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OLADE NEWS RELEASE ON PROGRESS IN ENERGY DEVELOPMENT

Kingston THE DAILY GLEANER in English 3 Aug 82 p 2

[Text]

The Executive Secretary of OLADE, Dr. Ulises Ramirez, has informed the Committee of Ministers of the progress of the Permanent Secretariat in obtaining funds to be used in energy development projects in Latin America and the Caribbean.

This was announced on Friday at the end of the fifth meeting of the Committee of OLADE Ministers here Thursday and yesterday.

A news release from the Secretariat said:

"The Ministers meeting paid special attention to the efforts now being made by the Permanent Secretariat itself in obtaining donations of approximately (US)\$23 million. These resources will be used in different energy development projects in the area, amongst which are "Laguna Solar, the National Biogas Programme and Wind-Mapping Survey.

"The Committee also examined the new packet of projects costing an additional (US)\$60 million.

"The Committee of Ministers is made up of the Ministers of Energy of Brazil, Dr. Cesar Cals; Costa Rica, Sr. Calixto

Chavez; Jamaica, Honorable Basil Buck; Mexico, Lic. Jose Andres Oteyza; Dominican Republic, Dr. Bolívar Baez Ortiz; and Venezuela, Dr. Humberto Calderon Berti.

"The Committee of Ministers of OLADE was established as a follow-up of the work of the Permanent Secretariat particularly those linked directly with the Latin American Programme of Energy Co-operation and to facilitate the flexible communication between the Permanent Secretariat and member countries.

"OLADE comprises to date 25 members: Barbados, Bolivia, Colombia, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Suriname, Trinidad and Tobago, Uruguay and Venezuela.

"The OLADE programme was approved in November 1981. This programme will make possible rationalization of the use of resources in energy development and to set up priorities in accordance with the more important needs of the countries of the region.

BRONSTEIN ON SEVERAL ASPECTS OF ENERGY SECTOR, PERSPECTIVES

Buenos Aires ENERGEIA in Spanish No 26, Jul 82 pp 618-621, 629

[Report on speech by Bernardo Bronstein, former undersecretary of thermal energy and hydroelectric power, delivered at seminar organized by CONETEC]

[Text] Bronstein began his speech by outlining his intention to make a personal review of the technical, economic and financial aspects of the electricity sector, noting that except for what is available from the government, one often does not have sufficiently precise data. However, the figures Bronstein used for his analysis can be considered valid for the description of trends, at least until the end of the decade.

Table 1. Demand for Energy and Power

Year	1977	1978	1979	1980	1981	1982	1984	1986	1988	1990
Energy (kWh X 10 ⁹)										
Proj.										
Plan	26.6	28.0	31.7	34.8	37.5	41.0	48.0	57.0	67.0	73.0
	26.6 ¹	27.7 ¹	31.4 ¹	33.9 ¹	33.4 ¹	34.5 ²	38.8 ³	44.5 ³	51.6 ³	60.0 ³
							39.9 ⁴	47.1 ⁴	55.0 ⁴	64.0 ⁴
Power (Mw X 10 ³)										
Proj.										
Plan	5.2	5.5	6.2	6.6	7.2	7.8	9.3	11.0	13.0	15.4
	5.1 ¹	5.4 ¹	5.9 ¹	6.5 ¹	6.2 ¹	6.4 ²	7.2 ³	8.3 ³	9.7 ³	11.3 ³
							7.5 ⁴	8.8 ⁴	10.3 ⁴	12.1 ⁴

¹ Real demand ² Projected demand ³ Minimum projection ⁴ Maximum projection

"Confining myself to the terms of reference which Dr Cueto Rua proposed for this report, I shall look at the perspectives of the electricity sector, comparing previous predictions with information on the actual situation. I shall then analyze the accuracy and errors in such predictions in order to see whether or not it is necessary to introduce corrections and make new estimates.

Table 2. Generation of Power, Power Plants, Schedule

Cuadro N° 2

GENERACION — OBRAS — TERMINOS

	1979	1980	1981	1982	1984	1986	1988	1990
(1) P R E V I S T O	SALTO GRANDE							
			SORRENTO	C.7 N.EMB.	B.BLANCA			
					S.N. RY. LJ. GU.	ALICURA		
						R.GRANDE	A.II	P.AGUILA
							YACYRETA	
(2) P R O B A B L E A C T U A L	SALTO GRANDE							
			SORRENTO		C.7 N.E	B.BLANCA		A.II
					S.N. RY. LJ. GU.	ALICURA		P.AGUILA
							R.GRANDE	
								YACYRETA

ABREVIATURAS: C.7: Central N° 7; N. Emb: Central Nuclear Embalse; S.N: San Nicolás; Ry: Los Reyunos; Lj: Luján Cuyo; A.2: Atucha II

Abbrevs.: C.7 = Power Plant 7 N. Emb. = Dam Nuclear Power Plant S.N. = San Nicolas Ry. = Los Reyunos Lj = Lujan Cuyo A.2 = Atucha II

Key:

1. Previous predictions
2. Probable current schedule

"As one can see, the predictions made for the three-year period between 1977 and 1979 and even for 1980 turned out to be accurate, but at the end of that year, we began to see a retraction that was dramatically manifested in 1981, to such an extent that the amount of energy demanded is not only under estimates, but even lower than that of the previous year. Demand had moved backward one year, which from a technical standpoint authorizes us to think of a new projection. However, such a projection encounters a serious difficulty: the inability to see what will happen to the economy. Consequently, in Table 1 we have included two sets of figures starting with 1984: one with maximum

figures and the other with minimum figures, on the basis of a 3-percent accumulative annual growth in the gross product. Unfortunately, there is no certainty of a correlation between energy and economy and if the figure set for 1986-1987 is reached only by the end of the decade, this will mean that everything will occur 3 years behind projections.

"With respect to power, the adjusted prediction for 1981, a year when the demand of 6,200 Mw was considerably lower than predicted, is almost 2 years behind." On this point, Bronstein noted that the method of adding partial power was not completely reliable because it presumes that the country is totally interconnected, which will take several years. According to Bronstein, by the end of the decade, the demand for power will show a 3-year delay with respect to predictions made in 1977.

This point inevitably leads us to think about the future of the major projects, for which purpose Bronstein then analyzed Table 2, showing the most relevant works included in the plan. According to Bronstein, the Salto Grande and Sorrento plants were expected to go into operation between 1979 and 1982 and in 1981 respectively, objectives that were met. On the other hand, the Costanera Power Plant and the Dam Nuclear Power Plant are somewhat behind because they were to have gone into operation this year. In both cases, it is hoped that the delay will not exceed 12 months -- that is, that they will finally go on line in 1983. The same delay is seen at San Nicolas, Los Reyunos, Lujan de Cuyo and Guemes and the situation is even worse at the Bahia Blanca Thermic Power Plant, managed by DEBA [Buenos Aires Power Administration], whose startup in 1983-1984 is impossible. Only through formidable efforts by DEBA, Bronstein said, will it be possible to complete the project between 1985 and 1986, but the lack of fluidity and rapidity in decision making demonstrated by the enterprise negates any cause for optimism. However, Bronstein said, although the project is provincially owned, it is part of the national system, which circumstance requires extreme efforts of provincial authorities.

