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# Latin America Report

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27 OCTOBER 1986

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INTER-AMERICAN AFFAIRS

TEXT OF COMMUNIQUE ON LUSINCHI VISIT TO TRINIDAD-TOBAGO

Port-of-Spain TRINIDAD GUARDIAN in English 19 Sep 86 pp 9, 11

[Apparent text of communique signed by Venezuela and Trinidad-Tobago on conclusion of visit by Venezuelan President Jaime Lusinchi to Trinidad and Tobago 12-14 September 1986]

[Text]

AT THE invitation of Mr George Chambers, Prime Minister of the Republic of Trinidad and Tobago, Dr Jaime Lusinchi, President of the Republic of Venezuela, paid a state visit to Trinidad and Tobago from September 12-14, 1986.

During his stay in the Republic of Trinidad and Tobago, the President of the Republic of Venezuela was decorated by the President of the Republic of Trinidad and Tobago, Mr Ellis Clarke, with the Trinity Cross.

Likewise, the President of the Republic of Trinidad and Tobago was decorated by the President of the Republic of Venezuela, Dr Jaime Lusinchi, with the Orden de El Libertador en su maximo grado Collar.

### Strong Conviction

The Prime Minister of the Republic of Trinidad and Tobago and the President of the Republic of Venezuela reaffirmed the excellent and friendly relations which have always existed between the peoples and Governments of the Republic of Trinidad and Tobago and of the Republic of Venezuela, and expressed their strong conviction of the need to strengthen further those relations in the interest of peace, cooperation and fraternal solidarity. To this end both leaders agreed to the following:—

#### JOINT DECLARATION

(i) The two leaders stressed the fundamental role which democratic institutions play in recognising and protecting fundamental human rights and freedoms.

They expressed their growing concern over the abuse of human rights worldwide and expressed their dismay at the failure of the international community to impose mandatory economic sanctions against the Government of South Africa which is daily trampling underfoot the basic human rights of the majority of its citizens.

The two leaders recalling the struggle of their peoples to secure their independence, reaffirmed their support for the peoples of South Africa in their struggle for a free democratic and multiracial society.

In this context they condemned South Africa's continued illegal occupation of Namibia as well as the exploitation of its natural resources to the detriment of the Namibian people.

In light of this they called for the immediate independence of Namibia in conformity with the relevant United Nations resolutions.

### Developments Reviewed

(ii) The two leaders reviewed developments which have taken place at the international and regional levels.

They reaffirmed their commitment as members of the United Nations Security Council, to continue to strive for the maintenance of international peace and security throughout the world and particularly in Central America where growing militarisation, economic dislocation and intransigent positions are threatening the economic and social development of that region and undermining its social, economic and political progress.

The Prime Minister of the Republic of Trinidad and Tobago reiterated the

support of the Government and People of Trinidad and Tobago for the efforts of the Contadora Group of countries and the support group which are aimed at finding a way of bringing peace and security to Central America.

### Support For Measures

(iii) Emphasising the Caribbean countries' efforts to exist in freedom and to preserve their sovereignty and independence, both leaders committed themselves, as far as possible, to give full support to all measures for the enhancement of the economic and social development of the peoples of the Caribbean.

The two leaders also reaffirmed their unequivocal support for the role of the various hemispheric organisations which are aimed at promoting solidarity and co-operation among the peoples and governments of Latin America and the Caribbean and improving their social and economic conditions.

In this connection, they acknowledged the importance of the contributions being made by the Latin American Economic System and the Organisation of American States.

(iv) Both leaders expressed their profound concern over the impact of present developments in the international economy on their respective national economies and in particular the problem of external debt, growing protectionism in developed countries and the continuing instability of prices of petroleum products.

They expressed the hope that there would be achieved as soon as possible the necessary stability in the oil market which would allow their respective governments to resume their programmes for the long term stability and prosperity of their peoples.

### Ideal Framework

They pledged to co-operate further in developing relations in the energy sector not only on a bilateral basis but also through the mechanism of The Informal Group of Latin American and Caribbean Countries Exporters of Petroleum.

(v) The two leaders expressed their satisfaction, in addition with the outcome of the Trinidad and Tobago/Venezuela Public/Private Sector Mixed Commission on Economic Relations which was held in Port of Spain on July 28 and 29, 1986.

They considered that the Mixed Commission constitutes an ideal framework through which bilateral relations between Trinidad and Tobago and Venezuela in the fields of economic and technical co-operation could be effectively pursued.

In this connection, they welcomed the progress made towards concluding definitive arrangements for co-operation in such areas as the sharing of trade information, joint ventures, double taxation, tourism, maritime transport and training in the energy sector.

The leaders, conscious of the need to increase trade between both countries, expressed satisfaction at the progress made between the Venezuelan Foreign Trade Institute and the Trinidad and Tobago Export Development Corporation.

In this respect, both organisations, together with appropriate Ministries of each Government, were instructed to initiate negotiations for a Partial Scope Agreement intended to bring about an increase in trade and to submit it for signing within 120 days upon the issue of this Communique.

### Instruments Signed

(vi) During the visit of the President of the Republic of Venezuela to the Republic of Trinidad and Tobago, the following instruments were signed:

(a) An agreement for industrial collaboration and technical co-operation between the Iron and Steel Company of Trinidad and Tobago (ISCOTT) and C.V.G. Siderurgica del Orinoco C.A. (SIDOR);

(b) A co-operation and mutual assistance programme in case of oil spills;

(c) A Declaration of Intent for the early conclusion of a Partial Scope Agreement and for the establishment of financial arrangements to promote mutual trade.

### Joint Ventures

(vii) The two leaders further noted that in light of recent discussions held between representatives of their two countries, prospects for co-operation between the Republic of Trinidad and Tobago and the Republic of Venezuela were much improved in respect of arrangements for:

- An agreement on the prevention, control and suppression of the illicit traffic and use of narcotic drugs and psychotropic substances;

- the construction of naval ships by Diques y Astilleros Nacionales C.A. for the Trinidad and Tobago Coast Guard;

- the establishment of a regular cargo/passenger service between Trinidad and Tobago and Venezuela as well as the development of joint ventures between the Shipping Corporation of Trinidad and Tobago and the Venezuelan Maritime Enterprises in particular Compania Anonima Venezolana de Navegacion;

- the purchase of iron ore and other raw materials by ISCOTT from Venezuela and the purchase of sponge iron by SIDOR from ISCOTT;

- acquisition of steel products;
- the purchase from the National Energy Corporation of Trinidad and Tobago of methanol by an affiliate company of Petroleos de Venezuela S.A.;

- the establishment of a Commercial Section in the Venezuelan Embassy in Port of Spain;

- the establishment of a Joint Trinidad and Tobago/Venezuela Chamber of Industry and Commerce with offices in Port of Spain and Caracas;

## The Conclusion

- the review of the 1970 Cultural Agreement between the Republic of Trinidad and Tobago and the Republic of Venezuela; and,

- the continuation of discussions on the subject of an agreement for the avoidance of double taxation in specific areas.

(viii) Both leaders noted that the conclusion in 1985 of a Trinidad and Tobago/Venezuela Fishing Agreement has improved substantially the climate of relations between the two countries.

They indicated their mutual satisfaction with the results of the First Meeting of the Trinidad and Tobago/Venezuela Fisheries Commission, under the 1985 Agreement, held in Port of Spain on July 24, 1986 which they viewed as auguring well for the future development of co-operation between the two countries in the fisheries sector.

In this respect, they noted with satisfaction that the Trinidad and Tobago/Venezuela Fisheries Commission, at the above mentioned meeting agreed that the following sub-committees should convene as soon as possible.

- The Joint Trinidad and Tobago/Venezuela Committees of Technical Experts in fisheries research.

## The Growth

- the joint Trinidad and Tobago/Venezuela Committee of technical experts in Joint Ventures in fishing; and

- the Technical Group on Communications between the appropriate authorities.

(ix) The Prime Minister of the Republic of Trinidad and Tobago and the President of the Republic of Venezuela, taking into account the progress achieved during the last round of negotiations on delimitation of Marine and Submarine areas held in Port of Spain on July 25 and 26, 1986,

stated that once the delimitation of Marine and Submarine areas in the Caribbean, Gulf of Paria, Serpents Mouth and south-east of Trinidad is concluded and approved by both Governments, both parties will pursue negotiations with respect to the delimitation of the remaining marine and submarine areas in the Atlantic throughout their natural prolongation up to the outermost edge of the continental margin, with a view to arriving at the earliest possible time at a delimitation of these marine and submarine areas which is equitable and satisfactory for both parties, and which takes into account the interests of the neighbouring coastal states.

## Cultural Ties

(x) Concerned with the growth in the illicit traffic and use of narcotic drugs and psychotropic substances, they emphasised the urgent need for the International Conference on Drug Abuse and Illicit Trafficking, which is to be held in Vienna in 1987, to adopt an international convention against illicit trafficking in narcotic drug and psychotropic substances which would incorporate in international law elements which will enable the international community to fight more effectively the social phenomenon of drugs.

In the same spirit, they agreed to continue discussions on the basis of a draft agreement proposed by Venezuela on the Prevention, Control and Suppression of the Illicit Traffic and Use of Narcotic Drugs and Psychotropic Substances, for purpose of adopting as soon as possible, a bilateral agreement that will allow both Governments to strengthen their co-operation so as to effectively combat and eradicate the problem of the use and illicit traffic in drugs which is one common concern to both countries.

## Increased Attention

(xi) The Prime Minister of the Republic of Trinidad and Tobago and the President of the Republic of Venezuela acknowledged that increased attention was being paid to efforts to promote closer cultural ties between the peoples of Trinidad and Tobago and of Venezuela.

They viewed the development of cultural relations as being important in the context of the overall relations between the two countries and noted with satisfaction the recent conclusion of a music workshop organised in Trinidad and Tobago jointly between the Venezuelan Institute for Culture and Co-operation and TRINTOC and the recent visit to Venezuela of representatives of the Prime Minister's Best Village Trophy Competition for

the Trinidad and Tobago week in Venezuela.

Moreover, they undertook to examine the Cultural Agreement signed between Trinidad and Tobago and Venezuela in 1970 with a view to reviewing and updating same with the aim of ratifying it at the earliest possible opportunity.

### **Courtesies Extended**

(xi) The two leaders agreed that the visit of the President of the Republic of Venezuela to Trinidad and Tobago had made a significant contribution to the improvement of bilateral relations between both countries and would lead to a further strengthening of closer ties of economic, trade, technical and cultural co-operation between the peo-

ples and Governments of the Republic of Trinidad and Tobago and of the Republic of Venezuela.

(xiii) The President of Venezuela expressed his deep appreciation for the hospitality offered, and the courtesies extended, to him and to his entourage during his stay, by the Government and people of the Republic of Trinidad and Tobago.

The Prime Minister of the Republic of Trinidad and Tobago thanked the President of the Republic of Venezuela for having accepted his invitation to visit Trinidad and Tobago and expressed the hope that as a result of this visit relations between Trinidad and Tobago and Venezuela, which are based on friendship, cordiality and mutual understanding, would be further cemented.

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ANTIGUA AND BARBUDA

ACLM ORGAN SEES BIRD'S FALL; ATLU ORGAN RESPONDS

U.S. Report on Bird 'Risk'

St John's OUTLET in English 22 Aug 86 pp 1, 2

[Text] Reports predict fall of Bird Government for "Mal-administration, lack of policy and government corruption."

Both reports anticipate the fall in the Bird Government due to the current economic and political situation in Antigua.

Terrible Situation

The first of these Political Risk Reports, prepared by Frost and Sullivan for the U.S. State Department gives this as its considered opinion about Antigua and Barbuda:

"Once heralded as a bright prospect for economic development and investment Antigua is currently in financial difficulty." The Bird Government has tried to hide this from the public with PM V.C. Bird telling various Brer Anansi stories, about Antigua being "better off" than New York.

The Frost and Sullivan Political Risk Report on Antigua continued "Tourism and related enterprises now account for up to 60 percent of employment, while attempts at fostering alternative industries either faltered or failed entirely." Faltering or failing that is the Bird record these past 6 years in particular. The Bird pipe dream of Bring Back Sugar, collapsed in a \$22 million disaster, beginning in political corruption with the CDB Loan funds, and ending in the chaos of political mis-management.

Apart from all that, says the Frost and Sullivan Report on Antigua "Government Corruption and the high wages demanded to sustain an increasingly consumer-based life-style and recurrent problems with water supply have deterred prospective investors." Government corruption and gross mismanagement of public services are the deterrent to investors investigating in Antigua.

The Report continues that while Prime Minister Bird rejected the conditions required by the International Monetary Fund (IMF) for assistance, "Bird turned instead to commercial borrowing as a means of meeting chronic Budget deficit. By mid 1984, however, the World Bank warned that the country's rapidly escalating debts (most of which are hidden from the public and contracted without the knowledge and approval of Parliament as required by law) and failure to bring about structural changes in the economy threatened Antigua's creditworthiness." Antigua and Barbuda is now not credit worthy to international financial institutions.

#### **BIRD REBUFFED**

**Then the Report** adds the startling revelation that the Bird regime's attempts "to seek budgetary assistance from the Reagan administration were rebuffed, because the expectations [of Antiguans] influenced largely by tourists on the island, were neither realistic nor sustainable".

**The news that the Bird regime** sought "budgetary assistance" from the Reagan administration and in spite of its pro-Reagan foreign policy "were rebuffed", shows to what dire financial straits the Bird maladministration has reduced Antigua and Barbuda. P.M Bird himself has always asserted that since he refused grants-in-aid (Budgetary assistance) from Britain, Antigua would never again be in that condition. Now he has had to eat his own words, and he rebuffed by Reagan in his quest for "Budgetary assistance." Meantime, terrible roads deteriorate further; water service bad at the best of times becomes horrible because of lack of conservation policy and programme; education standards decline beyond belief, and the minimal skills training programme means a vast army of unskilled labour, whose only hope is the illicit (drugs and hustling) economy, or migration.

#### **LESTER BIRD TAKE-OVER**

**The Frost and Sullivan Report** saw an imminent take-over by Lester Bird as fraught with problems, not because of Lester Bird himself, but because

of the enormous economic problems which exist and which his father would bequeath to him.

The Lehman and Jones Report characterised the rift between PM V.C. Bird and Deputy PM Lester Bird as the result of "the political effectiveness," of ACLM "whose well reasoned and thoroughly researched think-pieces have forced Deputy PM Lester Bird to have reservations about the short and long term implications of a development policy relying so heavily upon investments from multinational companies based in the United States." V.C. Bird is addicted to this policy and Lester Bird is becoming increasingly disenchanted with it according to the Frost & Sullivan Report.

The Report further characterised the National Democratic Party led by Ivor Heath, if it were to succeed, (though according to the Report commanding only 6% in a straw poll conducted by team members) "would be markedly pro-business, conservative in its foreign policies and strongly allied with United States interests in the region". In plain terms the NDP would put the interests of the United States before the interests of the Antiguan and Caribbean people.

The Lehman and Jones Report also adds that the NDP would refuse "to furnish information pertaining to off-shore financial activities in the State". Does the NDP have a secret deal with off-shore financial operators which

the Frost and Sullivan team knows about?

#### ACLM BEST

Both the Frost and Sullivan Report and the Lehman Jones Report said of ACLM "In the event of deep political crisis in which the ALP could no longer govern (which is fast becoming the reality) the ACLM "could provide coherent policies and intellectually able cadres."

The Lehman and Jones Report was even more specific and stated that only "a wild, but for some unknown reason an accepted anti-communist campaign has prevented ACLM from being the party of first choice by the Antiguan population". It added that "ACLM has in its publications since 1973, consistently opposed the Soviet Union's bureaucratic model, and condemned the Statist model in Guyana. But a lack of political sophistication in Antigua, has still allowed the Bird party to characterise ACLM as 'communist' with some effect, though based more on fiction than reality."

However, adds the Report in the event of ACLM coming to power, (ACLM was rated as having 31% support in the straw poll). "The United States and conservative governments throughout the Caribbean would be suspicious". The Lehman and Jones Report urged the U.S. State Department "not to be antagonistic to an ACLM regime in Antigua and Barbuda, though an ACLM regime would seek to be independent but not hostile to the U.S."

Attack on OUTLET

St Johns THE WORKERS VOICE in English 30 Aug 86 p 1

[Text]

Once again the Outlet newspaper has been caught and exposed for its dishonest journalism.

In its issue for Friday August 22nd it headlined an article "Reports Predict Fall of Bird Government". The article stated that the State Department of the United States Government commissioned the private company of Frost and Sullivan to conduct an inquiry into the Bird administration on its behalf. The author of the report as published in the Outlet mixed figments of his imagination with sections from the so-called report in true Hector style in order to deceive and mislead the public. One paragraph states "Once heralded as a bright prospect for economic development and investment Antigua is currently in financial difficulty". And the writer goes on to state "the Bird Government has tried to hide this from the public". What utter nonsense! Which country in the world today is not in financial difficulties?

We are a reading and listening public. The writer adds that in spite of the financial problems P.M. Bird said that Antigua was better off than New York. Poor chap, he does not seem to remember that twice in the last four years the great New York had to be bailed out from under the verge of bankruptcy. Although the P.M. never said that Antigua was "better off" than New York, even if he said so many New Yorkers would agree with him. The author of the article continued to use sections from Hector's private report sent

to him by Frost and Sullivan and continued to add his own lies, half-truths and deceptions so that anyone reading it would believe that all the Brer Anansi stories were part of the so-called reports

The U.S.A. Government immediately issued a statement disclaiming anything to do with the report. The press release which appears in this issue of this paper states that Frost and Sullivan is a private concern and has never been asked by any agency of the U.S. Government to do any survey of Antigua and Barbuda's Government.

But the lies and half truths became comical when the Outlet writer stated that the report said "ACLM could provide coherent policies and intellectually able cadres". What a laugh! Where are they? Under the wood-works? He went on to say that Dr. Heath, his ally George Walter and the Workers Union who all form the UNDP, according to the report could only muster 6% in a straw poll conducted by them while Hector and his ACLM commanded 31%; What lunacy! People who could not get 1% of the popular vote in a General Election less than six years ago could now command 30% more. Because of total lack of popular support the same ACLM had to shame-facedly back out of the 1984 elections after campaigning the length and breadth of the island. Political observers believe that Hector, like his mentor Khaddaffy is rapidly going off his 'rocker'.

## ALP Government Shift to Right

St Johns OUTLET in English 5 Sep 86 pp 1, 2

[Text] Only recently, while vainly attempting to refute the conclusions of the U.S. Frost and Sullivan Political Risk Report on Antigua, the Editor of the ruling party affiliated Workers Voice gave predictions and conclusions of his own on the Bird Regime.

Said the Editor of The Workers Voice, himself a Government Senator "Workers are noticing the drift to the Right of the [Bird] government."

Senator Bascus himself characterised the Bird Government as "aggressively pro-business" meaning of course "anti-labour or anti-working class."

Attempting to explain this new reality with the ALP taking "a centre of the right, pro-business swing" away from its roots in the working people, Senator Bascus, always sneering at Grammar School and University trained graduates had this to say:

"It might have been a bit presumptuous on our part to assume that because these Grammar school and University trained young men agreed to associate themselves with the Socialist Labour party and even permitted us to call them Comrades, that they were genuine champions of the working class, but we have had a rude awakening."

### Rude Awakening

So rude has been the awakening, as the ALP moved away from "a Socialist party" to become "a centre of the Right, Conservative, pro-business" party about which swing, the workers of the land are "becoming very concerned," that Senator Bascus had to painfully, if not tearfully, confesses that "very, very little pro-worker legislation has been enacted by the [Bird] Government for the last 10 years,"

This stinging indictment of the Bird regime is concluded with the plea for the ruling party to switch horses in midstream and to make "an about turn midway through [their] term." Without such a "stitch in time" all nine would be lost, concludes Senator Bascus.

This dire prediction, while based on no scientific basis, complements the United States Frost and Sullivan Political Risk Report on Antigua and Barbuda.

The Frost and Sullivan Political Risk Report on Antigua rated Antigua and Barbuda's "Domestic Economic Performance" under the Bird regime as "Poor." It further rated the "International Financial Standing" of Antigua and Barbuda under the Bird regime as "Poor."

Besides that, the U.S. Frost and Sullivan Political Risk Report recorded "no change in Real wages" while the inflation rate had begun climbing upwards from a low of 4.3 per cent in 1982 to 7.9 at the end of 1984. In other words, inflation had virtually **doubled** while real wages remained constant at best, or more realistically, declined.

The U.S. Frost and Sullivan Political Risk Report on Antigua also showed that unemployment, which was **21 per cent** of the work force had continued to rise and by the end of 1984, was modestly estimated to be 26 per cent. The figure obviously excluded what U.S. economists call the "under-class", those chronically unemployed who had become disillusioned and were no longer actively looking for work.

