said, amounted to sitdown strikes.

He said officials of the CWU were instrumental "in calling for and causing these actions," which were a breach of Section 67 (2) and Section 67 (5) (b) of the Industrial Relations Act 1972, as amended, respectively.

The letter, addressed to secretary general of the CWU, Mr. Lyle Townsend says in part: "We write to advise that should the workers concerned persist in their action and not resume performance of their duties by June 8, severe disciplinary action will be taken against them, up to and including the possibility of their being dealt with in accordance with Section 63 (1) (c) of the Act."

Copies of the letter were sent to the Ministers of Labour, Public Utilities and State Enterprises.

The Telco warning was met with a demand by the union that five of the company's officials resign from

their jobs.

The five named by the CWU are Mr. Fenrick De Four, chairman of the board of directors; Dr. Neilson Mackay, executive director; Mr. Neil Guiseppi, public relations manager; Mr. Selby Wilson, general manager; and Mr. James Noel, assistant general manager (human resources).

BREACH OF CONTRACT

Mr. Worrell advised that the union could avert the company's intended action by "the simple expedient of utilising the grievance procedures of our subsisting collective agreement for the raising and resolution of any and all matters of grievance."

According to the IRA section referred to, the employer is entitled to treat industrial action as a fundamental breach of the contract, going to the root of the contract of employment of the worker.

In replying to Mr. Worrell's letter, Mr. Townsend stressed that the personnel manager's communication was vague because in claiming that Telco workers were engaged in industrial action, no attempt was made to identify when, where and by whom the acts were committed.

The advice to use the grievance procedure enshrined in the agreement was "intimidatory, absurd,

out of place," according to the union.

Declared Mr. Townsend: "The union has been in contact with its members and the union is aware that some workers cannot function because of lack of vehicles, defective vehicles, health and safety gear, health and safety conditions etc, money owing to them and most importantly, lack of work being given out by your management."

Taking action under the IRA on the workers would not normalise the industrial relations atmosphere nor make the grievance procedure work, Mr. Townsend insisted. As he put it: "The only way this can be normalised is by the resignations of Fenrick De Four, James Noel, Neil Guiseppi, Neilson Mackay and yourself," the union leader told Mr. Selby Wilson in his letter.

Other necessities for the proper functioning of Telco were, Mr. Townsend suggested, the eradication of corruption, observance of the terms of the existing industrial agreement, proper health and pension schemes, employing the services of expatriates only when absolutely necessary, halting efforts to retrench workers; payment of all outstanding financial claims by workers and speedy settlement of grievances.

The secretary general re-

minded Mr. Wilson about 1976 when the same problems were outstanding at Telco and workers took industrial action and 25 workers were tried and 22 found guilty by the court.

1978 JUDGMENT

Twenty of them appealed and the High Court, comprising Chief Justice Sir Isaac Hayatali and Justice Cecil Kelsick, upheld the appeal and ordered Government to repay the fines imposed — over \$7,000. According to Mr. Townsend, the cash has yet to be paid.

In that High Court judgment Sir Isaac was particularly critical. His judgment, delivered in April 1978, stated that the IRA's legal sanctions raised serious questions for workers in the essential services like Telco.

He wondered whether the sanctions gave employers the licence to treat employees with indifference or conferred on them the right to ignore their legitimate grievances with impunity. And he stressed that the very fact that a company was an essential service meant that the company had a paramount duty to take prompt and effective

measures to settle all disputes in the interest of good industrial relations.

In a separate judgment, Justice Kelsick stated that the workers' grievances had been legitimate and as the company took three hours to settle grouses which had been outstanding for over a year it indicated that the company had fallen "grievously short" of the high standard of industrial relations expected.

The Telco public relations manager was not available for comment on whether the current dispute between workers and company was having a crippling effect on the company's telephone subscriber service. His secretary stated that he was at a meeting and could not be disturbed.