With respect to Alicura, whose startup was planned for the middle or end of 1984, there is no reason to think that it will not meet the deadline. The Rio Grande pumping plant has been postponed for budget reasons and it should be noted that this plant will not supply energy, but only power. Atucha II is planned for 1988, but it is obvious that it is far behind. Bronstein said that it would be difficult for it to go into operation in 1989-1990 and this could happen only with very intense work.

"Piedra del Aguila is an undertaking not to be lost sight of," the speaker continued. "Its startup, planned for the end of 1989, can still come on schedule. It is an economical project with many advantages, although it will not provide the energy that a plant like Yacyreta will. In addition, it is in the hands of Hidronor, which has shown that it is able to do things on schedule and it is not as far in debt as other enterprises are.

"Yacyreta naturally deserves a chapter all its own. It was initially thought that it could produce energy by 1986 and that in 3 more years, the 20 machines would be operating. The obstacles this plant has encountered are well known to everyone and even if we resolutely set about working now, there would be

no possibility of its going into operation before 1990. Naturally, from the standpoint of the supply of electricity, we are running no risk."

	Inst. Power	Under Construction		Inst. Power
	1981 (1)	Total (2)	Certain 1988 (3)	1988 (1 + 3)
Water	4,100	2,200	1,400	5,500
Thermic	6,500	1,800	1,650	8,150
Nuclear	400	1,400	650	1,050
Total	11,000	5,400	3,700	14,700
Demand	6,200			10,300
Reserve	43 percent			30 percent

Bronstein then analyzed the figures contained in Table 3. "As one can see, the total effective installed power is 11,000 megawatts, which gives an idea of the ease with which the system can meet the current demand for 6,200 megawatts. We can also see that we have 5,400 megawatts under construction, of which I list 3,700 as sure. With this amount, by 1988 we shall have 14,700 megawatts to meet a demand of 10,300 megawatts, giving us a reserve of 30 percent. These figures begin to be comparable because by the year 1988, the system will be interconnected to the extent of 90-93 percent, a percentage that will prevail with a similar portion of demand on a common market.

"Until well into 1988," Bronstein concluded, "there should be no problem from the standpoint of the generation of electricity, but many things remain to be done in the field of transmission and distribution."

Here, 40 to 45 percent of the work is in the hands of the Office of the Secretary of Energy and the rest is under provincial responsibility. For 1989-1990, Bronstein recommended following demand closely and putting the necessary projects in operation. "We have time because demand will grow, but everything seems to indicate that it will do so slowly.

"We must closely observe regional growth because interesting phenomena have occurred. In the midst of the recession, for example, the northeast continued to increase its demand until 1981. In contrast and following a number of years of stagnation, demand in the Cuyo region began to take off again. On the whole, demand has grown only a little over 3 percent during the first quarter of 1982, compared with the same period of time the preceding year."

Economic and Financial Aspects

"Little can be said about the economic aspects except that the rate systems have had great fluctuations distorting the rate structure and their intermediate level. For example, the rate level in Greater Buenos Aires is behind 35 percent if we want a profitability of 8 percent."

The enterprises are required to pay taxes from which they were exempt and that should not be charged because these are industries with intensive capital that should be helped in order to ensure expansion of the sector.

"One key aspect for explaining difficulties hindering that expansion is the financial aspect because it affects the technical aspects already analyzed."

Table 4 shows the extent of the deterioration of the situation expressed in figures on the indebtedness of the electricity sector. When one compares the internal ability to generate resources and genuine resources with the obligations the sector faces, one has an exact notion of the seriousness of the problem. The table is based on the assumption that the enterprises will achieve their level of profitability in 2 or 3 years, but one must note that the major portion of service on the sector's debt (at home and abroad) is due this year. The total amount of that obligation -- some \$3.4 billion -- is divided among SEGBA [Greater Buenos Aires Electrical Services], Water and Energy, Hidronor and the CNEA [National Atomic Energy Commission], along with other projects. As one can see, the year 1982 does not have any genuine resources, but rather, a negative balance.

"We are actually guilty of another methodological fallacy because the amount of the service on the debt in 1983 is not independent of 1982, as 1984 will not be of 1983. Actually, the year 1983 will be influenced by the amount of the debt not paid in 1982, and so on. That is why I did not complete Table 6, because to be realistic, I cannot foresee how that debt is going to be paid and there is nothing authorizing me to assume that Argentina will be able to obtain long-term loans today for the entire amount.

"Consequently, the sum of services on the debt carried over to the following table is not correct, but it does enable us to make a comparison with a table drawn up 4 years ago with the same limitations, appearing in number 5. In short-range terms, even assuming that internally generated revenue amounts to \$1.7 billion, which would require the courage to increase rates over the next 2 years, service on the debt would be greater, even though imperfectly calculated. This brings us to a catastrophic conclusion because the figures are greater than those for the 3-year period considered beginning in 1978, due to the fact that we had a different dollar. Four years ago, genuine resources were limited, but they did exist. Today, there are none. In other words, the sector will not have net resources for the 1982-1984 period.

"I have chosen three index figures to complete the picture. The gross resources/debt ratio, which in a healthy sector should normally not exceed 1.7, was 1.33 and today is .8. The net resources/investment ratio, which should be greater than .5, was .18 and is now negative. Finally, the service on the debt/investment ratio, which should not exceed .5, was at that level in 1978 but is now 1.3."

This causes us to wonder about means for overcoming such a problem in short-range terms. In principle, Bronstein said, the debt situation is impossible to correct through rates because it has been a tradition in the electricity sector for interests not to affect rates. The only solution would be adequate capitalization.

Table 4. Sources and Uses (simplified)

	1982	1983	1988	Total 1982-89
Internally generated revenue (1)	160	670	1,000	6,600
Funds (2)	600	870	900	6,500
Gross receipts (3)	760	1,540	1,900	13,100
Service on debt (4)	3,400	600	600	8,200
Net receipts (5)	-2,640	940	1,300	4,900
Investments (6)	1,100	1,400	1,600	10,500
Balance (7)	-3,740	-460	-300	-5,600

3 = 1 + 2; 5 = 3-4; 7 = 5-6

(Figures in millions of dollars; \$1 = 1,000 pesos)

Table 5.

Period analyzed	Short-Term		Medium-Term	
	Today 82-84	Before 78-80	Today 82-89	Before 73-85
Internally generated funds	1,700	1,300	6,600	6,500
Funds	2,100	1,100	6,500	3,300
Gross receipts	3,800	2,400	13,100	9,800
Debt	4,700	1,800	8,200	4,100
Net receipts	-900	600	4,900	5,700
Investments	3,600	3,400	10,500	8,700
Gross receipts/debt = 1.7	0.8	1.33	1.3	2.4
Net receipts/investments = 0.5	Neg.	0.18	0.46	0.65
Service on debt/investments = 0.5	1.3	0.53	0.78	0.54

(Figures in millions of dollars; \$1 = 1,000 pesos)

Yacyreta Case

"With respect to the controversial case of Yacyreta, the budgets are well-known -- that is, everyone knows how much it costs, but what we must clarify is that improper comparisons are often made and not always out of ignorance. Rather, they are made because of partiality and sometimes as a result of resentment and a desire to obscure the facts.