#### **POOR RATING**

On top of all this, the Bird government showed a current account deficit of -33.6% of GDP one of the worst performances in the entire Caribbean region.

The end result of Antigua's economic and political performance, is that whereas the Simmonds Government in St Kitts-Nevis was given by Frost Sullivan an A- (A minus) rating the Bird government in Antigua and Barbuda was given a mere C rating.

The Frost and Sullivan Political Risk Report saw the Bird regime as riven with division and schisms at every level. Said the Frost and Sullivan Report

"Prime Minister Vere Bird has left a distinct, if not controversial imprint, on Antigua's foreign policy which has of late, come to be increasingly questioned within his party and, indeed, his own family". Going on to explain this foreign policy schism within the ruling ALP the Frost and Sullivan Political Risk Report states "Bird [the father] staunchly supported the British cause in the Falklands [Malvinas] war and supports American intervention and has risked alienating friends in the

region through close alignment with the United States." On the other hand "Deputy Prime Minister Lester Bird has begun to distance himself somewhat from his father. He has voiced reservations about the long term implications of a development policy relying so heavily upon investments from multinational companies based in the United States." The Report adds "The younger Bird's criticisms have caused concern among some [mainly white] in the business community who are mindful that the Deputy Prime Minister will most likely succeed his 76-year old father within the foreseeable future."

Oddly enough, and on the contrary, the Workers' Voice characterises Lester Bird as the leader of the "aggressively pro business" wing of the now "centre-right Conservative" ALP, while Frost and Sullivan [in our view more correctly] sees V.C. Bird himself as the leader of the pro foreign business wing of the centre-right conservative ALP.

#### **ACLM IS KEY**

Explaining the ALP's clean sweep of the 1984 Elections in spite of its "poor economic performance" and its equally "poor international financial standing" Frost and Sullivan stated "ALP captured a clear majority from a low turn-out, reflecting public apathy in an election virtually without issues".

While we have been reluctant to publish the praise of ACLM in these Reports (lest the mean-spirited like Senator Bascus believe it is "self-serving" or "deception") the Frost and Sullivan Report concluded its political section on the 1984 General Election with this. Said the Frost and Sullivan Political Risk Report p.6 "A principal reason for the poor turn-out [in the 1984 General Elections] was a decision by the Leftist Antigua Caribbean Liberation Movement (ACLM) to boycott the election entirely."

Senator Bascus recently wondered in print how ACLM could be given 31%

in a straw poll to the Bird 40% with 6% to the NDP in the Lehman-Jones Report on Antigua, he would note that the estimate was based on a survey after the 1984 elections and another survey done in February 1986.

The Frost and Sullivan Report on Antigua concluded ominously "However, the growing debt burden and economic pressures will most certainly necessitate higher tariffs to curtail imports, which may lead to shortages in luxury items and consumer goods. Additional government budget cuts, including a reduction in the size of the Civil Service could lead to higher unemployment. Combined with exchange controls, these measures will **prove universally unpopular** and could endanger the ALP Government itself".

Yet the Report team, saw no alternative to these "unpopular measures". In other words, the Bird regime was and is trapped between a rock and a hard place. Crisis inevitable.

#### **BIRD REGIME TRAPPED**

It noted too that the in-fighting and schisms in the ALP between PM V.C.

Bird and Deputy PM Lester Bird on policy, and the battle for succession between, according to Frost and Sullivan, Lester Bird on the one hand and Adolphus Freeland on the other comes "at a period of transition for the party [ALP] as it enters a financial crisis which could undermine [the already dwindling] popularity of the party."

Indeed, the political crisis in the ruling ALP is worse than the economic crisis, with elements **within** the ruling ALP publicly and in print castigating the ruling ALP as having "no ideology", "no principles", "no code of conduct", being in fact "a carnival of chaos" with a "pro fascist faction", and suffering "not so much from a leadership struggle, but from the **lack of Leadership**".

The external Reports of collapse, have only confirmed the internal judgements of "a carnival of chaos" within the ruling party whose decline is directly related to the physical and mental decline of its aging stalwart Prime Minister Vere Cornwall Bird whose longevity in politics matches only that of the Soviet Union's late Anastas Mikoyan former President of the U.S.S.R..

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CSO: 3298/009

ANTIGUA AND BARBUDA

ALP TO SEEK UNITY AT MID-TERM OCTOBER CONVENTION

St Johns THE WORKERS VOICE in English 30 Aug 86 pp 1, 2

[Article by Everton Barnes]

[Text]

**The Ruling Antigua Labour Party, which has been faced with factional infighting, is taking steps to pull its ranks together.**

Party sources say a mid-term convention has been slated for October 5th (venue to be announced), where the theme is expected to centre on party unity.

Party Secretary and Finance Minister John St. Luce would not confirm that the focal point of the convention would be party-unity, but he said that the ALP, which has held office for three consecutive terms since 1976, will be taking steps to modernise its entire machinery at the convention.

According to Mr. St. Luce, the main business of the convention will be the adoption of a new constitution, to govern the affairs of the party. He

noted that the present constitution was adopted in 1968 and that it is way out-moded. "The 1968 Constitution was hurriedly drafted and approved to meet the political upheaval which existed then," he stated.

Other matters listed for discussion at the convention include reports from the Ministers (with ministries), Report from the Treasurer, and reports from the Constituency (Party) branches. Delegates at the convention will also be given the opportunity to question the ministers on aspects of their reports or on any matter related to their ministries.

The new constitution was drafted by Mr. Rupert Lake of Lake's Consulting and Trading Agency acting in accordance with leaders of the ALP.

It spells out in detail

the aims and objectives of the party, and sets out the duties and functions of the various officers.

One area which is likely to generate much interest is a provision creating the position of Deputy Political Leader, who will be elected at a special convention. The Deputy Political Leader will perform the functions of Political Leader in the absence from the country of the Political Leader.

The draft convention also provides for the establishment of a disciplinary committee to ensure that all members adhere to the rules and regulations of the party.

If the constitution is adopted at the October 5 convention, then the next "regular" annual convention will take place in November next year, at which time there is likely to be an election of officers.

Reports in the press (including this paper) say much of the infighting within the ALP centres on the leadership of the party. However, there has been a conscious attempt by Party echelon to put aside their differences in a spirit of togetherness and goodwill. Already, there has been a noticeable decrease in the minister's public criticism of each other.

In recent weeks, the party has been traversing the island holding public meetings ostensibly to "report on the progress the country has made" but which in reality are designed more to demonstrate "a party working together."

It is the ALP's first convention since June 1984.

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CSO: 3298/009

ANTIGUA AND BARBUDA

GOVERNMENT'S SUPPORT FOR WORKERS QUESTIONED

St Johns THE WORKERS VOICE in English 30 Aug 86 pp 1, 2

[R.A. Bascus column "Frankly Speaking": "Where Are We Heading]

[Text]

As I listened to the last debate in the Lower House of Parliament on the Amendment to the Workmen's Compensation Act, I could not help but wonder in which direction my Government is headed.

While most Ministers grudgingly acknowledged that the Bill before the House was in some measure due to the agitation of the Unions, not so with the Deputy and ex-head master and ex-Education Officer Mr. Christopher O'Mard, they cannot give the unions credit for anything, not even a little agitation for legislation in favour of the working class. We acknowledge that Cde-Leader is a past President of the A.T.L.U., and while he remains the only sympathetic voice for the working class in Cabinet, we must in reality view him as the head of the agency which employs the most people in the country, so at times where the welfare of the Government workers is concerned, we consider him as just another employer, except we would treat him with a little more respect. Yes the Minister of Labour was also past General Secretary of the Union but in Cabinet he speaks like an employer and we cannot expect any sympathy from him as he has taken

the oath to be impartial in his dealings with workers and employers, and we expect him to stick to that oath. So we are not surprised that the Deputy and Minister O'Mard took such positions.

After all, it is now over ten years since this Government has been returned to office with many new and young faces. It might have been a bit presumptuous on our part to assume that because these Grammar School and University trained young men agreed to associate themselves with the Socialist Labour Party and even permitted us to call them Comrades, that they were genuine champions of the working class, but we have had a rude awakening. We have observed a centre of the right conservative pro-business swing of the Party. We have seen very, very little pro-worker legislation enacted by the Government for the last 10 years. With a little urging, feeble attempts were made to introduce legislation which the ruling class objected to, and in spite of those measures, two Bills to be exact, having been passed by the Lower House and one having been passed by the Senate, they have been allowed to remain in a state of 'limbo'.

The two measures in question are the "Rent Act" which introduced a 5% tax on rent collected by landlords. There was an awful howl from the owning class who were called upon to pay 5% tax on all-rentals of property to the Treasury. The voices of the ruling class were heeded and the 'bill' never saw daylight again. The other piece of legislation was the introduction of the "Status of Children Act" which sought among other things, to give some legality to children born out of wedlock. This measure has been introduced in the other islands many years ago even Great Britain got into the Act, but yet our aggressively pro-business Government passed it in the Lower House

and after the hue and cry from the elites, it was also confined to the waste paper basket. Is this the action of a Labour Government?

The President of the A.T.L.U. has always been agitating for amendments to the Workmen's Compensation, the Industrial Court Act, the Labour Code and Social Security Act, all these in the interest of the working class. The pleas of the President and the Union have fallen on deaf ears. The whole of the Workmen's Compensation Act needs amending, not piece meal as it is being done. Social Security Act needs amending, especially to include those persons who were already 60 years and over. We have asked them to introduce legislation whereby employers are requested to pay into the Treasury 1% of their wages bill as insurance for workers severance pay. The Government of St. Kitts/Nevis introduced this a few weeks ago.

What is the matter with this Labour Government. We ask for a revision of the Companies Act whereby workers would be given priority over other debentures, when such establishments go bankrupt or into receivership. Workers take priority in the Workmen's Compensation Act - Why not in the companies Act. We have requested a positive variation in the Minimum Wage of the country. The last time that it was revised was in 1981. All that we have received so far are promises. We have been very tolerant. Workers are noticing the drift to the right of the Government and becoming very concerned.

While I can excuse people like the Deputy and the Health and Agriculture Ministers, I just can't understand why the others do not bring to bear a little pressure in order

to have some of these measures which would assist the little man, introduced and passed into law.

It is no wonder that Cde. Myers and Williams, before his death, distanced themselves from this type of behaviour which is being exhibited by persons who are supposed to represent the working class. An about-turn midway through your term wont be too bad. The old saying still goes, "A stitch in time saves nine."

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ANTIGUA AND BARBUDA

BRIEFS

WORKERS VOICE CHANGE--As from today, September 3rd 1986, the Wednesday issue of the Workers Voice will again be on the news stand around the country. The newspaper which has always been bi-weekly, was forced by our printers to our Saturday issue only because of problems with their old press and the instalment of a new one, as a result of which our Wednesday issue was discontinued for the couple of months. Happily, all problems have been overcome and we are back in circulation as from today. We thank our subscribers for their understanding and tolerance of the situation, and apologise for any inconvenience caused once again. [Text] [St Johns THE WORKERS VOICE in English 3 Sep 86 p 1] /9317

CSO: 3298/009

ARGENTINA

ENTEL CHIEF'S ATTITUDE TOWARD SATELLITE CRITICIZED

PY071725 Buenos Aires DYN in Spanish 1659 GMT 6 Oct 86

[Text] Buenos Aires, 6 Oct (DYN)--Juan Roldan Moreno, the chairman of the organizing committee of the first Argentine and Latin American seminar on satellite system development and planning, which was recently held in San Juan, today criticized ENTEL [National Telecommunications Enterprise] General Manager Jose Guerra, who opposes putting an Argentine satellite into orbit, arguing that "Guerra's stance opposes President Raul Alfonsin."

In a lengthy press communique, Roldan Moreno states that Guerra's comment that "a satellite above Argentina is not justified" has left him "astonished" because this is contrary to the statement made by the president who "has specifically mentioned on the political platform and in the summary published on the occasion of his first 100 days in government his willingness to put our own satellite into orbit."

Roldan Moreno also asked the national congress to declare "of national interest the launching of our own satellite," and recalled that on 28 February 1985 the current government formalized, just 48 hours before the deadline, a request for reserving two points of a geostationary orbit for two multipurpose domestic satellites."

Roldan Moreno explained that "in the geostationary orbit above the equator there is room for just 120 national satellites and there are many more countries in the world. For this reason all interested countries had to make reservations." He noted: "We have made our reservations. What is still pending is the political decision of the national executive branch to implement the bid for building and launching the satellite."

Roldan Moreno warned: "The deadline for putting the satellite into orbit is in 1988 and if we do not do so by then we will lose our right to a place, which will be taken up by another South African country, and Argentina will continue having to rely on the rental of 1 and 1/2 transponders [preceding word in English] when it could use all 24 transponders of our own satellite."

Regarding the advantages of having our own satellite, Roldan Moreno emphasized "its use in televised education, in supporting communications with hospitals and medical service centers, and in radio station and television station transmissions, which will liberate us from our dependence, in an indiscriminate, massive, and uncontrolled way, on material that does not agree with our way of thinking."

Roldan Moreno also pointed out that "the satellite will also increase and improve telecommunications, and the new systems resulting from combining the traditional systems with the computerized ones will substantially enhance the current services."

In conclusion, concerning the economic argument opposing the installation of an Argentine satellite, Roldan Moreno stated that "the investment would total 360 million, which would be recoupable within a short term," and referred to "the opponents [of the project to launch a satellite] who do not care to remember the high annual cost of the 1 and 1/2 transponders rented from INTELSAT."

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CSO: 3348/45

ARGENTINA

SOURROUILLE DEMANDS FINANCIAL RELIEF MEASURES

PY021125 Buenos Aires TELAM in Spanish 1052 GMT 1 Oct 86

[Text] Buenos Aires, 1 Oct (TELAM)--Argentine Economy Minister Juan Sourrouille has demanded financial relief measures for Latin American countries to help them reactivate regional economies and allow them to fulfill their foreign commitments. He added that these nations have wasted a decade in achieving development.

Sourrouille made this comment in representation of Latin American countries, Spain, and the Philippines while addressing the annual IMF and World Bank meeting, according to a DPA article datelined in Washington.

The Argentine economy minister discussed the economic setback that Latin American countries have experienced in the last few years and said that the GDP per capita is now comparable to what it was in 1977. He said this means that since 1977, these nations have wasted a decade in achieving development.

Sourrouille said that the transfer abroad of foreign debt payments is aggravated by real interest rates of more than twice the traditional interest rates. He also warned that there is no economic adjustment or reform program to help to compensate for the lack of financial resources caused by these payments.

Sourrouille said that between 1982 and 1985, Latin America experienced a drain of about \$106 billion because of foreign debt payments. Therefore, from the point of view of developing countries, it is not easy to be as pleased as the industrialized countries seem to be about the evolution of the world economy.

Sourrouille also mentioned the slow growth that characterizes the economies of industrialized countries, and said that growth indexes this year were lower than had been estimated. He expressed concern that this will unleash more protectionist measures in addition to those that are already blocking the exports of developing countries.

Sourrouille also said that because developing countries have had to decrease their exports in view of the permanent need to use resources to pay the foreign debt, the economies of industrialized countries have also been affected, and this is reflected by the fact that there are 30 million people unemployed in the developed world.

ARGENTINA

BRIEFS

CUBAN PRISONERS RELEASE SOUGHT--Buenos Aires, 5 Oct (AFP)--The Coalition of American Commissions for Human Rights in Cuba [Coalicion Americana de Comisiones Pro-Derechos Humanos en Cuba] has asked Argentine President Raul Alfonsin to help attain the release of political prisoners that Fidel Castro's regime has kept in prison for the past 25 years. In a note addressed to the Argentine president, the commission voices asks Alfonsin to request the release of the 132 political prisoners, during the meeting he will hold on 18 October with Fidel Castro in Havana. The coalition notes that the prisoners have been unjustly imprisoned for the past 25 years for defending liberty. The note states that currently there are approximately 14,000 Cuban political prisoners. This coalition is certain that you will demand that Castro respect the UN Universal Human Rights Declaration, and will request the release of the political prisoners serving the longest sentences on the continent. The message ends by stating that by making this request the chief of state will set an example for the world and will certainly provide the grounds for Argentine to be awarded the Nobel Peace Prize through him. [Text] [Paris AFP in Spanish 1407 GMT 5 Oct 86 PY]

INTELLIGENCE UNDERSECRETARY ON RECRUITMENT--Buenos Aires, 6 Oct (NA)--Oscar Torres Avalos, who has been appointed SIDE [Secretariat for State Intelligence] planning undersecretary, today announced the creation of a "professional intelligence career," and pointed out the need of "professionalizing and rationalizing" the government intelligence service. In a brief statement made as he was leaving his current post of Foreign Ministry technical and coordinating undersecretary, Torres Avalos pointed out that when he takes charge of his new duties he will create "a rational recruiting system" for SIDE personnel. Torres Avalos noted that to this end he will implement training courses for those officials and will create "a professional career" in the field of intelligence and information. The brand new SIDE planning undersecretary, who will keep his ambassadorial rank, expresses his solidarity "with Foreign Minister Dante Caputo and his management system." Torres Avalos will be installed tomorrow at 1100 during a ceremony to be held at the SIDE headquarters. The ceremony will be presided over by SIDE's head, Facundo Suarez. [Text] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 2155 GMT 6 Oct 86 PY]

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CSO: 3348/45

BRAZIL

JUSTICE MINISTER INTERVIEWED ON CRIME, VIOLENCE, DRUGS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Aug 86 p 38

[Text] To improve the image of the police. That is one of the main concerns of Paulo Brossard, minister of justice. His immediate goal--which can only be realized next year--is to obtain more funds for the ministry, which he says is "impoverished."

One of the last heirs of the legendary Libertador Party and one of the few Brazilian politicians who, without reservation, can be called a "liberal," he is a thrifty administrator. "I got rid of the measures that would assure me of a statue in a public square. I prefer small, short-term things." As a jurist, he was opposed to the anti-violence package that the government had sent to Congress when he accepted the position. As one who believes in unity, however, he supported President Sarney in an attempt to get the package approved.

But Paulo Brossard's virtues are not sufficient to guarantee his success in the day-to-day confrontation with the rise in criminality and violence in general. He is still fighting old internal enemies of the government: corruption, incompetence, and the lack of credibility in the actions of the judiciary. And no wonder. For 5 days the reporters from O ESTADO have been portraying--through this series of articles--the scale of violence, the increase in the brutality of the acts committed by criminals, the suffering of the victims' families, the women and children who have been beaten, the outlaws disguised as sheriffs in the distant suburbs, the petty street criminals, the sluggishness and failures of the justice system, and the limitations of the police. At 61, this overseer of national violence is a citizen with the same fears as many of us; he even avoids walking along the streets of his native Porto Alegre. But he does not give up. In our final report in this series, O ESTADO interviews Minister Paulo Brossard. And he tells us how to begin a long-term fight against violence.

[Question] Does the escalation of violence justify your intervention?

[Answer] That was not my choice. It is a consequence of events. I assumed the post of minister at a point when that issue was becoming a hot topic. At first, much importance was ascribed to the problem of rural violence but right away I called attention to urban violence which, obviously, is much greater. This is not something unique to Brazil or a privilege of the poorer countries.

Violence is everywhere. An act of violence does injury to this or that right and many times impairs the greatest right--the right to life, without which there is no longer any point in talking about human rights.

[Question] What is the government's responsibility in this regard?

[Answer] I have said from the outset that the problem is much bigger than the government. Even if we were to combine the federal and state services, the problem exceeds the capabilities of public administration. That is why collaboration on the part of society is vital. If I could resolve the problem with some law, I wouldn't hesitate to do so. That is not the case, however--it is just not within the possibilities of one man, no matter how talented, well-funded, and good-intentioned he may be. If each one of us would do a little, we would achieve remarkable results.

[Question] How do we deal with such an extensive problem?

[Answer] There are several ways. One of them is to upgrade the image of the police. Brazilians have never thought well of the police. Police, violence, and arbitrariness have been synonymous. Not to mention police and corruption, police and abuse. Police have been selected by the most inappropriate manner possible, just because that service was never highly regarded and its personnel selection processes are neglected. Some states, like Sao Paulo, have a police academy, competitive examinations, but others....

[Question] But doesn't this distorted image have historical roots?

[Answer] The policeman, historically, was someone unsuited to other positions. He had to be tough and brave, free-wheeling, able to face very difficult situations. We armed him, gave him a uniform, often a sword on his belt, a musket. Well, he's anything but a policeman. The police service must begin to be respected. The policeman is just as important as the service rendered by the judiciary. Or even more important, because his function is prevention. To improve the image of the police is to give those men better skills. That cannot be done on the spur of the moment.