A CWU spokesman elaborated on what the fuss was all about. He stressed that throughout the company offices the 2,000-plus employees were not refusing to work. "They are just insisting that they be fitted with the appropriate safety gear, tools and equipment before they go out on the job. Once all conditions are satisfied the workers are doing their duty as usual," the official said.

CSO: 3025/341

CHAMBERS ANNOUNCES PLANS TO MONITOR LAYOFFS OF WORKERS

Port-of-Spain TRINIDAD GUARDIAN in English 28 May 82 p 1

[Text] GOVERNMENT is monitoring the situation relating to the retrenchment of workers.

Minister of Labour, Social Security and Co-operatives is to make proposals on the situation to Cabinet shortly.

This was pointed out by Prime Minister George Chambers while winding up the Consultation on National Productivity at the Chaguaramas Convention Centre on Wednesday.

Prime Minister Chambers said that shortly after Carnival, Mr Errol Mahabir, the Minister of Labour, Social Security and Co-operatives, had brought the matter to his attention and it was causing concern.

"You may be assured that the Minister of Labour is monitoring the situation with a view of bringing proposals to Cabinet," he said.

Explaining that he was committed to the delegation of authority, the Prime Minister told the Consultation that there shall be no one man government.

For reasons best known to some people that would like to remake me in their own image and likeness."

He said that the people elected him as Prime Minister. "I don't have to behave in such a manner that I have to tell the people that," he said.

"They made me that and they know it."

The Prime Minister's comments came after Mr Clive Nunez speaking on behalf of the Labour Movement had drawn attention to the situation. Mr Nunez referred to layoffs throughout the country and mentioned the situation relating to the strike at Bata. See Page 18. He said that with retrenchment on the rise it would have a psychological effect on other workers.

There must be legislation where companies cannot close doors on workers without justification, the strike unionist declared.

Mr Nunez said that the country was faced with a situation where the spectre of retrenchment and closures had begun to stalk the land.

MONTHLY IMPORT BILL NOW \$736 MILLION, UP 1,400 PERCENT SINCE 1963

Port-of-Spain TRINIDAD GUARDIAN in English 28 May 82 p 4

[Text]

FROM A MODEST figure to \$53 million in imports per month in 1963, Trinidad and Tobago's average monthly imports (c.i.f.) has zoomed to \$763 million in November 1981.

This means that imports have gone up by over 1,400 per cent in just 18 years, with the biggest rise coming after the oil boom. In 1973 the average imports figure was \$130 million but by 1974 it had jumped to \$314 million.

Information contained in the latest issue of the "Overseas Trade Bi-Monthly Report" published by the Central Statistical Office shows that apart from a drop of \$270 million in 1975, imports have been rising ever since.

By 1976, the monthly average was \$409 million, down to \$364 million the next year, up again to \$393 million in 1978, up again to \$421 and \$635 million for 1979 and 1980.

And just what has the country been buying at so great a cost recently? Mostly oil, it would seem from the report.

Of the November 1981 figure of \$763 million fuels (oil mostly) took up \$339 million. Manufactured goods accounted for \$102

million, machinery for another \$117 million, with the next big item being food and live animals at \$86 m.

The country's exports figures shows a corresponding movement. From a humble \$49 million in average monthly exports (f.o.b.) for 1963, the figures rose slowly to \$114 million in 1973.

Up to then the country had been in deficit, with imports generally higher than exports, but after 1973 the tide turned dramatically. In 1974 exports shot up to \$347 million, and in the following years went to \$323, \$449, \$436 and totalled \$407 million by 1978.

In 1979 average monthly exports were \$522 million and provisional figures for 1981 shows a total of \$815 million, comfortably above the imports figure of \$635 million. Provisional figures for November 1981 shows exports to be \$913 million and imports \$736 million.

As expected, the pattern of oil domination continues with exports. Of the \$913 million, a full \$762 million was the value of minerals fuel exports, with machinery at \$98 million and chemicals with \$31 million trailing far behind.