"When I was asked to handle Yacyreta's relations with Paraguay, the IDB and the World Bank, at the request of the Ministry of Foreign Relations and the Ministry of Economy, which gave me the task of obtaining loans, we came to the conclusion that there existed four different figures for the cost of the undertaking and that curiously enough, the four were correct.

"The requirements of Yacyreta could be put at \$2.7 billion, \$4 billion, \$5 billion or \$7 billion. The first would be correct if the project were built immediately, but we know that it will take 7 years. The impact of inflation is foreseeable: A screw that cost \$1 initially would cost double that

amount in time, increasing the \$2.7 billion to \$4 billion. But that escalation of prices should not frighten us because the average electricity rate, which at that time cost between 50/1000 and 55/1000 of a dollar would end up costing 100/1000. The proof is that today, with fair rates, we have already reached 75/1000 of a dollar.

"Let us be careful with figures. The \$7 billion represent the sum of total requirements of the project throughout the construction period, until the startup of the 20th turbine, but let us not forget that as soon as the first turbine goes into operate, Yacyreta will begin to generate genuine resources for its financing.

"As you all know, I assumed a very important responsibility in the Yacyreta process. We gradually resolved all the difficulties that arose because we acted coherently, both in administration and execution, in technical as well as the economic and financial aspects.

"But why was it decided to build Yacyreta? Because this is a far-reaching hydroelectric project whose startup would make it possible to replace oil and gas burned at the thermic power plants and because it would produce half of the electricity consumed in the country, thereby modifying the production cost structure significantly. In addition, it would mark an improvement in navigation and demonstrate our presence in the Upper Parana. Finally, we would keep foreign commitments made by a constitutional Argentine Government since, as you will remember, the decision to build Yacyreta was approved by Parliament without a single vote against it, with the understanding that it was an economically profitable and financially viable project with a certain economic discipline.

"In 1982, those general evaluations have not varied. Economically speaking, the profitability of Yacyreta is still acceptable if compared with fuel at international prices. Naturally, it is not if the comparison is made with fuels whose prices are subsidized. Financially speaking, the situation is difficult, but not totally impossible, although, as is obvious, to postpone the project would be a great financial relief.

"You are then probably wondering what can be done with Yacyreta. The entity is visibly deteriorating, the bidding tiresome, the banks bored with it, and some internal groups are thinking in a far-reaching revision of the project. Moreover, in its current recession, Argentina does not have urgent energy needs. It is clear that for Paraguay, the undertaking is much more beneficial because it would be able to use the labor free in Itaipu.

"The decision must be in the hands of a statesman. From my humble position, I would complete the project, in view of the decisive urging and level of the ministries of Economy, Public Works and Foreign Relations. If allowed, I would call together the three ministers and ask them for an analysis of requirements and financial needs, of the need to keep commitments. I would ask that it be made within a general framework of austerity and seriousness. Only if the three ministers recommended against the project would I discard

it, because I believe that if it is not totally impossible, it must be completed, precisely because of those commitments. I would name new authorities, undertake a far-reaching review of civil engineering and perhaps revise the dimensions of the undertaking, without having to modify the treaty. For example, perhaps one or two meters less in height would perhaps save a considerable amount of flooded land.

"Thus, if we began today, the first turbine would go into operation within 7 years and the last within 10. But we must not allow every new budget to cause delays and postponements because the country has already suffered enough shame and discredit on that account."

11,464

CSO: 3010/2090

REACTIVATION OF INDUSTRY CALLS FOR CHANGES IN TARIFF POLICY

Buenos Aires ENERGEIA in Spanish No 26, Jul 82 p 622

[Text] Within the framework of the current economic context, the energy sector takes on special significance. Like the different areas, it is in a virtual recession. In the case of electricity, it is the result of the effect of taxes on the setting of rates, nearly 40 percent of which go to the National Treasury in the form of taxes (in other countries, the rate is scarcely 10 percent). With respect to fuel, there is a manifest reduction in the production of oil, a situation observed since the second half of last year. It should be noted that one remedy for the situation was dependent on the renegotiation of oil contracts. Once the order was drafted, it was submitted at the proper time to the Executive Branch for approval, with a differentiated price. However, as a result of changes occurring at the highest level of government and among technical experts in the sector, the order obviously had to be reformulated.

Following a lengthy delay in the appointment of officials to the ministerial staff of Conrado Bauer, minister of public works and services, the work of updating the electricity sector through the technicians who designed the National Equipment Plan for the Electric Power Generation and Transmission Systems was completed. But within the context of the new reworking of the economic setup, whose diagnosis by the head of the area, Dr Jose Maria Dagnino Pastore, is catastrophic, the work had to be done again.

During the stay of the International Monetary Fund mission in Buenos Aires, one of the things it will look at very closely is precisely the schedule of projects and the financial requirements of the energy area, not only because it is the most coherently done -- it is perhaps the only one that exists -- by Argentine experts, but because that program has been meticulously followed in terms of the country's demand.

The recession and the accumulation of the foreign debt have a heavy impact on the sector, especially when one considers that Argentina's possibilities of resorting to areas such as the European financial market to refinance it will be subject to very harsh conditions. The position of European banks following the crisis in the South Atlantic is one of imposing new conditions, as has already happened with Mexico. It is impossible to imagine that the same thing will not happen with Argentina.

The recessive situation of the industry had a major effect on the demand for energy. The demand for electricity in particular dropped. However, once an economic recovery emphasizing the reactivation of industry is initiated, one can predict that that demand will begin to increase once again, generating greater production at the power plants in order to accompany the reactivation.

It is also likely that that is the reason for the new guidelines for new rates. The fiscal effect on rates is considered and an attempt will be made to achieve better administration of the enterprises in this way. At least, according to Dr Dagnino Pastore, "greater imagination" must be used on the subject. The only way to reduce the government presence in such undertakings is either through co-management of enterprises or through private participation associated with the government. It would be one way of diversifying private ownership, inasmuch as at the present time, it is impossible to find either local or international investors for the purpose.

Both elements are fundamental for the continuation of projects already planned in the sector. That is the case of Yacyreta, the Limay Medio projects: Pichi Picun Leufu and Michihuao, as well as the Piedra del Aguila undertakings, without mentioning the Middle Parana. These endeavors have international financing, as in the case of Yacyreta. In that case, there are set deadlines for the utilization of the financing, with specifications regarding works or equipment. It is obvious that the International Monetary Fund mission will also follow such a trend.

In the petroleum sector, as we noted, the order modifying contracts was to have been approved. It involves 35 contracts, not all of which were being renegotiated. There were nine beneficiaries. The idea was to make them more attractive to private capital. In the meantime, the Government Oil Deposits (YPF) tried to make up for the decline in production of the private sector, which acts as a contractor for that production.