[Question] Is security really a national priority today?

[Answer] The problem must be looked at from two angles. One is the immediate; the other requires some time. The two need to be dealt with at the same time. The police must function. If the service doesn't work, there is no use issuing decrees.

[Question] Is there a shortage of funds?

[Answer] I would prefer a situation where I did not have money but had the human element to a situation where I had money, but no human resources. There are two ways to transform the human element; through government and society, demanding that the services function. Depending on whether the policeman is respected or punished, he will act differently. If the police act properly, they are doing nothing more than they are required to do. If they falter, they are criticized, justly criticized.

[Question] Do you see any relation between the increase in the tax burden on the taxpayer and the decline in police credibility?

[Answer] In recent years, during the authoritarian period, the police—with their loyalties to political bosses and other strongmen—became an instrument of repression, of defense of an authoritarian regime that was afraid of its own shadow. In fact, the more preventive the police action is, the less repressive it is. Created 20 years ago, during the dawn of authoritarianism, no one liked to hear the Federal Police mentioned. Today, I have even seen them applauded at a meeting of aldermen in Niteroi. The number of requests for Federal Police intervention received at the Ministry of Justice is an indication of its good reputation, and of the bad reputation of the state police. When I assumed the post of minister I said in a meeting that I wanted to be able to say publicly that I take pride in the Federal Police. I have been impressed with the number of policemen that have been weeded out.

[Question] Isn't it significant that all the candidates for state governor have rallied around the law and order issue?

[Answer] Yes, they are all flying the law and order flag. Is this only to get votes? Maybe. But the day will come when we can't fool around anymore. The people themselves will demand that the authorities provide a safe environment.

[Question] An example. The Montoro administration has spent very little on public safety during its 3-1/2 years in power. Recently, it released an appropriation of one billion cruzados for the sector....

[Answer] Bless them for that.

[Question] Why didn't they do that before?

[Answer] I don't know. The other day, Montoro gave me a series of data on what he has done so far. Quite a bit. If the problem is becoming more acute now, well blessed be the administration that takes action.

[Question] But the lack of security is not a new one....

[Answer] I am not here to defend the Montoro government, but when he took office things were not going well. I think that when someone does something well, even if a little late, he deserves credit.

[Question] But what about the structural changes that are needed and haven't been made?

[Answer] Major structural measures take a lot of time to yield results. I prefer small steps. They accomplish more together than those that are imagined to be ideal. I don't like perfection. We'll correct the imperfections. It is vital to create a certain attitude on the part of the public, and today we have this, to a reasonable degree. If the police in Sao Paulo State have a lot of faults, imagine what the police in the other states are like.

[Question] Don't you think that the laws are made just to benefit the criminals?

[Answer] Preferably, laws in Brazil are made to be broken. There is a humanitarian, liberal tendency to see the accused as a victim of society; actually, the reverse is true. The bleeding heart attitude constitutes a serious attack on the common man who has a steady job and doesn't steal. We run the risk of losing our sense of proportion.

[Question] Does the anti-violence package being considered by Congress try to change this?

[Answer] It is an attempt at more forceful, more rigorous legislation.

[Question] The package gives amnesty to first offenders who have been sentenced to less than four years imprisonment. It will benefit swindlers, murderers, and those who receive stolen property. There's one article that modifies the Fleury law but, strangely--according to prosecutors--lets drug dealers go free. A lot of people don't understand a legislative package that sets drug dealers free on appeal and gives amnesty to criminals.

[Answer] I have a hard time dealing with this topic. That bill didn't get my vote. On the contrary, I was defeated. My proposal was completely different. It did not increase the penalties, did not grant amnesty. It was much simpler. In general, lawyers oppose the bill. Now, Congress may amend it.

[Question] Is that what you hope will happen?

[Answer] If I were a congressman, obviously.

[Question] Four out of every five Brazilians sentenced by the courts are on the loose. In Sao Paulo State, the prison system has 13,000 vacancies, while there are 60,000 under sentence. And you have already said that you are afraid of being mugged when you go out at night. Are you still afraid?

[Answer] My situation is no different from yours. It is a reality. And it is exactly that reality that we must change. We have lost the habit of doing things with less haste. If eight nuclear power plants are needed, why not build two? We have to build a railroad in a thousand days. That's immortality. Now you can cross the entire city and not see one policeman. The most basic type of security for everyday needs requires a visible police presence. IN the old days, people walked on the street and heard a whistle here, another there. It's a simple thing; it does not need a great deal of skill: a simpler, more modest police presence that can be achieved with ordinary people. That has disappeared from our cities. Another thing: there are distortions. A traffic cop only gives out tickets. He doesn't do anything if someone is mugged right nearby. I'm worried about today, not tomorrow. I'm minister of justice today, but I don't know for how long. Without jeopardizing permanent and lasting measures, of course.

[Question] Someone whose family has been raped and assaulted takes justice into his own hands. Why?

[Answer] Violence has increased, the delinquent no longer respects the police. We're going to get to the problem in the courts, the problem of impunity. The prison problem is a completely separate, but serious, problem. For a long time our criteria for public spending have been topsy-turvy. If you build 20 prisons, it is unlikely you'll get a single vote. You cannot imagine the number of people who believe that the minister of justice solves judiciary issues. The problem of the administration of justice becomes unfortunate in some cases, because of delays. People complain about the police. Few complain about the operation of justice. In the last analysis, there is a certain amount of fear. In some places, the administration of justice is non-existent.

[Question] Give us an example.

[Answer] When the problems in the "Bico de Papagaio" [parrot's beak] region became acute, A went to Maraba, in southern Para State, and found out something incredible: no jury had been convened for 12 years. This was not for lack of raw material (laughter). Later, they started convening juries. It was necessary for the minister of justice to go there and conduct an intense publicity campaign about the matter. Twenty years ago, Maraba had 2,000 residents. Today, there are more than 200,000. The population has grown by 10 percent a year, or more. They don't have grandfathers there, only fathers. The bishop of Imperatriz, in Maranhao State, got on a bus and a passenger told him he had a check to collect and asked for the name of a good gunman. It never occurred to him to ask for the name of a good lawyer. That's a lack of police, of justice. In their place we have a substitute: the gunman.

[Question] Your diagnosis shows that the population explosion, urbanization, and migration to the cities have brought about the present level of violence. And what is being done about it?

[Answer] Public services can't keep up with the population explosion in Imperatriz. Imagine what happens, then, when there is a certain degree of lethargy. We're paying now for all that was left undone in the past. What are we going to do, change countries? We have to begin with modest efforts, but we have to start.

[Question] As the disparity between the security needs of the population and the apathy of the local authorities in those areas widens, is there a threat to the regime?

[Answer] Have you ever visited the gold-mining areas? It's another world. Something that would keep you awake nights. The government will have to do something. If Serra Pelada were to suspend activities tomorrow, I don't know what would happen around there. An entire population would be on the loose--one that has made a pact with Lady Luck. Naturally, these are things that don't happen in France--a country with a stable population--or Germany. But they are happening in Brazil.

[Question] Tell us a little more about the lack of faith in the judiciary.

[Answer] Notice how no attention is given to the public service. It seems to be something that isn't relevant to us. This attitude comes, perhaps, from the time when, because of rigged elections, the government was a creature independent of the voting population. Another thing: I don't agree, but I understand that in the simplistic view of the average man, the death penalty is seen as a solution.

[Question] What do you think of the trend toward the population arming itself?

[Answer] That represents the bankruptcy of public service.

[Question] And what can be done about it?

[Answer] We have to combine all the resources. On television, for example, the amount of violence is amazing. Even in the cartoons violence is an everyday occurrence.

[Question] And drug use?

[Answer] Drugs are the ally of violence. Its partner. This is a problem that extends beyond the responsibilities of a government. The sale of drugs is the most lucrative business in the world. The groups involved in it are way ahead of the organization of the state. They use vehicles, aircraft, radios, etc. And lots of money. Our "innocent jogo do bicho" which even has high-placed patrons, is a disguise for narcotics, white slavery, and crime. Until recently it was said that the police would not go into combat against the "jogo do bicho."

[Question] It is often said today that cocaine can be found on every corner....

[Answer] The traffic has spread because of the increase in purchasing power. It is not just coincidence that the United States is the biggest market in the world.

[Question] Some time ago it was the upper middle class that bought cocaine. Today it is the bank robber, the burglar who steals from houses. Cocaine is exchanged for gold and jewelry. Is the bank robber's money used to pay lawyers, buy drugs, and bribe the police?

[Answer] Certain personalities, mainly those in show business, put the traffic in drugs in a very romantic light. Drugs are part of, and a precondition for, assaults.

[Question] What is your ministry's budget for penitentiary and prison farm construction?

[Answer] The funds are budgeted by the states. We have complained about the deficiencies of the federal government. But the first thing people ask for is money from the federal government. I received a letter from the governor of Alagoas, asking for an appropriation of 700 million cruzados. Alagoas is a state that allows itself to have a whole galaxy of marajas. That state won't

get any money from me--not until they get rid of the marajas. They'll say it is discrimination. I assume that responsibility: it is discrimination, yes. A state that can maintain a maraja won't get any money.

[Question] And will Sao Paulo get any money?

[Answer] For Sao Paulo, yes, but let's agree on what's appropriate. Sao Paulo is a much wealthier state.

[Question] What is the criterion for handing out funds?

[Answer] So far, I don't even have money for a cup of coffee. We are supposed to receive an appropriation of bank loans through the Caixa Economica.

[Question] The budget has all been used up in 7 months?

[Answer] The ministry is really impoverished, but there are states that are asking the ministry of justice for VCR's, easy chairs, sofas, freezers, refrigerators, radios, television sets, grenades, chemical products, defoliants, etc. This shows how precarious our services are. Do I have the authority to change this? To change the state services overnight? No. So then, I am forced to work with this.

[Question] The law on the execution of sentences permits an inmate to go out and build schools and hospitals. Why not in the case of the jail, where there are 5,000 men who do nothing all day long?

[Answer] It would be a thousand times more useful for society if inmates work, to reduce their sentence by working, than to be left there idle, without dignity. The problem is that the guy goes out and never comes back. My friend Aliomar Baleeiro said he wasn't familiar with Brazilian prisons. He got to know those in Bahia and used those as a basis for judging the prisons of other states. The prisons had furniture factories and binderies. I would like to have a bindery in Rio Grande do Sul.

[Question] Have you ever been mugged?

[Answer] No, don't even talk to me about that.

[Question] How does it feel to be an exception?

[Answer] I feel privileged. In Porto Alegre I used to live on the twelfth floor of an apartment building downtown. Then I moved to a house. Sometimes I really would like to go out and walk around, but I end up not doing it. Until I get inside the house, I am always on the alert.

[Question] Have you ever thought of buying a weapon?

[Answer] I have had a gun for many years. But I don't go around armed, although I have carried it on some occasions. But that sort of thing doesn't appeal to me.

[Question] And what do you think about the people in Brazil who go around carrying guns?

[Answer] I don't think its a good idea. I have a gun in my house.

[Question] Isn't that the same thing?

[Answer] No.

[Question] Would you shoot a thief?

[Answer] I hope God spares me the burden of such a decision, the pain and sacrifice. But what can I do if the guy breaks into my house?

[Question] Geraldo Forbes, a feature writer for O ESTADO, says that the number of cars stolen in Brazil has already exceeded the entire production of Fiat. Isn't that a terrible situation?

[Answer] I have read that the number of stolen cars is equivalent to the country's monthly output of automobiles. The other day, the federal police published a list of the vehicles, about 3,000 of them, that had been recovered but were unclaimed by their owners. We ought to begin over again, as though we were just getting out of a war. And since it is impossible to do everything at once, I would begin with the human element. Budget appropriations are very important, but professional competence is basic. I remember now something Assis Brasil said: one day in January he was leaving his house to catch a train at the Pedras Altas station. It was a terribly hot day. An ordinary citizen approached him and said: "but Dr Assis, are you going to travel in this hot sun?" The answer: "I haven't any other one." We have to get going.

[Question] What else can be done?

[Answer] In Rio Grande do Sul, they recently seized 600 kilograms of marijuana on the rifle range. I talked with President Sarney soon afterward. We were going to order an investigation. If that farm is used to grow marijuana, it ought to be incorporated into the agrarian reform plans. There is no provision for this in law, but it is a practical measure that would be widely praised. If it is not just a storage site, I am going to recommend that we incorporate that property.

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CSO: 5300/2132a

SCIENCE AND TECHNOLOGY

BRAZIL

COPYRIGHT LAWS WILL COVER SOFTWARE

Sao Paulo GAZETA MERCANTIL in English 1 Sep 86 p 5

[Text]

The National Council for Information Technology and Automation (Conin) met Tuesday for the third time since it was created in 1984. It voted 19 to five in favor of placing computer programs and other software under internationally accepted copyright rules. The decision raises the possibility of stemming the current inflow of pirated software from other countries and is seen as a conciliatory move by the federal administration on the eve of President José Sarney's state visit to the U.S., due to start next week.

Talks between senior U.S. officials and a Brazilian mission in Paris on the "market reserve" policy limiting foreign investment in the computer industry and strictly controlling imports of electronic components recently ended in Paris in an atmosphere of mutual embarrassment (report in last week's issue). The need to regulate Brazil's anarchic software market has been one of the U.S. mission's constant requests.

**Dissent.**—Five of the eight representatives of private-sector associations with seats on Conin opposed the move. They include computer users, data processing bureaus

and programmers. "It was a hasty and inopportune decision", said Cláudio Mammana of the Brazilian Computer Association, accusing the government of bowing to U.S. pressure.

In Congress, leftwingers and nationalists said Sarney has abandoned the "market reserve" policy in practice, while continuing to defend it rhetorically.

Communications Minister Antônio Carlos Magalhães, an opponent of SEI, the federal agency which enforces market reserve legislation, was lavish in his praise for Conin's decision. "It was an excellent move, and backed by a consensus," he said.

Copyright legislation now in force in Brazil for literary and artistic works gives full protection for 60 years after the author's death. Conin's proposal is that this period, considered too long for the computer industry, which is constantly innovating, should be cut to 25 years as other countries have done. Protection may be limited to as little as six or eight years, however, according to one government official.

**Incentives.**—Conin also voted to award fiscal incentives to six companies because they invest 10% of their sales income in research and

development. They include Elebra Informática, Ecodata and Altus, makers of numeric control, data processing and microelectronic systems of various kinds.

They will be able to deduct from tax returns their spending on software development, research into new technology and training. A further 13 companies will have to wait until Conin's next meeting to submit their applications again. They haven't supplied enough evidence of investment in research and development, a Science & Technology Ministry official explained.

Conin also voted to allow Filizola, the leading producer of electronic weighing machines, to appeal against SEI's decision not to give it "market reserve" protection, alleging that its goods have nothing to do with information technology. Filozola's appeal has an ironical twist, as SEI has invariably ruled hitherto that products such as toys and home appliances must comply with its import restrictions merely because they contain electronic components.

Officials sources in Washington told this newspaper Thursday that Conin's decision on software is the "first step" towards an understanding.

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CSO: 3699/3a

SCIENCE AND TECHNOLOGY

BRAZIL

SIEMENS FIRST CASUALTY OF COMPUTER MARKET RESERVE POLICY

Sao Paulo GAZETA MERCANTIL in English 1 Sep 86 p 8

[Text]      Because of the "market reserve" policy restricting foreign investment in computer technology and microelectronics, West Germany's Siemens AG has decided to shed its 49% stockholding in Equitel S.A., a telephone equipment manufacturer controlled by the Hering group of Santa Catarina.

Hering itself has asked SEI, the federal agency which enforces market reserve (page 5), for permission to buy Siemens out for an undisclosed sum. Siemens will probably hold on to a share of preferred stock, however.

According to vice president Ivo Hering, SEI's ruling is a matter of surmise, as market reserve legislation seeks to deter companies from entering into even minority partnerships with technology suppliers.

Siemens sold its controlling interest in Equitel to Hering in 1980, precisely because of increasingly strict market reserve enforcement.

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CSO: 3699/3a

SCIENCE AND TECHNOLOGY

BRAZIL

USSR WANTS MICROCOMPUTERS, AUTOMATION EQUIPMENT

Sao Paulo GAZETA MERCANTIL in English 8 Sep 86 p 11

[Text] A mission of 25 Paraná state officials and businessmen on a visit to the Soviet Union is conducting negotiations involving some \$35 million in bilateral trade over the next few years, Gov. João Elísio Ferraz de Campos told this newspaper in Moscow Tuesday.

Brazil will import over \$1 million a year in fine food products and alcoholic beverages alone, one businessman said. The Paraná mission is also negotiating the purchase of technology for food production and a joint venture for deep-sea fishing beyond the 200-mile limit, in which the Cacique industrial conglomerate has expressed interest.

Fernando Miranda, Paraná's industry and commerce secretary, said a joint venture to set up a tractor plant in Curitiba, the state capital, is also under discussion. Moscow is interested in supplying equipment for the construction of a hydroelectric power plant in the state, as well as importing microcomputers and automation equipment.

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CSO: 3699/3a

SCIENCE AND TECHNOLOGY

BRAZIL

AUTOMATION EQUIPMENT SALES TO SKYROCKET IN 1986-1987

Sao Paulo GAZETA MERCANTIL in English 18 Aug 86 p 11

[Text]

Sales of industrial automation and numeric control equipment are expected to total \$60 million in 1986, 50% more than last year, says Thomas Lanz, chairman of Sobracon, the industry's association. An international conference on the subject organized by Sobracon opened in São Paulo last week.

Next year, Lanz adds, the most dynamic branches of industry will spend a projected \$90 million on robots, logically programmable controllers, and computer-aided design and manufacturing equipment.

Sales of numeric control machinery alone will surge to \$10 million this year. Sobracon's data show that 200 new robots could be installed in the country by 1989, compared with only 26 two years ago.

Demand for automation has been growing steadily since 1984, because of the steep increase in exports of manufactured goods, Lanz notes.

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CSO: 3699/3a

SCIENCE AND TECHNOLOGY

BRAZIL

HEWLETT-PACKARD JOINS EDISA TO CIRCUMVENT 'MARKET RESERVE'

Sao Paulo GAZETA MERCANTIL in English 4 Aug 86 p 8

[Text] U.S.-owned Hewlett-Packard do Brasil has sold its computer and calculator operations to Iochpe, a finance and agribusiness group based in Rio Grande do Sul.

Luiz Carlos Barata, HP's president, says the move was a direct outcome of the government's "market reserve" policy which restricts foreign investment in computers. HP's plans to produce superminis were stopped in their tracks recently when SEI, the federal agency which oversees the information technology industry, decided to reserve this field too for locally-owned manufacturers, although restrictions have applied hitherto only to micros and minis.

Now HP will supply computer and calculator technology to Edisa, the Iochpe group's computer division. Edisa in turn has set up a new subsidiary, Tesis Informática S.A., to market specialized HP technology such as computer aided design equip-

ment, as well as its superminis.

The association will give Edisa a much-needed injection of vigor, as it has been struggling to keep abreast of technological innovation for some time. With starting capital equivalent to \$5 million and HP's technology, Tesis will be launched in an advantageous position to enter a rapidly growing market.

HP, which has operated in Brazil since 1967, will continue to use its own name and subsidiary to market imported electronic measuring, testing and medical instruments. Sales of these 6,000 items totaled \$13 million equivalent in 1985.

Earlier this year, IBM initiated a similar move to get around the "market reserve" policy by creating Gerdau Informática S.A., a data processing bureau, as a joint venture with the Gerdau group, the country's biggest private-sector steel manufacturer (report in February 24 issue).

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CSO: 3699/3

SCIENCE AND TECHNOLOGY

BRAZIL

IBM TO BUILD DISKS, COMPUTERS DESPITE PROTECTIONIST LAW

Sao Paulo GAZETA MERCANTIL in English 15 Sep 86 p 2

[Text]

IBM do Brasil announced Tuesday that SEI, the federal agency in charge of enforcing the market reserve policy that limits foreign investment in the computer industry, has approved its projects to manufacture large magnetic disks and four models of its 4381 computer line.

SEI's approval, which came on the day of President José Sarney's arrival in Washington, was "an important political gesture" to show that the computer law doesn't unfairly restrict foreign investment in Brazil, said Science & Technology Minister Renato Archer.

Rudolph Hohn, president of IBM do Brasil, said Wednesday that SEI's approval of the projects was a technical decision which merely coincided with Sarney's U.S. visit. IBM's project to produce large disks in Brazil has been under review by SEI since the beginning of the year. "SEI decided to give the go-ahead three weeks ago, but the official announce-

ment was only made Tuesday," noted Hohn.