The idea in renegotiating them was to try to establish a legal and tax framework that would result in greater development of the petroleum industry with greater participation of the private sector. It would follow a "much freer system" and the rules of the market would play a prime role in the definition of the speed of activities of the sector and in decisions made by the economic operators involved.

This situation is not likely to continue, at least in the light of the most recent decisions in the economic sphere. However, the requirements for a greater supply of fuel in the country and for an increase in the extraction of crude oil are obvious.

We say this because it is also implicit that the need for reactivation, especially of industry, will lead to greater fuel needs, especially oil and its derivatives. We must step up production, improve it and be in a position to export it, as the official position indicates, in order to meet the country's need for foreign exchange.

NATURAL GAS RESERVES, PROSPECTS AUGMENT EXPORT CAPABILITIES

Buenos Aires ENERGIA in Spanish No 26, Jul 82 pp 624-626

[Article by Abraham Stein: "The Exportation of Hydrocarbons"]

[Text] In recent years, we have witnessed a controversy between those who think that Argentina can be changed from an importer of oil and natural gas into an exporter and those who think that at best, we can only achieve self-sufficiency, and must do so.

In the case of oil, current knowledge of reserves and projections on future demand, incorporating into the analysis the results obtained to date in off-shore explorations in the south, do not give hope of substantial exportable surpluses. Proven reserves would make it possible to maintain current consumption for approximately 13 to 14 years, an amount that has remained practically constant in recent years. In other words, the rate of discovery is only enough to compensate for what is taken out.

Naturally, one may resort to irrational working of deposits and in short-range terms, increase the amount of oil available with extraction exceeding what is technically advisable, but at the same time, one would be drastically reducing the deposits' level of recoverable reserves.

The natural gas picture is very different

1. Reserves

In natural gas, the ratio between proven reserves and current consumption yields a figure of about 60 years and the rate of discovery greatly exceeds extraction (see Table 1 below), despite the fact that some 8 million cubic meters a day are taken out to maintain the level of oil production.

This situation of reserves has greater significance when one considers that to date, natural gas discoveries have been a by-product of oil explorations. On more than one occasion, drilling was done which, based on the gas/liquid ratio, was considered not to be economical. The wells were then filled and the area abandoned.

The lack of a substantial additional potential demand has meant that investments have not been allocated for the quantification of reserves, despite the

fact that there are indications that the Neuquen basin is much larger than heretofore recognized, that in the southern zone work is being done based on the assumption of probable and potential reserves on the order of 300 billion cubic meters and that new drilling permits the assertion that reserves in the north are larger than those currently computed.

One thus enters a vicious circle in which, because of a lack of demand, no attempt is made to locate and compute new reserves and, because of the lack of any better quantification of those reserves, no projects are promoted enabling one to optimize development of such a valuable resource.

In order to break this vicious circle, even with the limited current knowledge of reserves, it is necessary to review the different alternatives resulting in a better utilization of natural gas.

Table 1. Natural Gas. Rate of Accumulated Annual Increase in Proven Reserves

<u>Period</u>	<u>Rate in Percent</u>
1970-1977	4.65
1970-1978*	10.85
1970-1981	11.77
1981-1978 [sic]	14.6

* Discovery of Loma de la Lata

Source: Office of Secretary of Energy

Table 2. Percentage of Natural Gas in 1980 Energy Balance

<u>Country</u>	<u>Gas Reserves (%)¹</u>	<u>Participation (%)²</u>
USSR	39.2	26.7
United States	6.9	28.7
Canada	3.2	23.43
Mexico	2.4	21.81
Argentina	0.84	23.0
New Zealand	0.2	15.27
West Europe		16.00 ³

¹ Percentage of country's recoverable reserves of natural gas compared with world reserves.

² Percentage of share of natural gas in country's energy balance.

³ The only exception is the Netherlands, which has the largest participation, 36 percent, but it is a country whose geophysical features are completely different from our own.

Source: World Energy Industry, Vol II, No 2, 1981

2. Optimization of Development of Natural Gas

2.1. Greater Percentage of Energy Balance

One of the ways of increasing the demand for natural gas, the one practiced up to this time, consists of replacing liquid fuels derived from oil. This is without a doubt a valid practice and it is suitable to continue it, but in actual fact, the replacement capacity is far from perfect and natural gas' percentage of our country's energy balance is very close to or even above that of industrialized or industrializing nations with greater reserves and a longer tradition of use (Table 2). Consequently, increasing demand in this way could not be substantive.

Using the 1980-2000 Energy Program published by the Office of the Secretary of Energy in March 1981 as a reference, for economic growth at the accumulated annual rate of 5.3 percent, the evolution in gas consumption -- without considering the effect of the Energy Conservation Program -- implies an increase in demand of 5.95 percent annually (Tables 3 and 4). The amount that results from meeting the greater demand generated by the growth in economic activity, and projecting increased participation in the energy balance at quite ambitious levels (29 percent, Table 3), is fairly lower than that of the rate of growth of proven reserves during the 1970-1981 period (Table 1). Based on all the foregoing, this rate should be maintained or even increase during this decade, further improving the reserves-consumption ratio.

Table 3. Total Energy Demand Projection¹

Oil MTEP ²	Oil MTEP ²	%	Gas MTEP	%	Others MTEP	%	Total MTEP	%
1980	25,875	61	9,800	23	6,725	16	42,400	100
2000	41,200	36	33,000	29	38,800	34	113,000	100

¹ Source: Office of the Secretary of Energy, 1980-2000 Energy Plan, projected economic growth at the accumulated annual rate of 5.3 percent.

² MTEP = thousands of equivalent tons of oil.

2.2. Development of Petrochemical Industry

One way of utilizing natural gas which is not controversial is its use for the development of a vigorous petrochemical industry and the 1980-2000 Energy Plan provides for growth in that sector at a rate double that of the rest of the economy (10.5 percent). However, its impact on total consumption of natural gas (Table 4) is under an accumulated annual 1 percent.

In addition, it is important to emphasize that given the current level of proven technologies, with the exception of products that follow the methanol line and its transformation into gasoline, ammonia and urea -- which use whole natural gas as a raw material -- the petrochemical line of the olefin series is based on the use of ethane (C₂), propane (C₃) and butane (C₄), leaving methane (C₁), which makes up over 90 percent of the natural gas in volume (Table 5).

For example, to duplicate the ethylene plant of the Bahia Blanca Petrochemical Company would require extracting the ethane (C₂) from 18 million cubic meters of natural gas a day (the volume which General Cerri now extracts) and finding a use for approximately 16 to 17 million cubic meters of methane (C₁) a day, which the domestic fuel market would not consume.

This methane could be exported through a gas pipeline to bordering countries or, in liquid form, to the great consumer centers in the West. In this way, far from being a disadvantage, would facilitate the development of petrochemistry and complement it.