IBM plans to invest \$70 million to make magnetic disks of 2.5 and 5 gigabytes. The peripherals and MG 12, 13 and 14 models of its 4381 computer will be produced at IBM's plant at Sumaré in the state of São Paulo to meet both domestic and foreign demand. The MG 11 model, however, will only be made for export.

SEI's approval is being viewed with concern by national computer manufacturers such as Microlab, Sid Informática and Elebra, which also plan to produce large magnetic disks.

Antonio Didier Vianna, president of Microlab, claims IBM's output will be enough to fully meet domestic demand, estimated at 1,000 disks a year—which would put local firms out of the running. SEI's decision still has to be ratified by the National Council for Information Technology and Automation (Conin), in accordance with computer legislation, he says.

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CSO: 3699/3

SCIENCE AND TECHNOLOGY

BRAZIL

PAPER REPORTS ON GROWTH OF ELEBRA S.A.

Sao Paulo GAZETA MERCANTIL in English 4 Aug 86 p 8

[Text]

Elebra S.A., a leading locally-owned information technology company, is undergoing an unprecedented period of growth in the telecommunications field. Its orders total \$40 million for the next 18 months.

Sales are expected to reach \$90 million in the nine months from April through December, with 28%, or \$24.8 million, coming from telephone switching equipment. Investment in new machinery and in research and development will total \$30 million in the period.

Elebra has won government contracts for 50,000 lines to be used in stored-program digital switching centers, and is supplying 12 private business exchanges, also using digital technology.

In Elebra's previous reporting period, from April 1985 through March 1986, global sales totaled \$80 million, with telecommunications equipment accounting for 18%.

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CSO: 3699/3

SCIENCE AND TECHNOLOGY

BRAZIL

PROTECTIONISM MAY BE EXTENDED TO OTHER AREAS

Sao Paulo GAZETA MERCANTIL in English 11 Aug 86 p 3

[Text]

A report prepared by the Industry & Commerce Ministry as the basis for industrial policy in the next three years specifically recommends extension of the "market reserve" protecting locally-owned computer makers to virtually all branches of industry.

Joint ventures with foreign capital will be permitted providing local control of ownership and technology is "transparent." Industry & Commerce Minister José Hugo Castelo Branco says the draft incorporates suggestions put forward by private enterprise in talks held last May.

The Planning and Finance Ministries are now working on a revised, detailed version of the plan, which should be ready by September.

If the "market reserve" approach is finally adopted, it will apply to what the report calls "strategic" activities. Among these are fine chemicals, precision engineering, aerospace, new materials and metals.

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CSO: 3699/3

SCIENCE AND TECHNOLOGY

BRAZIL

JAPANESE MICROCHIP IMPORTS MAY INCREASE

Sao Paulo GAZETA MERCANTIL in English 11 Aug 86 p 3

[Text]

The government is bracing itself for possible retaliation from Washington in response to its "market reserve" policy on information technology. José Rubem Dória Porto, head of SEI, the agency that enforces the policy, has just returned from Japan, where he consulted leading companies about an increase in supplies of microchips.

Imports of computer chips currently total \$300 million a year, 90% from the U.S. Porto wants to raise Japan's share to 25%.

On Wednesday, as officials in Brasília announced that the fourth round of talks on computer policy will be held this Monday with a U.S. trade mission in Paris, Sen. Roberto Campos and 53 other congressmen petitioned the Supreme Federal Court to repeal the *Lei da Informática*. It's an "unconstitutional" law, the petition claims, because it permits state intervention in a free-enterprise economy.

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CSO: 3699/3

CHILE

NUNEZ ON DEFEATING DICTATORSHIP PEACEFULLY

PM011316 Rome AVANTI! in Italian 28-29 Sep 86 p 12 (AVANTI! DELLA DOMENICA supplement)

[Chilean Socialist Party Secretary Ricardo Nunez article: "How to defeat Chilean Dictatorship Peacefully"]

[Text] Following recent events Chile is in a very critical situation. Horror, bewilderment, and uncertainty are the dominant feelings among the Chilean people.

The government's announcement of the discovery of a huge weapons arsenal; the attack suffered by General Pinochet and his escort; the demonstration (whose cost is estimated at about 2 million dollars) at which the general announced his intention of remaining in power and the proclamation of a state of siege, which provides cover for the perpetration of kidnappings, murders, arrests, expulsions, threats, and persecution against socialist and other political leaders--all these paint a picture of profound national unrest.

Pinochet has gone on the offensive in the short term--or apparently so. Nevertheless the contradictions within the regime remain and are in fact growing worse, so none of the leaders of the other branches of the armed forces or law and order forces supported the disastrous diagnosis of the decision whereby "Chile is at war." At the same time none of them has yet gone back on earlier statements about the need to reform the present constitution and to allow the direct election of a president in 1989.

Real conditions show that measures as extreme as those being adopted will not succeed in resolving Chile's serious political, economic, and social problems, still less in stifling the Chilean people's aspiration to freedom and democracy.

In a situation such as that which we have described, the challenges that the opposition has to face are more pressing than ever. To reach complete unity it will have to overcome many obstacles: Everyone, without exception, will have to be prepared to participate at the same level and with the same methods in the struggle against authoritarianism and at the same time it is necessary to agree on foundations of consensus on which to rebuild the democracy of the future. The accumulated experience of past years shows that it is impossible to combine the various forms of struggle automatically or to be indefinite

about the kind of society to which we aspire. Profound disagreements remain between us socialists and the other sectors of the Left, especially the Communist Party.

Despite legitimate political and ideological differences, on 8 September 13 opposition parties, including ours, signed an important document called the "Foundation for a democratic regime," which further highlights the falseness of the choice presented by the dictator: either him or chaos. In Chile the only real choice is between "dictatorship or democracy."

In the difficult times that we are experiencing we Socialists remain convinced of the validity of the stances that we hold. Neither the militarization of politics nor the polarization of society will permit a rapid end to the dictatorship. Only a mass social struggle, the peaceful rallying of the people, and the people's mobilization for their most heartfelt demands, together with a political platform that is no longer exclusive but feasible and clearly defined will enable Chile to return to the path of peace, justice, freedom, and democracy.

The choice is a crucial one: Either the Chileans regain democracy at once or the country will be overwhelmed by an outright civil war that will seriously jeopardize our national future, with consequent dangers to the stability and peace of this entire part of the continent. Chilean Socialists will not allow their country to become another Lebanon or another South Africa--a country where those who disagree with General Pinochet continue to be killed and oppressed.

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CSO: 3528/3

CHILE

U.S. EXPERTS SAY WEAPONS CAME FROM CUBA

PY232143 Santiago EL MERCURIO in Spanish 19 Sep 86 p C-3

[Excerpt] The U.S. Government has confirmed that the weapons that were illegally introduced into the country over the past few months came from Cuba. This was stated by Minister Secretary General of Government Francisco Javier Cuadra, who stated that the declaration of the U.S. Government regarding the discovery of the caches in the Third and Metropolitan Regions is very important.

Cuadra stated that "it is an important declaration, because when the caches were discovered in the Third Region the government asked the United States to send a professional, expert team, to examine the weapons, especially the M-16's, to find out where they came from. Initial reports had indicated that the weapons had been used by the United States in Vietnam and that when the communists took over that country they siezed the weapons to distribute them through a logistics network to the Soviet Union and other communist countries.

"In this respect, the U.S. Government has told us that the war materiel comes from Cuba, something that we had said from the beginning."

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CSO: 3348/27

CHILE

BISHOP CALLS ARRESTS 'FORM OF TERRORISM'

PY250230 Madrid EFE in Spanish 1709 GMT 24 Sep 86

[Text] Santiago, 24 Sep (EFE)--Bishop Sergio Contreras, secretary of the Chilean Episcopal Conference today termed "a form of terrorism" the arrests of 27 people made without any charges and under the excuse of the state of siege.

Bishop Contreras yesterday visited 14 people who have been in a Carabineros police station in Santiago for 20 days. He met with the arrested political, student, and labor union leaders for nearly an hour. He said that the people he talked with "feel lost because they do not know the reason for which they have been arrested."

The prelate called the arrests "a form of terrorism because they intend to create terror among the rest of the population. If people who cannot be proved to be responsible for the charges... to be arrested without any reason." [sentence as received]

The bishop termed the arrests "arbitrary," and mentioned the case of Socialist leader, economist Ricardo Lagos as an example. He said that "his political position is known around the world, and no one will believe that he is involved in guerrilla-type activities."

Msgr Contreras expressed his concern over the case of two arrested deacons, who are not from Santiago, and who were arrested together with other priests who have already been released.

The bishop also said that he was stunned by the case of Rene Tapia, arrested for 19 days, for having the same name as another person sought by the police, "and with whom he has been confused."

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CSO: 3348/27

CHILE

REPORTAGE ON REACTION TO POLICE RAIDS

Archbishopric Protests Raid

PY012205 Paris AFP in Spanish 1619 GMT 1 Oct 86

[Text] The Catholic Archbishopric of Santiago has protested the raid of one of its retreat houses in a rural sector of Santiago.

The raid, which took place on Monday afternoon, was conducted by seven men who apparently belong to the security organizations of the military government of President Augusto Pinochet.

The Archbishopric has reported that without displaying any orders from the appropriate authorities, the men checked the attic of the building, which is used for religious retreats, after asking about a basement. The Archbishopric termed the raid a provocation.

A similar raid was carried out on Monday night at the Santiago publishing house, Pehuen. The management of the firm reported the raid, and said that even the sewers were searched.

Among other political books Pehuen recently published the book "Fidel and Religion," by Brazilian priest Frei Betto. Its next book will be "The Church's Social Doctrine," based on the speeches made by Pope John Paul II in his trips through Latin America.

The state of siege has been in effect in Chile since the frustrated attack on President Augusto Pinochet and the finding of arsenals which included rifles, explosives, bazookas, and rockets earmarked for leftist guerrillas.

Slum Dwellers Request More Raids

PY012220 Santiago Domestic Service in Spanish 1700 GMT 1 Oct 86

[Excerpt] The inhabitants of a Santiago District made an unusual appeal this morning. They requested massive police raids in some sectors and asked Santiago Bishop Msgr Fresno to visit their slums to get acquainted with the serious situation in which they live.

This petition was made by the neighbours self-defense movement headed by Raul Arevalo Cruz, secretary general of this new organization that was born out of the need to put an end to the abuses committed by criminals, drug addicts, and terrorists.

This regrettable truth prompted the inhabitants of the La Granja, La Pintana, Sam Ramon, Sam Miguel, Penalolen, and Macul neighborhoods to officially request more police raids.

According to the neighbors, the atmosphere of intranquility in which they live is a consequence of the constant robberies by criminals and vandalic actions and this has prompted them to request the raids.

In new of this situation, and the complaints by some church authorities who have criticized the police raids to slums, neighborhood leader Raul Arevalo made an appeal to Msgr Fresno.

[Begin Arevalo recording] Unfortunately, I cannot criticize the church because my religion forbids me from doing so and because I worship the Virgin del Carmen. However, what I can tell Msgr Fresno is that he must personally visit the outskirts of Santiago and see the problems we have, and then, he will perhaps agree with me, a Catholic like himself, and request more police raids. [end recording]

#### Christian Democrats Denounce Persecutions

PY012233 Santiago Radio Chilena in Spanish 1700 GMT 1 Oct 86

[Text] The Christian democracy [DC] issued a declaration this morning to publicly protest against what it calls a new menace to citizens who have not committed any crime.

[Begin Burgos recording] Since the regime imposed the state of siege we Chileans have been living under the imposition of three states of exception, and a persecution against the opposition members has been unleashed without any sort of justification. [end recording]

DC Under Secretary Jorge Burgos also said that the victims of such persecution live in Illapel. They have been subjected to the raids of their homes and work places without any court orders.

[Begin Burgos recording] We condemn these actions and we express our solidarity with our DC slum leaders. We also urge them not to stop their permanent and peaceful actions aimed at recovering the country for all Chileans. [end recording]

This was the DC declaration.

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CSO: 3348/31

CHILE

ARMY TRAINING PLANES CRASH OVER SANTIAGO

PY011319 Santiago Domestic Service in Spanish 2300 GMT 30 Sep 86

[Excerpt] Three young Army officers lost their lives when two single-engine training planes belonging to the Army Air Force Command crashed in the Andean foothills near Santiago.

The first reports on the tragic accident indicate that the incident occurred over the Dehesa District while the two single-engine D041 planes were on maneuvers over the eastern sector of Greater Santiago. They collided in midair, caught fire, and fell to the ground. An Armed Forces prosecutor is investigating the accident.

The police, who quickly arrived on the scene of the accident, have reported that there were no survivors. The sector, which is located close to Lo Curro, was quickly cordoned off by military personnel in order to retrieve the bodies of the victims and to protect the area for the investigative procedures.

Some time afterward the identities of the victims were made known. According to the report they are: Captain Jorge O'Ryan Burotto, Lieutenant Rafael Herrera Castillo, and Sub-Lieutenant Eduardo Shateau Magalaez. Another report, however, indicates that the third victim was Eduardo Victor Magalaez.

When consulted, the officer in charge stated that a communique would be released on the tragic accident some time during the course of the night.

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CSO: 3348/31

CHILE

NEW TRAINING PLANE BUILT WITH SPANISH HELP

PY072105 Santiago Domestic Service in Spanish 1700 GMT 7 Oct 86

[Excerpts] An airplane (?tested) and designed by the National Aeronautics Enterprise [ENAER] 18 years ago today became a reality when it was delivered as part of an order that is being built by this national industry, which is dependent on the Chilean Air Force [FACH].

This is the modern C-101 (GC) training plane which was built using a \$2.5 million investment and under the guidance of the Spanish CASA company. This airplane, which can fly at 800 kph also serves as a fighter plane, according to FACH Commander General Fernando Matthei.

Chile will save foreign currency by manufacturing the planes here, and it will likewise create an infrastructure that will provide more jobs and better future for the country. This infrastructure will, therefore, save dollars that otherwise would be spent abroad, because they will be invested in Chile.

General Matthei said that the next airplanes will be built, and not just assembled in Chile, still using considerable aid from the Spanish Government.

[Begin Matthei recording] If Spain had not approved the continuation of this program we would have not achieved anything. Twenty-four more airplanes of this type have been ordered, and they will mostly be built in Chile, but from the [word indistinct] they will really be built here, not simply put together. [end recording]

General Matthei also said that more joint programs are foreseen with Spain to manufacture several other kinds of airplanes. Among them, he mentioned a fighter plane that could be ready within the next 5 years and which will give Chile the opportunity of marketing them as soon as they are proven.

[Begin Matthei recording] We have been working together with CASA for a year to outline the program for a light, Spanish plane that will serve not only for training but also as a fighter plane. [end recording]

In this manner, the ENAER, has entered into the competitive airplane market, thus achieving something that many thought would be impossible.

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CSO: 3348/42

CHILE

SILVA CIMMA ON STATE OF SIEGE, POLITICAL SITUATION

PA260415 Panama City Domestic Service in Spanish 1915 GMT 25 Sep 86

[News conference by Enrique Silva Cimma, president of the Radical Party of Chile and vice president of Socialist Internationa, with unidentified reporters at the Holiday Inn Hotel in Panama City--live]

[Excerpts] [Silva] Good afternoon, companeros reporters. I am at your service. I come from my country's interior. As you know, a state of siege has been declared in Chile. A state of siege is the severest measure that an authoritarian regime can approve to restrict the few rights still in force. It is worthwhile to note that the country has been ruled in states emergency or exception for the past 13 years. The country has been subjected to either a state of siege, state of assembly, or any one of the measures that the 1980 Constitution authorizes the regime to approve. This situation has prevailed since the 11 September 1973 coup. In other words, all these measures of exception--these are measures of exception in all Western regime and can be adopted when special circumstances so demand--have in practice been applied on a permanent and invariable basis in the Chilean system.

This has meant the violation of basic principles such as the freedom of expression and freedom of assembly, the democratic parties' freedom to meet at their offices, and the possibility of voicing our views about the unrest in the country, which we try to disseminate believing that we interpret the feelings of most Chilean people, who fervently seek democracy through peaceful means. This is why both the Radical Party, which I head, and the Democratic Alliance formed by seven parties, which constitute the country's broadest political representation, including the Radical Party, the Christian Democratic Party, the Socialist Party, the Social Democracy, and other smaller parties--all of which form this conglomerate of democratic forces which in past times have rallied the largest number of people in Chile's political history, cannot express our thoughts to the Chilean people these days.

[Question] Did you say that within the Armed Forces some sectors could support this alliance [words indistinct]?

[Silva] This is what I meant. We have no relations with the Armed Forces. The Armed Forces have closed ranks even closer with their commander in chief since the latest attack on 7 September, which has not been clarified. This means that the measures that spring from the state of siege harm precisely the democratic parties, since clandestine parties have continued their essentially clandestine activities. We are not used to this kind of action, nor can we act like that because the structure of our party--essentially democratic and identified with the socialist parties, particularly the Christian Democratic Party--prevents us from doing such a thing. In other words, we have no relations at all with the Armed Forces because no such connections can take place for the time being. The regime would regard any such connections as sedition.

[Question] In June the U.S. Government threatened to cut all World Bank and IDB loans to Chile if there was no improvement in the human rights situation. Now, 2 months later and under a state of siege, we have learned that they will only abstain from voting when the issue of loans to the Pinochet regime is brought to the table. How does the Democratic Alliance view this? What role do you feel that the United States should play at this moment?

[Silva] We feel that all countries are sovereign and have a right to adopt a policy that they may consider necessary within the framework of solidarity and adherence to the needs of something that is crucial--the prompt end to the dictatorship in Chile and an option that will allow us to reach democracy along the path that we have proposed. The measures you refer to are within this context.

We have learned that the State Department has apparently announced certain measures of this nature; however, these measures have not been implemented. In the same context, it is quite feasible that statement may be heard from the other countries, especially EEC countries. We are aware of the fact that it is the right of every country to make categorical statements. Every country is free to analyze, in depth, the adoption of such measures. This they must do without any kind of pressures from us. Pressuring them would be the same as denying the importance of the information they receive from their own embassies in Chile. However, the Chilean regime has accused us, the politicians, of exerting this type of pressure.

Every time a Chilean politician--as in my case--visits a foreign country, the regime accuses us of going abroad to ask for help, to make charges against the government, or to distort the Chilean situation. The situation has reached such a point that, just recently, the regime's interior minister claimed that active violence is not only a physical act of violence but also not seeing eye to eye with the regime. We feel that expressing views that in some way express displeasure with the situation in Chile cannot be considered an act of violence. However, a leader of the Democratic Alliance I had--the representative of the Socialist Party, a world-renowned economist--has been arrested because of promoting acts of violence. All he did was say that the dictatorship cannot [words indistinct] beyond what the Chilean people are already enduring. This is why we have to be extremely careful when making statements. However, we are pleased with the statements each country makes--exercising its own right--regarding such a sensitive issue as the issue of loans.

[Question] [words indistinct] if the U.S. Government decided to impose economic sanctions on the Pinochet Government, will you, as the Democratic Alliance, agree with these sanctions? Do you think that this would help the process of change?

[Silva] We feel that in order to make a statement regarding this matter it is first necessary to analyze the content and specifications of each of the loans being discussed. Even though it may seem strange, the Chilean people have not been informed as to the reason for these loans. We do know that at this moment the Chilean foreign debt is higher than \$24 billion. On the Latin American continent this is probably the largest foreign debt per capita. At this moment, the service of the Chilean foreign debt is greater than \$2 billion per year, and this means that much of our country's foreign exchange reserves are used to pay the service of the debt. Viewing the loans from this perspective, anything that would increase the amount of our loans would translate into a pretty heavy burden that all Chileans must carry. We do not know why or for what reasons these loans were requested. We think that the largest of these loans--in the amount of \$250 million--is to balance the balance of payments. We do not know whether these loans will be used for the good of the Chilean people, who continue to live in a situation of hunger and misery. We live in a country with one of the highest rates of unemployment, which affects hundreds of thousands of Chilean homes.

[Question] The day after the foiled attack on Pinochet, the press showed a big photo of the dictator taking communion, and just below the photo there was a news item that stood out, reporting on the expulsion of Catholic priests that were supporting the cause of some of the most humble people in Chile. Knowing the great strength of the church in our continent, we would like to ask what role the church is playing in Chile.

[Silva] First I would like to point out that all the political parties comprising the Democratic Alliance [AD], and all the political parties comprising the National Agreement for Transition to Democracy, which now are not only just the seven of the AD, but 13 parties--it is worth noting that it is the widest scope of political parties that have ever managed to get together at a focal point to discuss the Chilean problem--are the parties that condemn and repudiate terrorism and violence. Within that context, we are not in agreement with the climate of terrorism, as we believe that the climate of terrorism plays into the hands of the dictatorship, and to reciprocate, the dictatorship acts with repression and more violent acts. Precisely that attack has brought about the state of siege. The state of siege paradoxically implies the repression of the democratic parties, which we are not used to, and we do not know how to act clandestinely. We say this with absolute frankness, because we do not want our fatherland thrust into a bloodbath, and we do not want the problem of El Salvador, to which one of your companions referred, transferred to the continent's Southern Cone. We have the absolute responsibility for our actions, and such a responsibility forces us to untiringly seek a peaceful path, because we believe this path is the one that will permit solving the Chile's problems however long it may take. In that context the Catholic Church acts in absolute harmony with what I am outlining

for you here. The role of the church has been of extraordinary value, especially through the vicarages, and most especially through the Vicarage of Solidarity, which acts fundamentally in the human rights field. In the human rights field, they do their work in court every time someone is missing, kidnapped, or any acts of this nature occur. For example, since 11 September 1973 until the present, more than 11,000 restraining orders or habeas corpus have been presented to the courts. Most of them have been rejected--nearly all of them. This proves that in Chile we are living in a climate of insecurity and a climate in which once they try to restrict or repress acts of this nature, insecurity in the justice system becomes deplorable. I can give you a personal example: Four years ago Tucapel Jimenez, president of the National Association of Government Employees, was murdered, a man well-known outside Chile, especially because of his trade union struggles, essentially of a peaceful nature. I was the lawyer who filed the complaint on behalf of the government workers, because he was their leader. At this moment the only person accused in connection with this case is the defense lawyer.

[Question] Dr Silva, you said that the Radical Party respects the armed struggle, but does not share it. We would like to know if historically, all dictatorships have been overthrown by popular movements or generally armed movements, and if you expect an act of contrition on the part of the Armed Forces to oust Pinochet?

[Silva] We are a people that have a defined civic conscience. In the past we were proud of our democracy, and we were also proud of the peaceful life that permitted us to incessantly seek solutions to the Chilean problems through dialogue and agreements. We have no experience of our own in violently fighting against dictatorships. We do have the opportunity of seeing what has happened to some of our sister-countries in Latin America.

[Question indistinct]

[Silva] We do not usually predict the future because we do not have a crystal ball and [words indistinct]. However, we imagine that, naturally, the current situation is closely linked with that which we have termed the only serious obstacle to democracy by peaceful means. Each of the parties of the Democratic Alliance and the parties of the National Agreement for the Transition to Democracy have unanimously agreed that the obstacle to reaching a democracy through peaceful means is precisely the view that the chief of state has about his eventual perpetuation in power until 1999.

[Moderator] We thank Dr Silva for granting this news conference, and we also thank our colleagues the reporters for their participation.

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CSO: 3348/27

CHILE

TEITELBOIM ON OPPOSITION TIES, PINOCHET ATTACK

PM261132 Madrid MUNDO OBRERO in Spanish 18-24 Sep 86 pp 38-39

[Interview with Chilean Communist Party leader Volodia Teitelboim by Carmen Monzon; date, place not given]

[Excerpts] [Monzon] It was 3 years ago, in 1983, that the moderate opposition first formed a joint protest front against Pinochet in the Democratic Alliance, together with the Popular Democratic Movement. This unity has not been maintained, however. Recently the Citizens' Assembly and the Alliance did not respond to the appeal issued by the trade unions and other left wing organizations. What is going on within the Chilean opposition?

[Teitelboim] The old major financial oligarchy and the major industrialists who are now emerging have never said a word, but are now asking the opposition to define a clear stance on a crucial issue. But this is not the issue of freedom, democracy, or human rights. They are asking for a stance on the future of private ownership and the means of production: that is their sole concern. However, we should find unity, a way of returning the country to a situation of normality.

The bourgeoisie is very worried about the post-revolutionary period, about what will happen, who will hold the hegemony. As far as the public are concerned, although young people are very united, it is another matter with the political parties.

In Chile there are two parties with broad support--the Christian Democratic and Communist Parties. It is a similar situation to Italy's, where the Christian Democratic Party is at the center of a constellation of minor allied parties that grant it a majority. In line with this model, the Democratic Alliance is trying to attract socialists from Allende's old Socialist Party, radicals, and others of the Right. Then there is the Popular Democratic Movement, which is the most clearly-defined and determined group, which has supported the struggle and whose major party is the Chilean Communist Party. We attach great importance to Communist-socialist unity, the unity of the Popular Democratic Movement, and, within a broader context, unity with all the forces that used to constitute the Popular Unity Front. We also want unity on another platform with the Christian Democratic Party based on certain more limited points or even on a single point--a joint struggle against Pinochet. We are entirely open to such a proposal.

[Monzon] What are the obstacles to a rapprochement?

[Teitelboim] The Christian Democratic Party has persistently claimed that what prevents such an accord is above all the Communist Party's stance on the forms of struggle, the fact that the Communist Party will not return to a response of active self-defense to the regime. Now, 7 years after the coup, we have appealed on innumerable occasions to the Christian Democratic Party to come to an agreement, but they have never heeded this appeal. In 1984, when Pinochet announced his dictatorship for life, there was great dismay within the Christian Democratic Party, which became resigned to living under the dictatorship forever. But we are not resigned to it and believe that the right policy is mass revolution. There are no mere empty words, because they imply the denial of the legitimacy of an unjust regime that came to power by force, by overthrowing a constitutional regime. The people are entitled to their legitimate defense, and the Christian Democratic Party has been reminded that this is an area envisaged even by the ancient fathers of the church, such as Saint Thomas Aquinas, who recognized the right to rebel against tyranny.

[Monzon] The Manuel Rodriguez Patriotic Front has claimed responsibility for the attack. What is your opinion of this and what kind of relations does the Chilean Communist Party maintain with that group?

[Teitelboim] Groups of youngsters in Chile who were children at the time of the coup decided that they did not have to grow up, grow old, and die without seeing democracy in their country. Thus they formed various groups, including the Manuel Rodriguez Patriotic Front, which is the strongest and which organized this legitimate operation with such unerring professional skill and courage that Pinochet could not conceal his fear. And this was just a warning.

There is a great deal of talk about the Manuel Rodriguez Patriotic Front's being the armed wing of the Communist Party, but it is not. It includes youngsters of many political leanings, all revolutionaries and all committed to freedom: There are socialists, communists, Christians, and independents. We believe that the attack has caused a crisis for the dictatorship, has shown that Pinochet is vulnerable and that even 200,000 rifles, several bunkers, or innumerable oaths of loyalty demanded fortnightly from his generals will not be enough for an unsure Pinochet. They will not be enough for him because he has no answer to the 30,000 Chileans murdered and those he is still murdering; to professor Vidaurrazaga; and to journalist Jose Carrasco, foreign desk chief for the magazine ANALISIS, who, a few hours after the event, was dragged from his home late at night and was found dead with ten bullet wounds in his head: this is a kind of verbal portrait of Pinochet.

[Monzon] But not everybody praises the attack....

[Teitelboim] In this regard Chilean bourgeois politics have not attained a high degree of moral responsibility or historical understanding, because those who condemn the attack are the same people who supported the coup. However, it is not easy for them because they know that the enemy is the dictatorship and they do want to get rid of it.

[Monzon] The United States would not want a process that it did not directly control. What chances are there of an option planned by Washington?

[Teitelboim] Washington is the mother and father, the one that weaned Pinochet--but at a very high price. Its man is worn out and it should throw him out, but it faces two difficulties in this respect. One is the obstinacy of Pinochet, who knows that his only chance of survival is to continue as dictator. They might opt for a Latin American-style solution--a Pinochet whose fiercer traits are toned down, while still protecting the United States' sacrosanct interests. There is no Corazon Aquino but they could find one. But the problem is that there is a third factor involved--a Communist Party that has waged a terrific struggle to gain freedom in Chile. This poses a major difficulty. According to one U.S. writer, it is more difficult to gain freedom in my country than in Bolivia; a Chilean coup is 10 times stronger and more complete because it is also a matter of eliminating a revolutionary awareness, a movement, and a change of society.

The United States is very worried about its assets; keeps a very close and strict eye on all the center-right forces, in an acknowledgment of the real situation; and knows that the Communist Party is essential: without its help and strength, there would be insufficient energy to bring down the dictatorship. It is between the devil and the deep blue sea. It is afraid of acting too late, as it did in Nicaragua. It would rather intervene at the 11th hour, as in the Philippines.

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CSO: 3348/27

CHILE

POLITICIANS WANT OPPOSITION LEADER TO RESIGN

PY071624 Santiago Domestic Service in Spanish 1030 GMT 7 Oct 86

[Text] According to Radical Democratic Party President Jaime Tormo, the idea to request the resignation of the leadership of opposition parties seems to be taking hold. Tormo has expressed his satisfaction over this fact because the opposition leadership's strategy of social mobilization and civil disobedience has failed.

Tormo was alluding to the statement made by Sergio Onofre Jarpa, who, in his capacity as leader of the National Labor Front, said that if the attempts to force the government to shorten deadlines (?established) in the constitution persists, the dialogue will fail.

Jarpa also said that the exhausted leadership of the opposition sector must be replaced with more prudent or realistic people. Only in this way will we be able to achieve a fruitful dialogue that will help improve domestic policy, and the Chilean image abroad.

Democratic Independent Union [UDI] leader Xavier Leturia has stated that only new political leaders will be able to establish the basis for a national co-existence in Chile.

He added that UDI has always held that the future stability of the country calls for a change of past political habits. Leturia was referring to the statement made by Radical Democratic Party leader Jaime Tormo, and by National Labor Front leader Sergio Onofre Jarpa, both of whom asserted that the democratic opposition political leaderships, which are changing their strategies to facilitate the holding of talks with the government, must resign because the policies of mobilization and civil disobedience that they promoted have failed.

Leturia added that because of their vices and excesses, these leaderships were responsible for the institutional crisis the country has experienced. He said that unfortunately, in the last few years we have not witnessed any renewals within the political parties that existed prior to 1973, neither in the men that make them up, their styles, nor their ideas.

Leturia said that citizens are skeptical about these politicians and that they believe that their opposition activities not only failed, but also that they have favored Marxist and other sectors that promote violence.

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CSO: 3348/42

CHILE

PDC LEADER SEEKS DIALOGUE WITH ARMED FORCES

PY071951 Madrid EFE in Spanish 2059 GMT 6 Oct 86

[Excerpts] Santiago, 6 Oct (EFE)--Gabriel Valdes, former Foreign Minister and president of the Chilean Christian Democratic Party [PDC] reaffirmed today that his party is seeking "rapprochement with the Armed Forces."

The PDC leader, who is touring the south of the country, said "we want rapprochement with the Armed Forces, we are all Chileans and each one of us has a role to play."

Valdes said in Valdivia, 800 km south of Santiago, that "we all oppose violence and all kinds of terrorism, regardless of its source, not only leftist or extreme leftist terrorism, but also right wing terrorism."

The PDC president added: "We do not want war, because violence implies two sides and we do not believe in war."

Valdes said: "We want to solve this crisis through a political agreement between the political parties and the Armed Forces."

He added that "we hope that this political agreement will not be tied to any conditions that may imply that we must give up our principles."

During his southern tour Valdes emphasized that in the final analysis "it will be up to the people to freely and sovereignly elect a president, the Nacional Congress, and the mayors."

"That is what we are asking for," Valdes explained, "the same things that are practiced everywhere in the civilized world."

In a statement he made last weekend, the former foreign minister appeared optimistic about the reactions prompted by his call for dialogue.

All we need is "a table and a place" to enact the statements made in favor of dialogue, he added.

When asked about a date for the launching of the dialogue, Valdes said it was being studied because, he added, "this is something that has to be properly prepared."

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CSO: 3348/42

CHILE

GENERAL LEIGH REJECTS AMNESTY LAW APPLICATION

PY271542 Santiago Domestic Service in Spanish 1030 GMT 27 Sep 86

[Excerpt] General Gustavo Leigh Guzman asks the courts to declare him innocent of the alleged crime of illegal association in the kidnapping and liquidation of people. The former commander of the Chilean Air Force and former government Junta member rejects the court decision which acquits him under the Amnesty Law. Air Force General Gustavo Leigh, retired, has filed an injunction at the Santiago Court of Appeals. The injunction asks the judges of the court to modify their decision on 7 September, making it read that the Amnesty Law is not applicable to Gen Leigh and declare him innocent of any crime.

Gen Leigh is involved in the case being heard by Judge Carlos Cerda Fernandez. The judge is investigating the detention and disappearance of 10 communists toward the end of 1977. The judge recently made charges against two civilians and 38 active or retired members of the Armed Forces, Carabineros and the Investigative Police for alleged illegal association in the so-called [name indistinct] commando that has reportedly been operating for over 7 years.

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CSO: 3348/27

CHILE

CAUCE DIRECTOR'S OFFICE RAIDED, SEARCHED

PY270248 Santiago Radio Chilena in Spanish 1700 GMT 26 Sep 86

[Text] Unknown people have raided the office of lawyer Jorge Ovalle Quiroz, a member of the board of directors of CAUCE magazine. The raiders, who rummaged through the papers, left the door open and the lights on.

Ovalle said the action was discovered at 0830 today, when his secretary arrived at the office. The doors were open and when she entered the office she realized what had happened, Ovalle said. This is what he told Primera Plana:

[Begin Ovalle recording] She saw that the office was in total disorder, that the drawers and the files had been opened, and that all the papers and folders had been searched. There was such absolute disorder that I could not find the papers for a hearing in court this afternoon. We feel both indignation and concern about this action. [end recording]

Ovalle stressed that the raid came after a series of previous threats, adding that it was a political action.

[Begin Ovalle recording] I cannot say whether this is the conclusion of a campaign. It is another step in a series of threats that we have received both over the phone and in written message. The purpose of such messages is not only to threaten us and warn us of what might happen to us but also to silence us. I must say that all this has frightened the personnel who work at my office and also the nightshift janitor, because mean-looking people have been visiting the office after 2030, when the area is usually cleaned up. This is obviously a political assault by the bands of criminals and murderers who operate freely in our country. Therefore, it is not just the people's rights but their lives and tranquility that are now unprotected. [end recording]

Ovalle said that no one knows what time the raid took place and that the phone lines were cut off. He said he reported the raid to the Carabineros. I will not file any lawsuit, because many who did that received something even worse, he concluded.

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CSO: 3348/27

CHILE

SECURITY SERVICES DETAIN TWELVE COMMUNISTS

PY271500 Santiago Domestic Service in Spanish 1030 GMT 27 Sep 86

[Text] The National Intelligence Center [CNI] has detained 12 members of the outlawed Communist Party [PCCh] and placed them at the disposal of the military prosecutor's office. The security services have thus dismantled an important organization which printed and distributed Marxist propaganda literature that called for violence.

Following is the list of the subversive criminals who have been arrested: Rafael Angel Vasquez Toro, Ernesto Elias Recabarren Fojas, Eduardo Arturo Barahona Arriagada, Luis Alberto Diaz Espinoza, Felix Alejandro Lobos Reyes, Luis del Carmen Stagno Valenzuela, Jose Ernesto Munoz Rebolledo, Arnoldo Mauricio Diaz Felis, Alberto Guillermo Vergara Perez, Raul del Carmen Vasquez Lopez, Jose Humberto Faundez Vasquez, and Luis Rafael Nicolas Moraga Sierra.

All of the detainees are said to be active members of the outlawed PCCh, except Arnoldo Mauricio Diaz who belongs to the Christian Democratic Party and acts as liaison for the PCCh, and Nicolas Moraga who is a liaison for the subversives.

Most of those arrested were engaged in printing Marxist literature inciting violence, and subversive pamphlets in a clandestine printing shop located at 650 Eleuterio Ramirez Street, Santiago. Security services found arms and explosives in the homes of several of the detainees.

Jose Humberto Faundez, formerly a student at the Santiago University, was one of the four students who entered the Netherlands Embassy on 1 September. The students were detained when they tried to leave the embassy in one of its cars.

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CSO: 3348/27

CHILE

FORMER CNI MEMBER DENOUNCES REPRESSION

PY260115 Sao Paulo FOLHA DE SAO PAULO in Portuguese 24 Sep 86 p 10

[Article by reporter Jose Arbex]

[Text] Juan Carlos Rojas Mazzinghi, 22, is a deserter from the Chilean Political Police. He says he was forced to work for the CNI (National Intelligence Center, the main agency of repression in Chile) from June 1983 to January 1986. There were death threats against him and his family. He deserted from the CNI early this year and arrived in Brazil in June. By his own account, he participated in repression of demonstrations, bomb attacks attributed to leftist organizations by the government, and interrogation of prisoners at CNI headquarters on Republica Avenue in Santiago. He reported that a woman who had been captured by his CNI unit was killed with a charge of dynamite by order of his superior, who was known only by the code-name "Morales."

Rojas Mazzinghi, who is in Brazil illegally, is trying to obtain political asylum. He gave an exclusive 40-minute interview to FOLHA yesterday at 1600 [1800 GMT] in Sao Paulo. His comments were confirmed by Clamor, an agency of the Sao Paulo Archdiocese that defends political refugees in the Southern Cone, and by ACNUR [UN High Commission for Refugees], a UN agency that helps refugees.

Rojas Mazzinghi said: "Until early 1983, I participated in a Catholic Church group in my neighborhood of San Miguel, in Santiago. We distributed food, clothing, and medicine to poor people. One day, our group went by bus to attend a public rally authorized by the government. As we were returning, a policeman arrested us and, because we had no criminal records, we were released. A week later, as I left a church with a girlfriend, a black car with three people in it followed us. After I left my girlfriend at her house, I was forced to get into the black car. They called me by name, showed me their weapons, including a machinegun, and invited me to work for the CNI. They then told me that if I refused they might kill me and my family. They gave me a phone number (37-0269), and told me to get out of the car. I had no choice."

At the CNI, Rojas Mazzinghi was assigned to a group commanded by "Morales," a Chilean Air Force officer. Two other people, "Valenzuela" and "Gonzalez,"

were members of his group. His salary was relatively high, 70,000 Chilean pesos, 10 times the minimum monthly wage in Chile, or 10,000 cruzados in Brazil.

Rojas Mazzinghi said: "I participated in the 'Gurkhas Operation' to repress demonstrations in downtown Santiago. We all wore black clothing, carried rubber-covered steel bludgeons, and wore heavy beards. Before the demonstrations, we were given some sort of drug that made us excited, crazy. We then beat the demonstrators in full view of the Carabineros (military police), who stood by passively." It should be recalled that the Gurkhas were Nepalese soldiers drafted by the British late in the last century. They were known for their violence.

He stated that in August 1984, he planted a bomb at Infesuco No 2 School of Accounting, on the corner of Herrera and Santo Domingo Streets in downtown Santiago; and later that month, he planted one in the State Bank of Maipú. The bomb attacks were attributed to the Manuel Rodríguez Patriotic Front (FPMR), which is supposedly the armed branch of the Chilean Communist Party. Rojas Mazzinghi added: "I am sure that 80 percent of the bombings in Chile are the work of the secret services. Only 20 percent are planted by the FPMR or other leftist groups.

"In 1984 I heard something that shocked me," he said. "I was drinking at a bar with 'Morales,' when 'Valenzuela' and 'Gonzalez' appeared, looking nervous. They had captured a couple. In the belief that they had killed the boy, they threw him into a river inlet. They took the woman to another site and blew her up with dynamite. They said that the woman was a terrorist who was trying to plant a bomb."

Rojas Mazzinghi decided to abandon the CNI late in January. "I made the decision," he said, "when 'Morales' announced that we were going to make some arrests in the Victoria neighborhood later that day. He paid me my salary and we said goodbye. I decided to desert. I left from the coast of Chile, until I reached Brazil (sic). I learned that the police went to my house five times. The Vicariate of Solidarity (a human rights defense agency of the Chilean Catholic Church, similar to the Justice and Peace Commission of the Sao Paulo Archdiocese) promised that it would help my family." According to Rojas Mazzinghi, a journalist who interviewed him during his escape mediated his contact with the Vicariate of Solidarity.

Before leaving Rojas Mazzinghi gave an interview that was published in the May issue of the opposition CAUCE magazine. He told CAUCE that he had been in hiding in Santiago for 2 months, that he had reported to the CNI on leaders of the San Miguel neighborhood, and that he had participated in some actions for money. One of the explosions he set off may have killed a woman named Eugenia. Rojas Mazzinghi told FOLHA that he never agreed with the CNI methods and that he worked under pressure and using drugs.