Table 4. Projection of Total Demand for Hydrocarbons¹

	1980 MTEP ²	2000 MTEP	Annual Rate of Growth (%)
Oil			
Energy	25,875	41,200	2.24
Petrochemistry	5,125	8,100	2.20
Total	31,000	49,300	2.23
Natural Gas			
Energy	9,800	33,000	5.95
Petrochemistry	1,500	8,000	8.30
Total	11,300	41,000	6.33

¹ Source: Office of the Secretary of Energy, 1980-2000 Energy Plan, projected economic growth at the accumulated annual rate of 5.3 percent.

² MTEP: = thousands of equivalent tons of oil.

2.3. Macroeconomic Development of Natural Gas

Decisions on hydrocarbons cannot be made in an isolated way. Rather, they must be incorporated into a proposed economic policy whose objective is the sustained growth of income.

In our country, the scarcity of foreign exchange has acted as one of the main persistent limitations on economic growth, a limitation that will be further accentuated by the current foreign debt.

Foreign exchange from traditional exports available for the importation of consumable expenditures -- after paying the service on a debt exceeding \$35 billion -- is not sufficient to enable us to reach the full capacity of the existing means of production, much less sustaining dynamic growth.

This restriction of growth is manifested throughout the economic area and also in the energy sector, since the increase in activity must be accompanied by projects preventing the sector from becoming a veritable bottleneck. The 1980-2000 Energy Plan states that in order to cover the projected demand for the year 2000, we would need investments in energy on the order of \$5-\$6 billion

per year. Of that amount, no less than 20 percent would be in foreign exchange, inasmuch as there would be capital goods or services to import, thus having a negative effect on the already critical balance of payments.

The only way to eliminate this limitation on economic growth in general and the energy sector in particular is the exportation of nontraditional products that bring a good price and for which there is international demand.

Natural gas has such characteristics and converting this very necessary potential source of foreign exchange into actual fact depends on the political decision to promote all possible forms of exports, while maintaining an adequate level of reserves: 1) incorporated as raw materials in the exportation of petrochemical products or liquid fuels such as gasoline and methanol; 2) as liquefied natural gas (LNG) in order to have access to the great industrial markets in the West; and 3) through a gas pipeline to Brazil and Uruguay.

In both 2 and 3, one would first extract the more refined hydrocarbons (C₂, C₃ and C₄) for use in the country as a petrochemical raw material or as a fuel (liquefied petroleum gas, LPG, which can also be separately exported if local consumption is satisfied).

Table 5. Molecular Composition of Argentine Gas¹

<u>Components</u>	<u>Maximum</u>	<u>Minimum Mol. %</u>
CO ₂	0.7	0.05
N ₂	1.5	1.0
C ₁	92.5	90.5
C ₂	4.7	3.5
C ₃	2.5	1.7
C ₄	1.5	0.4
C ₅	0.3	0.07
C ₆ +	0.2	0.01
<u>Calor. Power</u>	<u>Maximum</u>	<u>Minimum</u>
Upper (Kcal/m ³)	9.850	9.400
Lower (Kcal/m ³)	8.760	8.380

¹ Source: Government Gas, Southern Basin

Based on known recoverable reserves, conservative predictions about likely and possible reserves and reasonable projections of demand for conventional uses, the country can export the equivalent (in its different forms) of 10 billion to 12 billion cubic meters a year for 20 years, without exceeding safe limits.

At current international prices, such exports would incorporate from \$1.6 billion to \$2 billion into the balance of payments a year (1982 value), about 18 to 20 percent of total current exports.

In addition, taking into account the favorable attitude which international financial institutions have toward viable projects in the energy field, it is relatively simple and advantageous to finance the total investment, including local services and supplies, using long-term foreign loans at moderate interest rates. In this way, one can have a positive balance of payments from the very beginning of the project and even before beginning to produce. Natural gas exports in the amounts mentioned can generate net foreign exchange for the country on the order of \$30 billion (1982 value) in 20 years, after having returned the credits used for the investment and paying interest.

3. Indirect Benefits of Exporting Natural Gas

3.1. Increase in oil extraction: At the present time, we are going through the worst situation because of the fact that Argentine oil has a large proportion of associated gas. Any attempt to increase the extraction of oil means, given the lack of demand for natural gas and the lack of investment capabilities for reinjection operations, an increase in venting, which now exceeds 8 million cubic meters a day. In ensuring demand, the exportation of natural gas would make it possible to reduce venting to the minimum acceptable technical levels. At the same time, in increasing the value of gas, it will be possible to take oil from deposits previously considered as not economical because of the high proportion of liquefied gas.

3.2. Promotion of Regional Development

The exportation of natural gas will give a strong boost to regional development through two mechanisms: 1) an increase in royalties received by provinces in which the gas deposits are found, in some cases doubling the current provincial budget; and 2) making the establishment of international-scale petrochemical poles possible in areas close to plants for the extraction of finer hydrocarbons (C₂, C₃ and C₄).

3.3. Stabilization and Expansion of Gas Transport System

The gas pipelines that will have to be built to supply these projects can be programmed in such a way that they will help ensure greater reliability and stability of supply at the major centers of consumption, thus preventing the already classic winter problems and expanding distribution to those not presently enjoying the service.

4. Conclusion

The exportation of natural gas is one of the resources which the country has in order to make the dynamic growth that will bring it out of stagnation and start down the road to sustained development possible.

Failing to export natural gas will mean keeping greater reserves for the future, but at the cost of growing less or not at all.

BRIEFS

NEW OIL PRODUCTION RECORD--The Santa Cruz North sector of the San Jorge Gulf basin has beaten its own oil production record that has stood for 10 years. The deposit, discovered 37 years ago, yields 12,000 cubic meters a day and it is the most important administrative unit of the YPF [Government Oil Deposits] in the country, according to its director. Some 41 percent of the nation's oil is extracted from the deposit, based on the basins of the Central Comodoro Rivadavia deposit and that Santa Cruz North basin. [Text] [Buenos Aires ENERGEIA in Spanish No 26, Jul 82 p 610] 11,464

OIL PRODUCTION; ELECTRIC POWER--During the month of May, the country's oil production was 2,441,200 cubic meters, down 1.4 percent from the same month of last year, when the figure was 2,474,700 cubic meters. The cumulative figure for the first five months of the year was 11,758,900 cubic meters, compared with 12,015,900 for the same period in 1981, a 2.1-percent drop. Oil imports between January and May 1982 totaled 648,300 cubic meters, 18.3 percent higher than during the same period of last year, when the figure was 547,800 cubic meters. The respective outlays of foreign exchange were \$137,971,200 and \$121,584,000, up 13.5 percent for this year. The amount of electric power generated by public power plants in May was 2,864,255 megawatt-hours. Compared with the 2,900,504 megawatt-hours generated during the same period in 1981, the production is 1.2 percent lower. The cumulative figure for the first five months is 14,760,749 megawatt-hours, compared with 14,432,195 for last year, a 2.3-percent drop this year. The power was generated by the following companies (difference compared with the same period in 1981 in parentheses): Water and Electric Power, 4,497,978 (up 1.4 percent); SEGBA [Greater Buenos Aires Electrical Services], 4,525,501 (up 19.9 percent); DEBA [Buenos Aires Power Administration], 724,819 (up 26.1 percent); EPEC [Cordoba Province Energy Enterprise], 804,127 (down 4.1 percent); Hidronor, 1,245,454 (down 23.7 percent); Salto Grande, 1,195,059 (down 28.9 percent); CNEA [National Atomic Energy Commission], 1,260,833 (up 8.5 percent); others, 506,978 (up 51.3 percent). The structure of electric power produced was: thermic, 58.4 percent; hydroelectric, 33.0 percent; and nuclear, 8.6 percent. [Text] [Buenos Aires ENERGEIA in Spanish No 26, Jul 82 p 610] 11,464

CSO: 3010/2090

BANK WARNS AGAINST NUCLEAR PROGRAM CUTBACK

Mexico City EXCELSIOR in Spanish 26 Jul 82 pp 4-A, 29-A

[Article by J. Jesus Rangel M.]