He said that in Brazil he contacted Clamor and asked for help but he did not receive all the assistance he wanted. Rojas Mazzinghi said that he had

to sell his own clothes in order to survive, and that Clamor did nothing about his request to secure political asylum in Brazil. Tereza Brandao, a Clamor representative, reported that the committee did help Rojas Mazzinghi for 2 months, but that it could not continue helping him for two reasons: lack of resources, and the fact that the committee "helps political refugees, not former agents of repression."

He also contacted ACNUR asking that it recognize his "refugee status." Mrs Ingrid, ACNUR representative in Sao Paulo, explained that the agency's headquarters in Geneva had rejected Rojas Mazzinghi's request because the former Chilean policeman had been involved in criminal action, and he did not meet ACNUR criteria for assistance.

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CSO: 3342/10

CHILE

STANGE COMMENTS ON COMMUNITY ROLE OF CARABINEROS

PY070130 Santiago Domestic Service in Spanish 2300 GMT 6 Oct 86

[Text] The idea behind the Carabineros is to carry out preventive actions to stop crimes thus being considered a link in the union of all Chileans. This was stated by General Rodolfo Stange, Carabineros director general. He also stated that the Carabineros want to be the friends of all 12 million Chileans, not just 1 million.

Gen Stange made these remarks at the dedication of the Lo Vasquez subpolice precinct, located in the district of Renca. He also stated that part of the Carabineros' policy is to make their presence felt in the districts that are far from downtown Santiago, as a first step, and then look after the basic needs of the community.

Asked about the criminal incidents that have occurred in the downtown area of the capital, Stange said they are sporadic incidents that will always occur, but we are trying to prevent this type of crime within our means.

Stange cut the tricolor ribbon officially dedicating the subprecinct, which falls under the Seventh Precinct. It will be manned by 60 men and patrol cars, and it even has a clinic for medical emergencies.

The mayor of Renca, Antonio Gimenez, urged residents to denounce criminals and all those who disturb public and private peace, because everyone has the legitimate right to live in peace and tranquility, with the progress and welfare of all Chileans.

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CSO: 3348/42

CHILE

FORMER COMMUNIST SENATOR FAVORS POLITICAL OUTCOME

PY072302 Santiago EL MERCURIO in Spanish 5 Oct 86 p C3

[Text] Alejandro Toro Herrera, formerly a senator for the Communist Party [PC], yesterday criticized the line being followed by Andres Pascal Allende, leader of the Movement of the Revolutionary Left (MIR), who recently voiced his support for the so-called "militarization of politics."

During an interview granted to four media organizations, among them EL MERCURIO, Toro Herrera (55 years old), emphatically stated that "if it is true that he made those statements, by no means do they contribute to the country's democratic forces. In fact, they even represent a provocation."

The former communist senator from Talca, Linares, and Maule asserted that this type of statement "does not reflect the democratic way of thinking of the Chilean majority."

Talking from a personal point of view, he said, and in his capacity as leader of the Club of Former Chilean Congressmen [Sala de Ex Parlamentarios de Chile], which includes political leaders of various leavings, Toro Herrera made these comments shortly before entering the National Prison, to which he reports every month to serve a sentence resulting from a trial against him for having published a PC manifesto in ANALISIS magazine.

Toro Herrera expressed his support for a "political outcome" to the situation the country is enduring.

In his opinion, the prevailing desire among all political sectors "that are best represented," he said, "by the National Civic Assembly" is to put an end "to the atmosphere of war."

Alejandro Toro stated that "in order to reach a truly democratic agreement and dialogue in the country, no one should be excluded. We all need each other. I would find it unthinkable, disturbing, and unrealistic if the Christian Democratic Party [PDC] or the PC were excluded."

When asked his opinion of the letter the PDC addressed to the PC criticizing the latter's connection with terrorist groups, the former senator noted that despite the anticommunist climate, "the two parties exchange correspondence."

When he was told that the PDC does not want to join the PC, he said: "Life is stronger than desire."

In answering another question, Toro Herrera said that "personally" he condemned terrorism. "I am against violence," he said, noting that the origin of these attitudes should be sought.

He also reiterated that "we all believe we should make an effort to reach a political outcome."

He denied the existence of a "difference" among two tendencies within the PC; a younger one that advocates violence and another more mature one which would allegedly seek a "political outcome."

Asked about the succession within the PC in view of the illness of Luis Corvalan (secretary general, in Moscow) and also about his possible successors (there is talk, among others, of Hugo Fascio, former Central Bank vice president during the Popular Unity Government), Toro Herrera answered: "I have no information on this subject."

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CSO: 3348/42

CHILE

'SUBVERSIVES' ATTACK GUN DEALER, STEAL WEAPONS

PY230400 Paris AFP in Spanish 0312 GMT 23 Sep 86

[Text] Santiago, 22 Sep (AFP)--Carabineros reported today that one woman and three men, who were armed, attacked a gun dealer and were able to escape in a stolen car with various types of weapons and munitions.

Up to the present time no organization has claimed responsibility for the attack, which occurred during the late afternoon after the woman hired a man to drive his truck. After the driver and the woman set out, the vehicle was boarded by three unknown persons, who threatened the driver with a shotgun and then tied him up. Then, at a gun dealer's located in the western sector of the capital the three assailants tied up the owner and stole a large quantity of weapons, mainly shotguns, according to the police.

Members of Carabineros and the security services are carrying out a vast dragnet in the area in order to find the perpetrators, who it is thought might be subversives.

The following leftist and clandestine groups are currently active in the country: The Manuel Rodriguez Patriotic Front (FPMR) and the Revolutionary Movement of the Left (MIR), which promote every type of confrontation against General Pinochet's government.

In addition, the ultrarightist September 11 Commando has recently emerged and in the style of the death squadrons it has claimed responsibility for the murder of four Chilean leftists.

/9738

CSO: 3348/27

CHILE

BRIEFS

STUDENTS HOLD DEMONSTRATIONS--Santiago, 1 October (AFP)--Student leaders reported today that at least 10 students were arrested in Santiago today after the police repressed antigovernment demonstrations staged in front of the Eastern campus of the Catholic University. The youths erected barricades at the end of ceremonies held to pay homage to journalist Jose Carrasco who was kidnapped and murdered three weeks ago by an armed commando group. The same thing happened to three members of the leftist oppositions. Public demonstrations have been banned in Chile since the state of siege which the military government levied in the wake of an attempt on President Augusto Pinochet on 7 September. Eyewitnesses of the incident stated that the Carabineros used powerful water jets and tear gas against the students, but no casualties have been reported. [Text] [Paris AFP in Spanish 2317 GMT 1 Oct 86 PY] /12913

PRC COMPANY PLANS INVESTMENT--Beijing, 22 August (EFE)--The PRC state company CITIC, China International Trust and Investment Corporation, is negotiating with Chilean and Brazilian authorities the possibility of investing in these countries. CITIC has been conducting negotiations in Chile for a long time and it is interested in the non public, copper mining and forestry sectors. [Excerpts] [Madrid EFE in Spanish 1143 GMT 22 Aug 86 PY] /12913

NEW RADIO STATION--FM Radio Futuro has officially begun operating on 88.9 MHZ with a 10 KW transmitter. The director of the station is Jose Luis Cordova. [Summary] [Santiago EL MERCURIO in Spanish 25 Aug 86 p C-9 PY] /12913

RADIO STATION BRANCH--The general manager of Radio Agricultura, Mario Conca, has reported that his radio will, on 1 September, open its seventh station in the network to cover the entire fourth region from La Serena. The station will have a power of 1 KW of amplitude modulation. [Summary] [Santiago EL MERCURIO in Spanish 28 Aug 86 p C4 PY] /12913

UNEMPLOYMENT RATE DROPPED--Eduardo Carrasco, chief of the Demographic and Social Statistics Division of the National Institute of Statistics [INE] has reported that the national unemployment rate dropped to 10.8 percent during the months of May, June, and July. [Excerpt] [Santiago LA TERCERA DE LA HORA in Spanish 4 Sep 86 p 11 PY] /12913

TRADE BALANCE SURPLUS--The Chilean Central Bank has reported that the trade balance for January to 15 July 1986 shows a surplus of \$768.7 million. This represents an increase of 58.2 percent over the same period last year. [Summary] [Santiago LA TERCERA DE LA HORA in Spanish 27 Aug 86 p 10 PY] /12913

CONSULTATIONS ON ANTARCTIC ISSUES--Yesterday it was reported in Santiago that Foreign Ministry experts have started a series of "informal consultations" on Antarctic issues with a group of experts from foreign governments to keep abreast of a number of issues. The studies are part of the Chilean Government's incessant efforts to work on the position to be maintained by the countries that have interests in Antarctica. The Foreign Ministry has made no further comment on this work, but has hinted that it involves permanent consultations with experts from countries with similar interests in Antarctica, and concerns current issues. A diplomatic source said that these contacts are connected with "the negotiations for exploring and exploiting Antarctic mineral resources. The next round of negotiations will reportedly take place in Tokyo in late October." Elsewhere, preparatory work is also part of the program outlined by Foreign Minister Jaime de Valle in the National Seminar on Antarctica, held in May 1986. In his opening speech, the foreign minister said that these negotiations on Antarctica "are the most significant Antarctic development since the Washington Treaty was signed in 1959." [Text] [Santiago LA TERCERA DE LA HORA in Spanish 2 Oct 86 p 14 PY]

VICARIATE OF SOLIDARITY LAWYER ARRESTED--A Vicariate of Solidarity lawyer has been arrested under a decree which forms part of the state of siege. Lawyer Pamela Pereira Fernandez voluntarily presented herself to the Carabineros investigations department headquarters where she was taken into preventive custody and placed at the disposal of the Interior Ministry. Official sources reported that the lawyer is under arrest in keeping with Decree No. (?180)-123 issued by the Interior Ministry on 3 October. A request for a court protection was submitted on 3 October to the Santiago Appellate Court in her favor. An official resolution may be issued within a couple of hours regarding this case. [Text] [Santiago Domestic Service in Spanish 1030 GMT 7 Oct 86 PY]

OAS COMMITTEE CANDIDACY WITHDRAWN--Due to opposition of numerous countries, Chile was forced to withdraw its candidacy to the presidency of the OAS's Inter-American Committee for Education, Science, and Culture. Argentina, Mexico, Brazil, Uruguay, and Nicaragua voiced their opposition to Chile's aspirations for the committee's presidency. Augusto Pinochet's military regime becomes increasingly isolated. This isolation is observed even at the OAS, an organization usually manipulated by the United States. [Text] [Havana International Service in Spanish 1800 GMT 26 Sep 86 PA] /9738

JAPANESE OPENS TRADE MEETING--The Deputy Foreign Minister for Economic Affairs of Japan, (Reshi) Teshina, has stated that there are good opportunities to increase bilateral trade between Chile and his country. The Japanese official made this remark after he paid a courtesy visit to Foreign Relations Vice Minister Sergio Covarrubias. Through his interpreter, the Japanese representative said that Chile is one of the most important countries for his country's foreign trade. [interpreter recording indistinct] The Japanese Government official also emphasized the importance of the meeting scheduled to begin tomorrow in Santiago, with the participation of about 50 Chilean and Japanese businessmen. [Text] [Santiago Domestic Service in Spanish. 2300 GMT 23 Sep 86 PY] /9738

CSO: 3348/27

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27 October 1986

## PUSC CALLS ARIAS' FIRST 100 DAYS 'FAILURE'

PA230422 San Jose LA NACION in Spanish 16 Aug 86 p 4-A

[Text] Yesterday, the Social Christian Unity Party (PUSC) described the first 100 days of the Arias Sanchez administration as days of failure and incompetence.

In a communique distributed yesterday to the media, the PUSC executive committee noted that the president has not fulfilled his promise to increase the sources of employment and to provide housing.

The communique pointed out: "None of the promises of his campaign have been fulfilled. Behind the promise to create 25,000 jobs every year, stands the crude reality of the dismissal of hundreds of public employees."

Likewise, it emphasized that the construction of 80,000 houses has not turned into a reality. Moreover, according to the PUSC, the president has openly reiterated that there are not any resources for the program.

The communique added: "The president has not fulfilled his commitment to strengthen the municipal regime. He has not respected the sovereign decision of the people and in a contradictory attitude, he has tried to economically drown any Council with a Social Christian majority."

In the social aspect, the PUSC stressed that the practice of giving money to the most needy people has displaced the action of an overall policy to deal with the social problems.

The communique stated: "To transfer people from slums where they are squatters to slums of their own property and to donate tin sheets, sacks of cement, and money is not a synonym of a greater economic democracy, with more Costa Ricans participating in the distribution of the country's wealth, as the president promised."

Likewise, the PUSC noted that the sale of national products abroad has declined and the dependency on donations and foreign credits made up, in the opinion of the opposition, the framework on which this government will develop.

"The preceding administrations were strongly criticized for such a big foreign debt, and now, all the government has talked about is the need to make greater use of foreign credit in order to progress."

Finally, the committee reiterated that it will be vigilant over the actions of the National Liberation Party and that it will struggle to obtain power in 1990.

COSTA RICA

WEEKLY CRITICIZES ARIAS' FIRST 100 DAYS

PA261738 San Jose LIBERTAD REVOLUCIONARIA in Spanish 15-21 Aug 86 p 2

[Unattributed commentary: "The 100 Days of Oscar Arias"]

[Excerpts] Without all the publicity of his predecessor, President Oscar Arias will reach the first 100 days of his administration on Friday, 15 August, amid an uncertainty that encompasses all spheres of the government action.

President Arias took office without a clear program. Due to the influence of his advisers, including some foreigners sent by the international Social Democracy who played a decisive role, Arias centered his campaign on the topic of peace and the promise to build 80,000 houses and create 25,000 jobs every year.

The reason why the Legislative Assembly has not been flooded with bills sent by the executive branch and why there is not much activity in the ministries and autonomous institutions is due to the absence of government programs and to the basic fact that in this 100-day period, the Arias administration's sole objective has been to follow the policies (read: the impositions) of the IMF and the World Bank.

As president-elect, Arias criticized the IMF formulas and he indicated that it generally acted without taking into account the social and economic situation of the masses. As president, Arias implemented the orders of the IMF.

In these first 100 days, the currency has been devalued three times and the process continues.

Meanwhile, the prices of caviar and salmon have nosedived during this brief period of the Arias government.

In short, very few times have so many measures against the people been adopted in such a short time as those implemented by the man who for months toured the country repeating that his greatest concern was the poor. He is the same man who, on taking office, praised his predecessor, Monge Alvarez, for his "ability" to handle the crisis and to bring

stability to the country, and then immediately began to increase prices. He ordered wage increases that the government itself described as insufficient, and began a chain of dismissals that is not yet over.

In the area of public services, the electricity rates have already been increased, the water bills have just been increased 30 percent, and an increase in transportation fares will soon be established. Meanwhile, it has been officially admitted that there is a deterioration in health services while the CCSS [Costa Rican Social Security Institute] allocates millions from its surplus to finance the deficit of bankrupt autonomous institutions, as occurred with LACSA [Costa Rican Airlines] and the Water and Sanitation Institute.

As a candidate and as president-elect, Arias repeated over and over again that his goal was "an economy at the service of man and not man at the service of the economy." Nevertheless, all of his actions as president have been directed at sacrificing the poor man to benefit the rich man.

If these have been the great domestic "achievements" in his first 100 days in office, the foreign policy of the National Liberation Party has had the same characteristic of radically distancing itself from what it said in the campaign and from the desires of the majority of the Costa Ricans.

Instead of seriously and constructively working for peace, Oscar Arias has turned himself into a critic of the Nicaraguan Government and has sought and pressured other governments of the continent and even the Contadora Group to carry out an aggressive and interventionist policy towards the internal affairs of Nicaragua. In light of the situation in the area, this means he is aligning himself with Reagan's strategy for the region and particularly for Nicaragua.

The balance sheet of the first 100 days of the Arias government does not bring any positive results for the country or the people. The government continues being the main cause of the difficulties and problems affecting all those who earn their livelihood.

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CSO: 3248/32

COSTA RICA

PLN STATEMENT CRITICIZES NICARAGUAN GOVERNMENT

PA190450 San Jose LA REPUBLICA in Spanish 13 Aug 86 p 2

[Text] Yesterday, the National Liberation Party (PLN), through its secretary general, Rolando Araya, issued a statement criticizing the Nicaraguan Government.

"We will clearly state what is really happening in Nicaragua," Araya said. He added: "We may ask the Socialist International to reject the participation of the FSLN."

Araya presented a statement to reporters which contains the following points:

1. The PLN denounces the cynical maneuver of the Sandinists expressed in Nicaragua's charges against Costa Rica at the International Court of Justice.
2. The Nicaraguan charges exceed the limits of tolerance and are further evidence of the aggressive and unfriendly nature of the Sandinist policy toward our Costa Rican democracy.
3. The Costa Rican people are aware of the Nicaraguan people's struggle for freedom and democracy, and know very well that the millions who died to overthrow the Somoza dictatorship sacrificed their lives for a democratic regime in their homeland.
4. The Nicaraguan people want social justice and sovereignty in democracy.
5. The Sandinists feel hindered by the proximity of a nation like Costa Rica, which has shown the world that the best democracy is one that does not need an army or a repressive apparatus.
6. The PLN will not continue its quiet toleration of concepts that base their support for peace on the deceit which follows the betrayal of a revolution.

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CSO: 3248/32

COSTA RICA

MADRIGAL REITERATES SUPPORT FOR DEMOCRACY

PA211427 San Jose Radio Reloj in Spanish 0100 GMT 21 Aug 86

[Text] Foreign Minister Rodrigo Madrigal Nieto has announced that France supports the democratic alliance proposed by Costa Rica. The official made the announcement at noon today during a lecture on the subject of "Costa Rica's Theory: Democracy, A Condition for Peace" to the members of the Costa Rican Chamber of Commerce.

Madrigal said that the suit filed by Nicaragua against Costa Rica at the International Court of Justice is another blow to the peace efforts of the Contadora Group. He reiterated that it is not our intention to hem in [cerrar], break up, or liquidate Nicaragua. On the contrary, we feel great affection and respect for the Nicaraguan people, he said.

Madrigal remarked that we are indeed against a regime that betrayed the revolution and the Nicaraguan people. Our policy is clear-cut and firm: We are not at the service of anybody except democracy. We are not neutral regarding democracy, he stressed.

We [words indistinct] neutrality in matters that are alien to us, the foreign minister told the businessmen. He said that we are neutral in the face of adherence to democracy, which the communist Nicaraguan Government endangers. [sentence as heard] He stressed that we must show the world that there is not a single Costa Rican among the thousands of human beings who are roaming the Central American forests in search of asylum, residence, employment, food, security, and justice.

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CSO: 3248/33

COSTA RICA

ARDE'S FOURTH ANNIVERSARY NOTED

PA240443 Panama City ACAN in Spanish 2358 GMT 23 Sep 86

[Text] San Jose, 23 Sep (ACAN-EFE)--The anti-Sandinist ARDE is 4 years old today, a date remembered by its military and political spokesmen.

Jose Davila, the political representative in this capital, and six commanders who abandoned Eden Pastora for the forces of Fernando 'El Negro' Chamorro, today repeated their decision to continue the struggle "for the rescue of the original principles of the Sandinist revolution."

In a statement signed by Davila, military spokesman Leonel and regional commanders Ganso, Oscar, Navegante, Omar, and Pedro Rafa, the eight renewed the promise to fight "until they see the peace shine with pluralism, social justice, and freedom" in their fatherland.

On 9 May the ARDE commanders disavowed Eden Pastora and allied themselves with the revolutionary Armed Forces of Nicaragua of "El Negro." Together with the Nicaraguan Opposition Unity [UNO] they formed the UNO-Southern Front Bloc.

That step was justified as necessary to broaden the alliance of forces which "also want a democracy in Nicaragua."

A week later Eden Pastora, the ranking leader since its inception, abandoned the military battle against the Nicaraguan Government and turned himself over to Costa Rican authorities. He left behind 3 years of fighting and 1,000 dead, according to rebel sources.

Since then he remains in Costa Rica as a refugee and is involved in political activities dealing with the Nicaraguan situation.

Some 4 and 1/2 months after the change in leadership ARDE spokesmen announced the formation of a political arm called the Christian Community Movement [MCC] "to develop the democratization of Nicaragua and the building of a new society."

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CSO: 3248/33

COSTA RICA

FINANCE MINISTRY REPORTS 1986-7 BUDGET DEFICIT

PA291444 San Jose LA NACION in Spanish 21 Aug 86 p 4-A

[Article by Aldo Anfossi]

[Excerpts] The public sector's deficit will be 13.822 billion colones this year, according to preliminary estimates of the Finance Ministry that were submitted to the Economic Council to discuss and prepare the country's 1987 budget.

The sum--equivalent to 6.3 percent of the Gross Domestic Product (GDP), in other words, the value of the country's production and services-- includes 11 billion colones in Central Bank losses and a 2.822-billion-colones deficit in the nonfinancial public sector, which comes to 5 and 1.3 percent of the GDP, respectively.

Nevertheless, the government's "red figures" add up to 5.236 billion colones (2.4 percent of the GDP). However, a 2.414-billion-colones surplus in the rest of the public sector and state enterprises and institutions permits a 2.822-billion-colones reduction in the deficit of the nonfinancial sector (it excludes commercial banks, the National Insurance Institute, and other institutions).

Regarding the budget, the Finance Ministry report discloses that the ministries have requested authorization to accrue 56 billion colones in expenses.

However, the Finance Ministry believes that next year's expenditures should be no more than 44 billion colones.

For this purpose, it would count 42.2 billion colones in financing, which would stem from 35.7 billion in current revenues; 5 billion colones from bonds; and 1.5 billion colones from the Law of Extensions (contributions of the autonomous institutions to the state treasury).

Even with this, it would still have to obtain 1.8 billion colones to totally finance the government expenditures if the ministries "respect" the 44 billion colones limit on expenses.

For 1987, the Finance Ministry aims to drop the public sector deficit to 11.5 billion colones (4.6 percent of the GDP) so the Central Bank deficit will be 9.5 billion colones (3.8 percent of the GDP) and the nonfinancial state sector will be 2 billion colones (0.8 percent of the GDP).

The ministry reported that if the executive does not adopt measures to stop the increase in expenditures, the deficit next year will amount to 19.636 billion colones, equivalent to 7.9 percent of the GDP.

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CSO: 3248/31

COSTA RICA

BRIEFS

ANTI-CORRUPTION COMMISSION--Yesterday President Oscar Arias swore in the National Anti-Corruption Committee and urged the people to join the government in uprooting the corruption that is invading the entire country. The members of the commission are Msgr Roman Arrieta, Ricardo Gonzalez Vargas, Ricardo Vargas Hidalgo, Juan Rafael Espinoza, Justice Minister Paulino Mora, Government Minister Guido Fernandez, and Attorney General Luis Fernando Solano. [Excerpt] [San Jose LA REPUBLICA in Spanish 11 Sep 86 p 6] /9604

AMBASSADOR TO MEXICO--Julian Zamora Dobles will be the new ambassador to Mexico effective 1 January 1987. He will replace Angel Edmundo Solano Calderon. In addition, yesterday's Council of Government session confirmed the appointments of the following people as our ambassadors: Marco Aurelio Guillen to Canada, Miguel Angel Campos Sandi to Brazil, Oscar Roman Hernandez to Venezuela, Alvaro Umana Monge to Peru, Miguel Yamuni to Panama, and Teresa Radulfe to Spain. [Summary] [San Jose LA NACION in Spanish 14 Aug 86 p 12-A] /9604

1987 BUDGET FIGURES--This afternoon, Finance Minister Dr Fernando Naranjo said the 1987 national budget will exceed 44 billion colones. Naranjo said the government will comply with the IMF agreements on the 1987 public sector deficit. Moreover, he said that the deficit is expected to be less than 1.5 percent of gross national product, as agreed upon with the IMF. The finance minister said that the public sector deficit will not be charged exclusively to the 1987 national budget. He added that part of the deficit will be covered by the amendments being made to some taxes such as sales and consumption taxes and [word indistinct], which will be proposed to the Legislative Assembly in the next few weeks. The Finance Ministry will complete the preparation of the 1987 budget this week, Naranjo said. [Text] [San Jose Radio Reloj in Spanish 0100 GMT 20 Aug 86] /9604

CSO: 3248/31

MEXICO

TEHUANTEPEC BISHOP LONA DISCUSSES CHURCH-STATE RELATION

Mexico City PROCESO in Spanish No 511, 18 Aug 86 pp 6-11

[Article by Oscar Hinojosa]

[Text] The lack of open relations between the church and the state do not prevent representatives of the Mexican secular state from meeting whenever they want with representatives of the high church hierarchy in the papal delegation, the house that symbolizes the interests of the Vatican in this country.

At the same table the secretary of the interior, Manuel Bartlett Diaz--sometimes accompanied by Deputy Secretary Fernando Elias Calles--and the most conflictive Mexican bishops have consumed the same food, the same wines, and they have enjoyed the same desserts.

The statute of the separation of church and state is tightened or loosened, according to the circumstances. In times of difficulty, conflict or crisis, the Mexican Government departs from orthodoxy and calls the clergy to meetings. In this skewed course of meetings between the government and the clergy, Secretary Bartlett has not met insuperable obstacles because he can count on the cooperation of Geronimo Prigione, the Vatican's man in Mexico.

For the Mexican Government the saying is also true: all roads lead to Rome. And the papal delegate fulfills the tasks of a guide.

Prigione has carried them out as the efficient link of the Mexican Government with the Vatican secretary of state, as well as indispensable conduit between the Secretariat of the Interior, when a few weeks ago he expressed praise for the July elections.

Called by Prigione, Bartlett has been able to reprimand--preferentially at the headquarters of the papal delegation--on several occasions one or several of the prelates of the Mexican hierarchy, especially the bishops of the north and south who take positions opposing the government's wishes. The clergymen called to the meetings with the secretary of the interior "have defended themselves well," according to reports obtained by this reporter, but the majority have had to combine the delights of the dinners with the bitter rebukes of the secretary of the interior.

The papal delegate declared then, "I admire the civic maturity shown by the people in these elections. The Mexican people always give proof of good sense. I admired the discreet presence of the authorities, as is normal during elections, in any part of the world. There were no pressures, disorder or repression, as there was a climate of great security, more than anything else. Surely there have been incidents in many places, as also occurs in the most civilized countries of the world."

They have been bitter at least for the bishop of Tehuantepec, Arturo Lona Reyes, from whom PROCESO gathered explicit but not unique testimony about the bishops' meetings with Bartlett.

Bitter for Lona Reyes, because Bartlett "has come down hard on me." The head of the Tehuantepec diocese is, according to what the secretary of the interior has told him, a Marxist bishop, a sponsor of guerrilla groups in the Oaxaca mountains, a member of the COCEI (Worker-Peasant-Student Coalition of the Isthmus). A violator, in short, of the Constitution.

A bishop involved up to the eyebrows in temporal life, Lona is used to the eye of the storm. "The diocesan church is in a continual conflict of lack of freedom in our preaching the Gospel since we chose the option of the poor, which is not a pose but a gospel demand. Since 1979 we have had constant conflict. Today four churches of the diocese remain closed by PRI bosses--except one, ordered closed by a PPS mayor--as a reflection of the situation that we are undergoing on the isthmus, that is worsened by the electoral process. They constantly block our work. They varnish any political problem as a religious problem to confine us to the sacristies. And that is not possible."

Lona's figure clashes with the traditional image of the Catholic hierarchy isolated in mansions or palaces and dressed with the ostentation of princes. Here, in addition, the powerful sun of the isthmus does not tolerate eccentricities. Lona wears only a short-sleeved shirt, tweed pants, and sandals. A small wooden cross takes the place of the pectoral cross.

At the wheel of a four-cylinder car, Lona drives to the house of a family of friends, where the interview is held. Covered with the generosity of the hosts, the conversation goes immediately to the topics of the day.

In the white-hot Tehuan midday, Lona accepts the regional aperitif.

What is the significance, in your opinion, of the clear public activity that the clergy of the north and south of the country has carried out, especially in recent months, with opinions on the most important issues in the community?

It has to do with a group, the CELAM (Latin American Bishops Conference), which defined the option for the poor. Why would we not talk politics in the community groups? Ah! They accuse us, you are from the PSUM. No, what interests us is politics as the art and science of leading toward the common

good. That is a necessity that they cannot hinder us in. We would leave the Gospel short. We would impoverish it.

Could the growing participation of clergy in public affairs lead, in your opinion, to an open and direct confrontation with the state?

The confrontation has already been occurring for a while. It has worsened recently because the hierarchy has become aware of its obligation to preach the Gospel and its commitment to the option for the poor. If the hierarchy and the priests want to be faithful to Christ's instructions, it is necessary to be always in the clear option for Christ. Not only was he born poor but he chose the poor. For that reason the Pharisees excluded him. "He is crazy," they said.

Because of the greater participation of a sector of the church, have some of you, have you yourself, received pressure from that hierarchy, from the Vatican or the Mexican Government?

You make a correct distinction. The bishops of the Bishops Conference, around 85, respect the option one takes. And I try to respect them, of course. Certainly at the beginning I felt a little irritated. But it was a bad tactic. And they have respected me lately. It is not that way with the government. The government has come down hard on me through the secretary of the interior, specifically Mr Manuel Bartlett, who has called me several times through the papal delegate. He accuses me of being a Marxist, a guerrilla, of having groups in the mountains. He says it is not true that I go to take corn to the Indians or to promote cooperatives. That is where the government, through the Secretariat of the Interior, is bothering me quite a bit.

How many meetings have you had with Secretary Bartlett?

Once at the Secretariat of the Interior, twice at the house of the papal delegate, and once with Deputy Secretary Fernando Elias Calles at the papal delegation.

What was the reason for the meetings?

To tell me that I am off-course, that I am outside the context of what the church is, that preaching should be, according to the Constitution, confined to the churches. That I stop this, that I am violating the Constitution, even though I have taken a vow of chastity and I know that I violate it, because I go out to preach the Gospel in all the communities, neighborhoods, towns, openly.

In a parenthesis, the bishop announces that a Dutch foundation, after Lona persisted for several years, has agreed to allot a donation of 40 million pesos for the promotion of cooperatives on the isthmus. He accepts as "a good idea" the Dutch initiative to send, along with the donation, an economist who will supervise the assignment of the funds and assure their "optimal utilization."

In resuming the central conversation, Lona describes a meeting of 12 bishops with Prigione and Bartlett at the papal headquarters. The most prominent prelates and Bartlett.

Lona says, "At the end of a plenary assembly in Puebla, the papal delegate invited me to take part in a dinner with the secretary of the interior. Twelve bishops participated. We expected conflicts because of the elections in Sonora. On that occasion Mr Bartlett said that PRI had all the chances of winning, that he was already enjoying the PRI's victory because the strength of the party was in the people, that the PRI was going to recover the municipalities that were in the opposition's power, because the people were more aware. The same old refrain.

An observer could see the meetings with Bartlett as reprimands by the secretary of the interior of the bishop of Tehuantepec.

That is how I took them.

Three reprimands. And what was the papal delegate's attitude at these talks?

One of the papal delegate's concerns is for me to say what my position is before a minister like Mr Bartlett directly, so that the prejudices they have against that foreigner will disappear. In that respect, I consider that the invitation the delegate made me to say what my position was to a minister was valid.

Has Secretary Bartlett asked you if you are a member of the COCEI?

No; rather, he maintains that I am from the COCEI. Although, on the last visit I made, the minister's artillery were directed toward the northern bishops. On the last visit, at the dinner, they were kind to the south, because they saw that the elections in the south were farther off. It was more recent then that Bishop Quintero Arce had had dinner with John Gavin. Bartlett and Elias Calles were too tense about calling them on the carpet, especially the northern ones. At that dinner they gave me a rest, because the artillery was not directed at me as on the other occasion. When the secretary of the interior referred to the situation in the south, he turned to look at me. And I said, "Mr Bartlett, what do you say about me?" "We'll talk about you in a minute," he answered. But that time he didn't attack me. The majority of the bishops present were from the north. They were Bishops Almeida, Talamas, Llaguno, Saul Robles. Quintero Arce could not attend. The whole talk was weighted toward the north, because of the whole problem that already was getting closer.

What was the date of that meeting?

Because the press said that John Gavin was interfering a lot in Mexican problems. [sic]

How many meetings in all have you participated in?

One with Bartlett, alone at the Interior [offices]. We had coffee. It was the day before the first report of President Miguel de la Madrid. When I entered his office, several governors were waiting for audience. When I left, the governors were no longer there. The talk had lasted a long time. I entered around 12:30 and left after 2 pm. It was a very diplomatic bombardment at the beginning. He is from Tabasco and his language is a little florid. And here on the isthmus they have also taught me to say words that detoxify the senses. I explained to Bartlett that in my team I had also learned to talk as he was doing. Then he became more open in the dialogue. Another meeting was at the house of the papal delegate, in a group. In that one he was very severe with me, because Leopoldo de Gyves was campaigning then. The last one was about a year ago. That was the one where I escaped a reprimand. When Bartlett urged the bishops to say something about Gavin's interference in Mexico's internal affairs, I said to Elias Calles, "That is for you to do, why should we do it? Where then does that leave the Benemerito [Benito Juarez]?" "Well," he replied, "your words are worth more." "Then we do have political strength," I said. "Alright, alright, we'll talk about it later, later," he answered.

It seems that the participation of the clergy in political matters very much displeases the government.

It bothers them a lot that the clergy take it upon themselves to make believers aware of their civic obligation to demand that the government, which is the servant of the people, keep in mind that power is not for the profit of persons or elites. "It is not your obligation," they say. But now that one knows that Mr Bartlett intervened so that masses in Chihuahua would not be suspended, one says, well, then where is the business about the illustrious Oaxacan? Because now it turns out that Bartlett is a fervent Catholic who is very concerned that the Catholic people could go without Mass. This is a strictly personal comment: What does Mr Bartlett have to do with internal church matters?

Have you noticed any indications that the country's leaders could adopt harsher and more restrictive measures against clergy who take up positions on events in the country?

Yes. It has been seen in the dioceses of the north and south. I am not the only one constantly criticized because I accompany the poor in the liberation process. The bishop of San Cristobal also is. In the north Llaguno, Almeida, Talamas. Not only do you see antipathy but open opposition to our position.

But do you believe that this could be reflected in some measures of a political nature?

The measures that have been adopted in Tehuantepec, for example, are to use the municipal authorities elected by the PRI, who have closed some churches. They have threatened us, kidnapped missionaries. These are lamentable

measures, but at the same time I believe that every cloud has a silver lining, because the people become aware and at election time they express their will against the official party. Yes, we feel that we are being persecuted. Very strong political measures are taken. Not directly against the bishop, except the threats from deputies, party bosses, and mayors, but I do fear that at a time of greater pressure and repression, they do not respect the physical integrity of the missionaries, who are currently very unprotected against the forces that should protect the citizens.

In meetings with colleagues or with the country's authorities, have you advocated the restoration of the clergy's political rights?

Yes, I have said it on some occasions. I repeat, are we somehow third- or fourth-class Mexicans, that they shouldn't let us vote? Or are they afraid that I will vote for the COCEI? In the first place, the vote is secret. I believe as a Mexican that the clergy have the right to vote, but never to be voted for. We should not repeat the lamentable and negative story of the church when it had power in its hands. I would never agree with a bishop being a candidate to deputy or governor. On the isthmus the citizens are convinced that the clergy should vote. Once they even gave me a voter's card at the Tehuantepec mayor's office. I identified myself with it, really, to a traffic policeman in Mexico City. With the greatest naturalness I went to request my voter's card and they gave it to me. "Of course, Father!" they told me. This means that many people think why shouldn't I have a voter's card, if I am a Mexican and I try to serve the community? Others, on the other hand, have told me, "Why should we give you the vote if you are a communist?" Of course, in these cases there are always those who say that if to be a communist is to do good for the communities like the bishop does, then they are also communists.

What would you do if the Vatican secretary of state, for example, recommended through the papal delegate that you should reduce or suspend the activities that you have carried out up to now and you knew that these instructions had been ordered at the suggestion of the Mexican Government?

In the first place, the papal delegate knows my work; he spent several days in the diocese. I took him to visit several parishes, one of them, San Francisco Miahuatlan, which has now been closed with padlocks at the entrance, by the PRI mayor. I had told the delegate that in the diocese there were some parishes with guerrillas. Without naming names, I chose the parishes he would visit. We went to Ixhuacan, La Laguna, San Francisco, Pueblo Viejo, etc. That night, I asked him, "What did you think of the parishes?" "Very good," he answered, "but you didn't take me to that parish with guerrillas." "Well, it is the one you visited today, where you publicly praised the work of the poor, the organization they have," I explained to him. "There is no doubt that I am poorly informed," he said. In sum, the delegate knows what my pastoral work is. Likewise, he cooperated so that I could go to Rome in 1983, just before Christmas. He knows what the Pope's comments on my work were. "Your work is not communist. Continue with the poor," the Pope told me. Really, then I celebrated Mass--with other cardinals, of course--with the Pope

in the Basilica of Saint Peter. Because of this, I think that if because of poor information from the delegate there was coercion, that manifested itself through a promotion or a condemnation of my pastoral work, I would do a very simple thing. I would go to speak directly with the Pope. I would explain to him, "This is what they say about me, but the balance is this." I would take him the report of my activities.

One of the reasons that adversaries of giving the vote to the clergy put forth is that they obey the dictates of a foreign state, in this case the Vatican. Is the vow of obedience a sufficiently weighty argument, in your opinion, to deny the vote to the clergy?

No, because the obedience that we owe to Rome is not unconditional. This is very important. Obedience to the Pope is not unconditional. It is of loyalty. I am unconditionally for Christ, but not unconditionally for the Pope, because the Pope can make mistakes. I do try to be loyal. Some clergy understand the vow of obedience to such an extreme that they want to be unconditionally for the Pope, but I think they harm him. I think that many would agree with me: obedience has its limits.

Placed in a hypothetical conflict between the Vatican and Mexico, what side would you take?

If they were diametrically opposed positions, I would make a judgment as to which was right. If it was Mexico, I would be on Mexico's side. But it is certainly a strange hypothesis.

The vow of obedience does not obligate you in advance to follow the points of view, the policies, of the Vatican, even against the interests of the country?

No, no. Obedience should be based on justice. If an order is not based on justice I have no reason to comply with it, to obey it. First I would make a non-individualist judgment. I have my group consultation. I would call on those who help me to shed light on problems. I have a diocesan pastoral council, of priests. We would discuss it at different levels.

As you see it, would it be fruitful for political relations in the country if the clergy had the vote?

In my opinion, it would be advantageous, because it would have several consequences. At times when it is necessary to listen to the voice of the citizens at the time of voting, we clergy would not be like outsiders at the assembly. I give my vote, I ask for the floor, and motivate from my point of view. Without fanaticism, with reason, in favor of justice, love for peace. Spiritual peace is the fruit of justice and love. I fight for that peace, not the peace of the tomb. It would be a positive thing if we were considered citizens, although everything has its risks. There would be a risk, for example, that some priest would take advantage of his citizenship for personal benefit. Of course this would be reprehensible.

Among the clergy, is there a consensus that it would be beneficial?

No, there is not. In the dioceses that are considered traditionalist, there are priests who are for and against granting the vote to the clergy. The same thing happens in the progressive dioceses, but I am sure that in a survey the majority would say that we have a right to vote.

And among the hierarchy, what is the climate?

Well, this topic has not been touched upon, but among those with whom there is the most camaraderie, the most communication, we are in agreement that they should give us that right. To vote but not to be elected, so as not to fall again to the temptation of power.

Among the clergy, especially among those highest in the hierarchy, is there an awareness that the church has committed errors in the history of this country?

We have not said it very explicitly, but history is very eloquent that we should be humble and accept that we have made quite deplorable historical errors.

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CSO: 3248/9

MEXICO

BRIEFS

ECONOMISTS FAVOR DEBT PAYMENT SUSPENSION--The National Association of Economists has announced that it is in favor of temporarily suspending payment of the foreign debt until the country's economic growth has been recovered. Gustavo Varela Ruiz, president of the association, expressed the Mexican economists' views on various issues. He denied that salaries are producing inflation because. He said that profitable salaries ease social tensions and improve production levels. Varela Ruiz said that the public sector's investment should be recovered even at the expense of incurring a fiscal deficit. The economists, he added, feel that a gradual and permanent reduction of interest rates would be favorable. Finally, Varela warned that this year's inflation index will surpass the 100-percent level. [Text] [Mexico City XEW Television Network in Spanish 1300 GMT 26 Sep 86] /9599

NEW TABASCO COAST OIL FIELDS--Mexico, 1 Oct (NOTIMEX)--PEMEX announced the discovery of two new high-potential oil fields on the Tabasco coast, significantly increasing prospects for production, especially of light oils and natural gas. The fields, named Luna and Puerto Ceiba, are 50 km from Campeche Sound, in the area between the Municipality of Frontera and the Port of Dos Bocas. They reach towards the Gulf of Mexico shelf, so it is also thought that a new area of offshore production has been found. PEMEX described this as one of the most important events of the year in oil exploration, and stated that the find must be added to the discovery of the Caparroso Cen and Pijije deposits, located northeast of Villahermosa, and which together make up the Eng Miguel Angel Zenteno Basurto complex of oil structures. [Excerpt] [Mexico City NOTIMEX in Spanish 0243 GMT 2 Oct 86] /9599

CSO: 3248/27

PARAGUAY

DAILY SCORES AMBASSADOR TAYLOR'S 'ACTIVITIES'

PY181730 Asuncion EL DIARIO in Spanish 18 Sep 86 p 10

[Editorial: "Where Are You Going Mr Taylor?"]