[Text] "The cancellation of the second phase of the Mexican nuclear-electric program may have serious implications for the national energy sector, government expenditures and our international relations, especially with the United States."

This warning was made by economists of the National Bank of Mexico after analyzing the nuclear-electric program and pointing out that the Laguna Verde plants will exceed the 44 billion peso estimate, almost eight times the original budget in nominal terms.

They stressed that, if the program does not get underway, it is estimated that the increase required in the capacity to generate electricity (between 5 and 5.5 times the present level) will come from oil in the range of 65 to 70 percent and that one of the expectations of the program was to provide 20 percent of that total with nuclear energy.

They recalled that, due to the development of oil exports and domestic consumption, the program was based on the assumption that, before the year 2000, Mexico will have to have alternative ways to generate electricity.

"It was considered advisable to devote part of the income from the sale of crude oil to the construction of seven nuclear-electric plants which would allegedly provide the country with 20,000 megawatts by the end of the century," they emphasized.

They pointed out that production at such a magnitude, added to 80 other hydroelectric projects, greater use of coal and, on a lesser scale, of other alternatives, such as geothermics and solar energy, would diversify the sources and reduce energy dependence on oil.

The economists also pointed out that, although the program implied progress and independence, it was also objectionable to certain aspects, such as the financial. The original cost to build the plants was estimated, in 1981 terms, at \$30 billion.

They added that this cost is excessive if, to use a figure, it is considered that this is about the equivalent of 50 percent of the country's total foreign debt for 1981.

They indicated that, while the technical phase was being considered in the spring of this year, the national economy entered into the present full-fledged crisis, and the federal government decided to reduce the budget deficit to a substantial degree.

Simultaneously, they increased the estimates of the oil reserves and pointed out that, because exports were declining, "it appeared feasible to depend on hydrocarbon for domestic use for a longer period of time than originally calculated."

They stated that these two motives precipitated the cancellation of their support and led to the postponement of the nuclear-electric program, except for projects almost completed, such as the Laguna Verde.

Lastly, they commented that the suspension of the program will be felt in the commercial relations Mexico has with the five countries involved in the cooperative venture, especially the United States, even though the government's saving in terms of pesos could be considerable over the short term.

8568

CSO: 3010/2084

BRIEFS

COAL RESERVE FIGURES--"A total of 600 million tons of noncokable coal (one of the principal sources of primary energy) is the extent of our national reserves verified to-date; this has made it possible to plan for the construction, during the present decade, of an initial carboelectric plant with a capacity of 200,000 megawatts and two additional plants of 400,000 megawatts each." This observation was made by the Secretariat of Programing and Budget based on a study carried out by the General Directorate of Analysis of Economic Sectors, in which an analysis was made of the advantages to be gained by diversifying the primary sources for the generation of energy. [Excerpt] [Mexico City NOVEDADES in Spanish 27 Jul 82 p 1] 8568

CSO: 3010/2084

CONFERENCE ON UTILITIES FOCUSES ON TTEC DIFFICULTIES

Opening Session

Port-of-Spain TRINIDAD GUARDIAN in English

[Text]

THE CONFERENCE to discuss the public utilities — Trinidad and Tobago Electricity Commission (TTEC) and the Water and Sewerage Authority (WASA) was opened promptly at 9.30 a.m. yesterday by Senator John Eckstein, Minister of Public Utilities and National Transportation.

At the start there were just over 50 persons present apart from the staff servicing the proceedings.

However, during the day invited participants kept turning up and by midday participants had passed the 100 mark, with attendance about 200 during the day.

Mr. John Scott, Parliamentary Secretary in the

Ministry of Public Utilities explained that more than 300 invitations had been sent out with the emphasis on village councils, and local government bodies in addition to parliamentarians, the business community and the labour movement.

Opposition members who walked out of the House of Representatives last Friday boycotted the day's proceedings.

The discussion, which continues today and on Tuesday and Wednesday next week, is being chaired by Senator Eckstein with Rep. Dr. Cuthbert Joseph and Senator Muriel Green, Minister of National Information, sitting alongside.

Review of TTEC Operations

Port-of-Spain TRINIDAD GUARDIAN in English 4 Aug 82 p 1

[Article by Norris Solomon]

[Text] TRINIDAD and Tobago Electricity Commission has complained that local contractors have consistently failed in completing jobs and meeting deadlines for distribution projects.

In addition, the Commission's work force is short of the required skills to cope with the amount of work necessary to handle all the projects.

Delay is release of funds by Government, difficulty in obtaining import licences and late delivery by suppliers have also been pinpointed as reasons for delays, increased costs, not meeting customers requirements.

It is planned to establish a new central stores and warehousing area.

The complaints were made by the Acting General Manager of the Commission, Mr John Woon Sam, at the first day of the discussion on the Utilities at the Chaguaramas Convention Centre yesterday.

Outlining the operations of TTEC, Mr. Woon Sam said:

In its distribution system the manpower deficiency was most noticeable in the area of linesmen and TTEC had decided to reopen its Linesmen Training School.

It is planned to acquire land in the Central area for the construction of the school.

The Commission was experiencing difficulty in obtaining the "right calibre personnel for training of linesmen and it may be necessary to either obtain foreign expertise initially or initiate external training of suitable locals to meet the required standards."

Outages to large areas, he explained, were caused by deficiencies in either the generation or the transmission systems, or both.

The Commission had enough generation to meet present demands and was vigorously pursuing its transmission development.

Outages to small areas result from faults in the distribution system. They were frequent, he conceded, and were most annoying from the customer point of view.

Commenting on outages over which TTEC had no control, he said that long delays in returning supplies to normal were caused by problems of manpower and the work ethic in general.

He went on: "Absenteeism which results in an inadequate amount of emergency crews, delays due to traffic problems, communication problems which delay information reaching TTEC, all add together to increase the length of outages."

Main Cause

Relating to outages over which TTEC had control, he said many result from low voltage and or bad workmanship.

He said: "Failure to develop the system commensurate with the growth demand is the main cause of the overloading and low voltage conditions.

"Bad workmanship is a direct result of the work attitude of employees. Delays in the physical development of the system is a result of the problems in obtaining materials, recruitment of adequate numbers of appropriate personnel and the industrial relations climate."

Mr Woon Sam said that TTEC recognised that to a great extent the problems must be resolved internally.

TTEC, he said, was endeavouring to improve its distribution development and reliability by:

--Trying to reorganise the composition of its work crews for a more effective and efficient use of manpower;

--Introducing more modern and specialised vehicles;

--Increasing stores and warehousing facilities to ensure an adequate stock of materials;

--Re-establishing a linesman training school and introduction of new methods and materials in distribution practices;

--Establishing depots for better customer services in Point Fortin, Sangre Grande and St. Augustine areas;

--Endeavouring to liaise with the union to accept and work together to achieve some of the plans.

Earlier, Mr Woon Sam said that large area outages due to lack of generating capacity was "very rare presently."

Shortage of gas, he said, would also result in shortage of electricity, and he added: "If we have failures with the gas system or anything goes wrong with the prime source of supply, then you will have outages."

He said, too, that the transmission system must be able to cope with what was demanded by the country.

Mr. Woon Sam explained that TTEC had embarked on a transmission development programme which would cater for development into the 1990 decade but which must be completed by 1985.

The development programme, which already had Cabinet's approval, he said, consisted of building transmission lines of 132,000 volts and establishing major transmission stations.

He claimed that the distribution system was the weakest area in the link bringing power to the consumer with respect to reliability.

Mr Woon Sam explained that the demand for electricity in the country had an extremely high growth rate and in 1981 alone the demand increased by a record 25 per cent, and since the growth was randomly distributed there were pockets in the system with growth in 1981 of more than 100 per cent.

TTEC, he pointed out, did not have an increase in rates since 1968 and revenue from sales was insufficient to enable large capital expansion programmes.

Nearly all of its development funds were now supplied by Government, he explained, and added: "The procedure for obtaining the release of funds is cumbersome and takes a long time."

"This, in turn, causes delays in implementing work programmes. The outcome of such delays often results in increased cost of the project, embarrassment in dealing with reputable suppliers and contractors and our image on the international market is tarnished."

TTEC has also been experiencing difficulty in obtaining licences for the importation of materials, especially those on the negative list.

More Today

"Long delays in obtaining the necessary approvals are transferred to the implementation of projects, again adding to the burden of meeting customers' requirements and deadlines.

Funds from Government sources for TTEC, he explained, were the Infrastructure Development Fund, the Electricity Development Fund, the Debt Servicing Fund and the Operating Deficit Subsidy. Government, he said, had also established a Rural Electrification Fund but the job could only be done when the appropriate funds were released and an order of priority established.

The public discussion which continues today and next week is being chaired by Senator John Eckstein, Minister of Public Utilities and National Transportation who together with Rep Cuthbert Joseph, Minister of Local Government and Community Development, made opening speeches yesterday.

Following the speeches, TTEC presented an overall detail of its operations.

TTEC will continue today while the two days next week will be devoted to the Water and Sewerage Authority.

Chairman Julien's Remarks

Port-of-Spain TRINIDAD GUARDIAN in English 5 Aug 82 p 1

[Text] DR. KENNETH JULIEN, Chairman of the Trinidad and Tobago Electricity Commission, does not have complete confidence for the success of the Commission's distribution system.

He explained this at the second day of the discussion on the utilities at the Chaguaramas Convention Centre yesterday.

Dr. Julien said while he was certain that the Commission's plans for transmission and generation would be on stream as planned, "I have less confidence about the distribution system."

He said it was a problem which was also identified by the workers representatives, the Oilfields Workers Trade Union; it related to performance, not just money. "We are truly dependent on the man in the field," Dr. Julien said.

He said so far as distribution was concerned treating with house connections and some of the areas of irritability, it was an area which ought to receive priority.

TTEC, he said, had plans for improving consumer service.

At yesterday's session the Commission went into details of plans for improving the electricity supplies and plans for the transmission system and generation.

Dr. Julien explained that in the final analysis what affected the people was what took place in the distribution system.

Dr. Julien said that TTEC would continue to review and update plans annually. The Commission, he said, had just completed an indepth study to help set a pattern for the next five years.

Dr. Julien also reported that 25 work crews did not show up yesterday at TTEC's operations premises.

He wound up his appeal to the union, adopting the theme of OWTU spokesman Horace Noray, Small Businessmen's Association's Aldwyn Douglas and OWTU's President-General George Weekes that TTEC enlist the assistance of its workers in active alliance to improve the Commission's service to the public.

Mayor William Steele of San Fernando said that San Fernando, "the industrial capital of Trinidad and Tobago," has become a "dark hole" because TTEC has not TTEC has not been attending properly to the town's street lighting programme.

"At one time, I thought of not paying them to see what would happen," the Mayor reported.

Union spokesmen announced that TTEC now had a backlog in the East alone of more than 600 outstanding construction jobs, some from 1973, and a shortage of staff seeming to run past 100 and a dire shortage of vehicles in running condition.

Blackout Listings

[Editor's Note: The following boxed listing of scheduled power "blackouts" reproduced from page 1 of the Port-of-Spain TRINIDAD GUARDIAN of 5 August 1982, in the midst of the broad public discussion of Trinidad and Tobago Electricity Commission (TTEC) operations and service, is typical of such listings, which have been appearing on a daily basis on the front page of the newspaper for some time.]

BLACKOUTS: WHERE AND WHEN

BLACKOUTS continue throughout the country and residents of Cornello Street, Woodbrook, have been experiencing partial electricity since July 26.

Oropouche Road, Sangre Grande, has been without electricity since July 25, and Santa Rosa Heights, since last week Friday.

At Don Miguel Road, San Juan, there has been no electricity since Sunday; Upper St. Francois Valley Road, since last week Tuesday; Coora Road and High Street, Siparia, also since last week Tuesday and Tanner Street, Harriman Park, Pt Fortin, since last week Thursday

Agostini Street in Gonzales has been without power since Saturday and Granado Street, Second Caledonia, since Sunday.

Union Road, Marabella from 11 a.m. Monday; Southern Main Road, Marabella, the whole of last week up to Saturday, and Frederick Settlement, Caroni, for 3 p.m. Tuesday.

Blackout victims are asked to call the Trinidad Guardian at 62-38872-9 in Port-of-Spain or 65-22321 in San Fernando.

TEXACO CUTS RAISE GOVERNMENT CONCERNS; JOINT TALKS INITIATED

Gas Shortage Fears

Port-of-Spain TRINIDAD GUARDIAN in English 6 Aug 82 p 1

[Text] A SHORTAGE of gasoline is in the offing, petroleum engineers said yesterday as they summed up the 30,000 barrels daily cutback in throughput by Texaco.

But it will take about four weeks or so before the pumps start drying up because there are millions of gallons at the republic's two main refineries--in Pointe-a-Pierre and Point Fortin.

Other by-products from the refineries--liquid petroleum gas, aviation gasoline, kerosene, gas oil and fuel oils will also take a nose dive.

The Texaco refinery, which has a maximum throughput of 355,000 barrels daily, is down to 80,000 barrels as its retail outlets in the United States, caught up in the global recession, is steadily cutting back on orders from Trinidad and Tobago.