[Text] No one should doubt that our newspaper since it first appeared has maintained an independent position from political ideologies, dogmatic tendencies and any official leanings thus maintaining its distance from the different positions prevailing in the national spectrum. This is how we began and we are not thinking of changing our direction.

Within this principle we have been observing and commenting about various aspects of the national life and the activities of U.S. Ambassador Clyde Taylor has called our attention. His activities on more than one occasion have already received some comments because frankly they have nothing to do with diplomatic activities.

Honestly speaking, this type of behavior has not been common or frequent. It has occurred only a few times in our country, and we are not aware of the same behavior occurring elsewhere. We are not trying to deny an ambassador's right to make contacts with the environment in which he lives by studying and evaluating its realities to make conclusions. However, summoning political parties, openly maintaining contacts with opposition leaders and even agitators, summoning during his tours throughout the country government officials, political chiefs, school directors and even presidents of political party precincts, as if he were some kind of general supervisor or overseer of the country's activities, is something which frankly has already become intolerable and abusive. We are aware that other ambassadors also tour our countryside, but of course they have not assumed a similar attitude in strict observance of their position and consistent with their specific responsibilities. And if this were not already enough to label his behavior as clearly interventionist, the embassy disseminates an economic report making its own evaluation of the Paraguayan situation. This report should have been for official use only, and strictly confidential, especially when for many reasons its conclusions are questionable.

These thoughts make one sit up, think and ask: What is Ambassador Taylor up to? This is the reason for the headline of this editorial. Is it really a well thought out plan to seek, like a former ambassador already tried, the destabilization of the government and the political officials of the country, or is he trying to become some kind of super ambassador because he represents one of the most powerful countries on earth, or is he trying to become persona non grata to force himself out of the country, an attitude we believe the government would not assume, to enter in this manner through the front door of the State Department seeking an aware and a more renown embassy, or a higher position in the State Department? Are you working toward those goals Mr Ambassador?

We sincerely regret to have to point out these facts. However, just as we emphasize our independence of thought, we cannot hide our profound nationalism which demands the intransigent defense of our way of being sovereign against the attacks of all kinds of colonialism and imperialism. Just as we are devoted to ethical and legal principles we also advocate the validity of a clear provision established in our Constitution that says that the Republic hopes to live in peace with all nations and to maintain friendly cultural and trade relations on the basis of legal equality, the nonintervention in internal affairs and the self-determination of people.

Therefore, it would be good if in harmony with these principles, and in agreement with the good practice of diplomacy the U.S. ambassador using sound judgment assumed his appropriate role.

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CSO: 3348/25

PARAGUAY

LIBERAL PARTY REPUDIATES ACTIONS AGAINST PEASANTS

PYL70223 Asuncion EL DIARIO in Spanish 14 Sep 86 p 16

[Article by Clemence Caceres]

[Text] Juan Manuel Frutos, Caaguazu--over 3,000 Liberal Party [PL] members participated last night in an art festival that was held at the municipal gymnasium of Juan Manuel Frutos. The art festival was followed by a political meeting which ended with a dance. The proceeds of the dance were to be donated to the relatives of those peasants who were killed in a raid at the "Ybaroty" ranch located in the Juan E. O'Leary jurisdiction. The peasants who were killed are Francisco Martinez and Aurelio Bogado Martinez.

Speaking to the crowd during the meeting, PL President Joaquin Atilio Burgos said that "we are here at this important event filled with great sorrow over the incidents that have recently taken place in Juan E. O'Leary. As members of the PL we cannot ignore the right to own private property which is consecrated in our Constitution and in our political ideals."

He noted that "we cannot ignore the voice of Paraguayans and Liberal peasants who claim for themselves a piece of land on which to work and live with their families."

Burgos also said that "we categorically condemn the recent incident at the Ybaroty ranch because of the inhuman and brutal repression to which humble peasant families were subjected, and because of the arrest of several fellow PL members who were manhandled by police agents of the regime."

In addition, the PL president issued a message to all PL youths urging them to work for the party because very soon the so-much sought for unity of all Paraguayan liberals is going to be achieved, and that in view of this it is necessary for all to be united "in the struggle against the autocracy in the next presidential elections."

Deputy Julio Cesar Ibarrola and Senator Emerenciano Cabello, who organized the meeting, were in charge of the opening ceremony. Their speeches were followed by those of professor Serviliano Alonso Peralta, Municipal Councilman Bernardo Arias, and local PL Director Ricardo Villagra, who delivered a speech in Guarani in which he urged all Liberals to seek the unity of the party. PL President Joaquin Atilio Burgos was in charge of closing the political meeting.

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CSO: 3348/25

PARAGUAY

PLR HOLDS MASS RALLY AT SAN ESTANISLAO

PY180038 Asuncion EL DIARIO in Spanish 15 Sep 86 p 48

[Article by special correspondents Lidia Herrera and Alejandro Fretes from San Estanislao]

[Text] Approximately 8,000 members of the Radical Liberal Party [PLR] met at La Libertad public square in San Estanislao yesterday. The purpose of the meeting was to convey support for the quest for the unity of all liberals under the slogan: "For real peace, without oppression or hate, amid justice and equality, and for the unity of the PLR and the Paraguayan people at large."

The rally, organized by the local PLR precinct and sponsored by the party leaders who attended en masse, had special overtones. Traditional blue bandannas worn by most of those present and the proliferation of banners drew the attention of the spectators, who said that they had not seen such a spectacular display in a long time.

The rally started with the singing of the national anthem followed by the Liberal folksong "18 de Octubre." The main speaker of the rally was PLR President Emilio Forestieri.

Speaking about his recent meeting with President Alfredo Stroessner, Forestieri revealed that Domingo Laino had been abandoned by his friends for 3 years and it was the "PLR that asked at Government House that he be allowed to return."

The PLR president also addressed several issues related to party activities. He said that his party believes that "there must be no more political exiles. If we love our country, we must not force any Paraguayans, be they Liberals, Colorados or independents, to leave the country."

He added that "there have been traitors who divided our country. That is why there has been criticism directed at our visit to Government House. We know that the descendants of the oligarchs are trying to besmirch our party. Thus they do not like me to speak with Stroessner, but we Paraguayans must resolve

our own problems. Our country is facing a difficult situation. We want the state of siege to be lifted, we want to help free the country from thieves, smugglers, and exploiters of peasants, we want our workers to earn fair wages and our businessmen to have favorable conditions. I went to see the president to ask for your rights."

"We believe that agrarian reform must be updated," Forestieri said adding that "there is a limit to everything. If things do not get better we will leave the process honorably." He also spoke about the need to unite the Liberal Party "so that it can continue being a valid alternative to the government," and about the national dialogue that the church has proposed.

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CSO: 3348/25

PARAGUAY

LANDLESS PEASANTS REPORTEDLY INCREASING 'STRUGGLE'

PA021933 Havana International Service in Spanish 2300 GMT 29 Sep 86

["Our America" commentary ready by Norberto Hernandez]

[Text] When one reviews all the harm caused by the prolongation of the Alfredo Stroessner dictatorship in Paraguay, the land problem, marked by the most brutal latifundio system and the merciless repression of the majority peasant population, occupies one of the principal positions.

The lack of land affects 68 percent of the Paraguayan people, whose basic means of support is agriculture. In recent times, the spread of the latifundios is one of the characteristics of the Paraguayan rural areas. For the past decade, transnational enterprises have been expanding their purchases of large areas of land for diverse objectives ranging from the illegal exploitation of mineral resources to drug trafficking.

The lands near the Itaipu hydroelectric plant, which benefit from the service that it provides, automatically passed to the hands of the transnational companies and high-ranking government officials, among them not a few military chiefs. Up until July, there were 5,000 families without land just in Alto Parana Department. Meanwhile, millions of hectares which had previously belonged to the state passed to the control of foreign consortiums and local political bosses.

The magnitude of the drama is clearly shown by the following figure: In Paraguay, less than 1 percent of the landowners hold 78 percent of the land. This is a crushing imbalance. With such a picture, one can imagine the situation in which the Paraguayan peasants live.

The magazine NUESTRO TIEMPO, which is published in Asuncion, recently stated: Hunger is not the exclusive luxury of the poor of Biafra. In Misiones Department, our peasants continue to suffer from a lack of food due to the latest drought and the old problems of small landholdings and the lack of land.

In view of the nonexistence of official solutions, the peasants have opted for the occupation of idle land. A drama which is also repeated and repeated is the brutal violence of the big landowners and the soldiers. In July, a military patrol killed peasants Aurelio Silverio Martinez and Francisco Martinez who, along with 23 other peasants, had occupied land owned by [name indistinct],

a big landowner of German origin, in (Juan Olearos) District. After the incidents, the survivors said that between dying of hunger and fighting for a piece of bread, the latter is preferable. Days before, six peasants and a radio station reporter were arrested and accused of damaging the so-called private property. The incident took place in the area of Yhu, 230 km from Asuncion. Last week, repressive forces arrested 10 peasants in Itapua Department. They formed part of a group of 70 peasants who were also accused of occupying land owned by big landowners.

For many observers, this drama might become a highly dangerous detonator in the current Paraguayan situation where the people's struggle against an obsolete regime based on deep social injustice is increasing.

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CSO: 3348/48

PARAGUAY

BRIEFS

ITAPUANS CLAIM HOMES DESTROYED--Representatives of approximately 30 Paraguayan peasant families today reported to AFP that armed men have burned or torn down dozens of houses in Colonia Alborada, Itapua Department, some 400 km southeast of Asuncion. Almost a hundred children and their mothers were homeless this week, and were being fed by charity organizations. The owners of the Santa Ida Company, a big landowning enterprise, are being blamed for destroying the peasants' houses and for bulldozing their fields over the last 2 months. At least 12 heads of families were detained by court orders as a result of criminal charges filed by Santa Ida Company. Charges were also filed against some 30 women, wives of the Colonia Alborada peasant leaders. The peasants have asserted that they are occupying government land, and have proved this by showing documents of the state-run Institute of Rural Welfare, which manages government land. The peasants also reported that, some weeks ago, those responsible for these crimes stole their tools, including shovels, picks, machetes, hoes, threshers, and cultivators. [Text] [Paris AFP in Spanish 1543 GMT 4 Oct 86 PY]

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CSO: 3348/48

ST LUCIA

PRIME MINISTER COMPTON SCORES IMF, WORLD BANK POLICIES

Kingston THE DAILY GLEANER in English 25 Sep 86 p 7

[Text]

**CASTRIES, Sept 24, CANA**

St Lucia's Prime Minister John Compton today criticised the World Bank and the International Monetary Fund (IMF), and said the two agencies had deviated from their original purpose.

"It is because the leaders of the post-war world felt that the social order of the rich man at his castle, the poor man at his gate, was no longer acceptable, that the great international institutions were created to correct this imbalance, but in the welter of words which flow from these institutions, the prime objective seem to have been buried," he told the opening session of a meeting of Commonwealth Finance Ministers here.

"It is somewhat ironical that even while the Commonwealth was studying the problems of small states and recommending that the international community give special consideration to their problems, the World Bank was barring their access to concessional development funds available from the International Development Agency on the questionable criteria of per capita income.

"We now have a group of states, the OECS, all members of the World Bank declared ineligible for concessional funding as not being poor

enough, but also denied access to World Bank funds as being too small states cast adrift in the international waters and made easy prey for the international predators which infest them," Compton added.

The seven-nation OECS (Organisation of Eastern Caribbean States) groups St Lucia, Dominica, St Vincent and the Grenadines, Antigua and Barbuda, St Kitts and Nevis, Montserrat and Grenada.

Compton, also St Lucia's Finance Minister, called for the two financing institutions and their subsidiary agencies to return to their original objectives.

This was absolutely essential for the achievement of peace and stability on a global basis, he said.

Noting that the world economic situation could not be divorced from the world political situation, Compton said as long as much of the world's resources are used up on arms and armaments, poverty and underdevelopment will remain.

He added "there can be no moral justification for demanding of a developing country restructuring on a scale which will bring social and economic distress, while depressing the prices of its primary commodities

through subsidies of substitutes and adjusting interest rates on a level which consumes all its export earnings while this unnecessary waste of the world's resources continues."

Any adjustments must be accompanied by a net inflow of capital for development if possibilities for economic growth in developing countries are to be realised, he added.

Compton said the international community needed to devise some strategy where the enormous potential for the developing world can be realised.

"This can be done through fair prices for primary commodities, the removal of barriers to trade, infusion of development capital at reasonable rates of interest, stable exchange rates in industrialised countries, and a generous flow of aid on terms which will not impinge upon their political independence," he said.

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CSO: 3298/017

SURINAME

BOUTERSE OBJECTS TO NETHERLANDS 'COERCIVE MEASURES'

PA042237 New York United Nations Television in English 2300 GMT 3 Oct 86

[Speech by Surinamese Head of Government Desire Bouterse at the UN General Assembly in New York on 3 October--live or recorded]

[Excerpts] Mr President, distinguished members: The main reason why I am addressing this August assembly again this year is that since the commemoration of the 40th anniversary of the United Nations last year, important developments have taken place in my country. From the start of our revolution in February 1980, the representatives of my country, myself included, have tried painstakingly to keep you abreast of developments in Suriname. Before discussing these national developments, we think it appropriate to focus our attention on some international issues, both global and regional, as many of these issues have a direct bearing on the national political, economic, social, and military situation.

The use of economic coercive measures against a state, if not ratified by the world organization or a regional legal system, is considered illegal interference in the internal affairs of another state. For these reasons, we have voiced our protests on many occasions against the unilateral suspension by the Kingdom of the Netherlands of the international treaty on development cooperation concluded between our countries. We do hope that the Netherlands Government will change its position on this matter in the near future as this constitutes a serious obstacle for moving our bilateral relations back to normalcy.

I would be remiss, Mr President, not to focus briefly the attention of the members of the General Assembly on the question of the demilitarization of the Caribbean region. The Caribbean region, as you know, is mainly composed of small states which are highly vulnerable to economic and military threats. Bearing in mind that those states are an integral part of our international political system, it is beyond any doubt that they are entitled to protection by the world community against those economic and military threats.

Recent studies have made us aware of the growing danger that these states may be victimized by well-financed terrorist groups belonging to a growing sinister international underworld. Though this may sound like a bad novel, there are strong indications and, indeed, sufficient proof of the existence of such terrorist groups bent on overpowering such small and vulnerable states in order to find a safe haven for large amounts of money acquired by illegal means in other countries.

Allow me now, Mr President, distinguished members, friends, to explain the principal reason for my returning to this high assembly. As I said in the beginning, developments of major political importance have taken place in my country. We thought it appropriate to inform the members of our world organization about those developments as you are well aware of the efforts made by others to distort world opinion with regards to our country. These efforts were mainly aimed at establishing the image that Suriname is governed by a military dictatorship wielding its power indiscriminately without regard to the rule of law, and without respect for the fundamental rights of man.

Moreover, some of our adversaries are trying to link us to certain power centers, notwithstanding our sincere adherence to the principles of the Nonaligned Movement. The continuous flow of false and (?tendentious) information has undoubtedly had some negative effect, particularl as we are a small country lacking adequate means and manpower to counter that kind of malicious publicity.

However, we are fortunate to note that Suriname and its government do have many friends and that the overwhelming majority of the observers of our national scene have maintained excellent relations with us. We are grateful to those who continue to understand us as we really are. We are also most grateful to our many friends who recognize that we are a country in which the military and the civilians are working together to establish a real democracy, based on the freedom of our citizens and respect for the rule of law, in particular regarding the fundamental freedoms of men.

We are well aware that our adversaries continue to question our good intentions and that they seem blind to the fact that we are not a military dictatorship, but that we are governed by law and respect for the fundamental rights of men. But, Mr President, the Republic of Suriname's military has succeeded in establishing a sincere partnership. These are the simple facts and we in Suriname submit them to the judgment of the international community.

Mr President, as I said before, our representatives have in the past gradually informed the assembly about developments in Suriname. One of the main events that took place since I addressed this August body is undoubtedly the conclusion of an agreement with the major political parties. The agreement is based on the full improvements pledged to the people of the Republic of Suriname when we started our revolution in February 1980.

At that time, we committed ourselves to renew the socioeconomic, social, political, administrative, and educational order of our society. That agreement, which was signed by me in my capacity as leader of the revolutionary movement and chief of the Armed Forces on the one hand, and the leaders of those political parties on the other, also provides for preparing a draft constitution. A draft constitution will outline the authority of the main organs of state as well as the fundamental human rights of our citizens. This draft constitution must be completed by our National Assembly before 1 April and subsequently submitted to our citizens through a referendum.

I would like to point out that the political parties are now participating in both the Supreme Policy Council and the Council of Ministers. Therefore,

beyond any doubt, it is the representatives of those political parties, together with the representatives of the labor movement, the business community, and the revolutionary movement who make up both councils. We are fully involved in the process of establishing a real democracy in Suriname.

I would also like to emphasize that the main task of the new Council of Ministers is to see to it that the pledges we made to our people to establish a real democracy will be duly and faithfully implemented. We in Suriname believe that this process will follow its course according to plan.

However, as a pragmatic person, I should like to inform this high assembly that our adversaries will spare no efforts to disturb and undermine this process. During the last years, those adversaries have, for example, consistently tried to send mercenaries to our country with the intention of causing chaos, disruption, and death. As recently as July of this year, a heavily armed group of mercenaries, which was most probably organized by persons residing in the Netherlands, was arrested by the police in the United States of America. Those mercenaries, common criminals for a large part, are now on trial by the judiciary authorities of that country. Terrorist groups, generally established in the Netherlands, are now supporting a group of bandits that engages in terrorist activities in the eastern part of our country.

Speaking of terrorism, Mr President, I do mean those acts condemned by clear and specific resolutions adopted by this assembly. The government of the Republic of Suriname has requested the government of the Netherlands to take a more active stand against those terrorist groups, the more so since those terrorists are largely recruited and financed in the territory of that country. I can assure you, Mr President, that our government will overcome these troublesome events. And in this context, I would like to express our sincere gratitude to the Nonaligned Movement, which, in its recent summit in Harare, vigorously condemned those terrorist activities. Allow me, Mr President, to quote from the final document of that conference.

Mr President, the policy of integration of Suriname into our own Latin America and into the Caribbean region is one of the leading principles of our government. We are therefore intensifying our relationships with the sister nations in the region, in particular, with the neighboring countries, and are determined to fortify our links with the Latin American economic system as well as with the regional Caribbean system, the Caricom.

Mr President, the guiding principle of our revolution in 1980 was and continues to be the establishment of one nation out of the various ethnic groups in Suriname, a truly independent nation that would be able to chart and determine its own destiny. In trying to realize this objective of a new and unified nation, we have suffered many setbacks; however, we have weathered the storms we faced. During those difficult times, we had to deal with adversaries, but we also met many friends on our part. I would like to thank those friends who supported and continue to show their friendship for our government and people. In conclusion, sir, I wish to assure you that on our way to a real and true democracy and on our path leading to a new and [word indistinct] nation, we will continue to obey the principles on which our world organization is based.

Thank you, Mr President. [applause]

SURINAME

BRIEFS

CREDIT, TRADE AGREEMENT WITH FIAT--Paramaribo, Suriname, Oct 4, CANA--  
Suriname and Fiat have signed an agreement for 32 million guilders (one  
guilder; 57 U.S. cents) of equipment for this former South American Dutch  
colony, the government has announced. The agreement was reached last month  
and is related to a credit agreement worth 150 million guilders signed in  
1985. Government has up to seven years to repay the money. Under the agree-  
ment Fiat will supply Suriname with heavy equipment and spare parts for the  
rice and timber industries. Fiat has also promised government a credit line  
of five million U.S. dollars in spare parts for cars other than Fiat. This  
line of credit will be paid for in goods. [Text] [Bridgetown CANA in  
English 1750 GMT 4 Oct 86 FL]

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CSO: 3200/1

ST VINCENT AND THE GRENADINES

BRIEFS

NEW ATTORNEY GENERAL--Kingstown, 24 Sep (CANA)--Director of Public Prosecutions Carl Joseph is St Vincent and the Grenadines' new attorney general, the government announced today. He succeeds Emery Robertson, who resigned as attorney general and minister of legal affairs in July. [Excerpt] [Bridgetown CANA in English 1457 GMT 24 Sep 86 FL] /9274

CSO: 3298/011

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