Trintoc, the State-owned oil company with a maximum throughput of 100,000 barrels daily is also down to 40,000 barrels daily, and refining experts believe that a combined throughput of 120,000 barrels daily would be inadequate to meet the domestic needs of this country.

Motorists burn an estimated one million barrels of gasoline a month which comes from an estimated five million barrels of crude.

If the refineries do not boost throughput, a gas shortage would be with us before the end of this month, an engineer said.

A number of units in Texaco's Pointe-a-Pierre refinery have been shutdown and so, too, at Trintoc's Point Fortin operations where major plans are underway for expanding the refinery's capacity.

The anticipated fall in production is coupled with job losses brought on by the recession in the industry.

In Texaco, for instance, with an employment peak of 8,000 in 1975, the company is down to 6,500 and falling steadily.

The U.S. multinational has drawn up plans to get more than 1,500 workers on its pay roll to embark on voluntary retirement, but fewer than 47 have taken up the offer; it was reported.

Nevertheless, job loss by attrition goes on and the Oilfields Workers Trade Union (OWTU) met the company yesterday to hammer out a solution on how to deal with production cutback and job losses.

Texaco has suspended a number of contracts--mainly maintenance and transport--throwing more than 300 casual and temporary workers out of jobs.

Gradual Decrease

Contractors employing more than 3,000 workers and the gradual decrease of Texaco Labour Force over the past ten years must be a source of concern to the economy of the country, said oilworkers yesterday.

Texaco said yesterday that with refinery throughput at the low level of 80,000 barrels a day, the requirement for contractors and casual or temporary workers "will be at a minimum consistent with the low activity of its refining operations." No further details were given.

The company made the statement when asked about a report that it has suspended employment of casual and temporary workers and was reviewing the hiring of contractors.

It was learnt from other sources, that scores of casual and temporary workers have been affected since last Friday but the company refrained from commenting on this matter.

It is understood that the contractors are engaged in doing work for the company in the various fields, such as Barrackpore, Forest Reserve, Brighton, Guayaquayare, and Pointe-a-Pierre.

A few contractors who preferred not to be named said that to date they have not been informed of any changes in their terms of contract.

The company blaming the current world oil glut of crude and low prices for their present situation.

In December last year Texaco's General Manager, Mr Lloyd Austin, warned in a Christmas Message of the challenges facing the oil industry. He said at the time that the oil industry was facing serious challenges in refining and marketing because of a surplus of crude on the world market. Texaco is a victim of the fluctuation which is heightened by fixed crude prices during a period of surplus crude, he said.

Hardware dealers specialising in oilfields goods and equipment have begun to feel the squeeze. Millions of dollars worth of stocks were tied up and it was unlikely that they would not be cleared before next year.

Mr John Rocks, Managing Director of John Rooks Oilfields and Engineering Supplies Ltd in San Fernando, said the date-to-day trade in materials for the oil industry was down. He found that traditional lines have not been moving as they did in the past but he was holding out hope that the recession would be over by the same time next year.

He said: "We have to take advantage of what other countries--experiencing recession were doing in order to make a quick comeback in the economy.

"It is a changing situation, and what is taking place in Trinidad and Tobago is hinged on what is happening abroad."

Texaco-Government Discussions

Port-of-Spain TRINIDAD GUARDIAN in English 6 Aug 82 p 1

[Text]

THE MINISTERIAL team appointed by Prime Minister George Chambers to look into the future of Texaco in Trinidad held a second meeting with the company on Wednesday.

Minister of Labour, Social Security Co-operatives, Rep. Errol Mahabir, who heads the team, said yesterday that the committee was now considering the various matters which arose during the discussions.

The committee, comprising Mr Mahabir, Rep. Patrick Manning, Minister of Energy and Natural Resources, Rep. Ronald Williams, Minister of State Enterprises, and Senator Anthony Jacelon, Minister in the Ministry of Finance and Planning, also held a meeting with the Oilfields Workers Trade Union.

Mr. Mahabir was non-committal on the discussions.

Asked about Government's possible participation in the operations of Texaco or State takeover of Texaco, Mr. Mahabir said that he did not have any comment to make except that discussions were taking place.

Asked to comment on the possible outcome of the talks, he said what was taking place now were discussions and Government would make a statement in due course.

Appointment of the committee followed Government's concern over reduction in domestic refining capacity and throughput.

Some sources suggested that one of the options open in the discussion is the possible Government purchase of Texaco Trinidad Inc.

Sometime ago Government sought an interest in Texaco of at least 50 per cent.

CSO: 3025/408

CARIBBEAN DEVELOPMENT BANK APPROVES LOANS TO AREA NATIONS

Port-of-Spain TRINIDAD GUARDIAN in English 2 Aug 82 p 5

[Text]

**BRIDGETOWN, Sun.,
(Cana):**

DIRECTORS of the Caribbean Development Bank (CDB) on Friday gave conditional approval to new loans totalling (US) \$4,433,500 towards projects for accelerating tourism expansion and agricultural and industrial development in the public and private sectors of the region's less developed countries (LDCs).

The approvals were given at the seventy-fourth meeting of the board of directors under the chairmanship of the president, William G. Demas, at the bank's headquarters in Barbados, with the beneficiary countries being the Cayman Islands, St. Lucia, Grenada, Dominica and St. Vincent.

The bank said in a statement that its total financing approved (in loans, contingent loans, equity and grants) since its establishment 12 years ago has as a result increased (US) \$387,449,339.

A \$300,000 line of credit is being extended to the Cayman Islands to enable the government's Agricultural and Industrial Development Board (AIDB) to continue its programme of on-lending to small entrepreneurs and business enterprises with a view to promoting industrial development and bringing about more balanced economic growth in the country.

The CDB had previously extended two lines of credit

totalling \$553,100, in supporting the Cayman Islands efforts to stimulate development of agriculture and small industry manufacturing and so capitalise on a growing market created by its expanding tourism sector.

The new credit line also provides for a programme of institutional strengthening aimed at the improvement of the organisational and administrative affairs of the AIDB.

THREE PROJECTS

St. Lucia is receiving (US) \$133,500 in loans for three private sector projects — \$790,000 for the expansion and modernisation of Marigot Inn and \$288,000 for the Hurricane Hole Hotel, two related projects in Marigot Bay resort on the island's west coast, and an additional \$255,500 goes towards phase two in the construction of increased accommodation and better facilities at the Harmony Estates apartment hotel project at Rodney Bay, on St. Lucia's northwest.

The hotel began phase one in June 1979 and completed it in August 1980, with part financing coming from a loan of \$700,000 from the CDB.

Phase two will utilise alternative energy systems, with the entire hotel water supply being provided through solar heating.

Of the total \$2,800,000 approved by the directors as

loans to the governments of the four banana producing Windward Island States, St. Lucia will get \$945,000, Dominica \$832,000, St. Vincent \$722,000 and Grenada \$301,000.

Much of the funding is to be channelled towards the supply of fertilisers and other inputs for the banana industry under the Windward Islands input supply scheme, with the remainder going towards improvement to existing banana warehouses in Dominica, St. Lucia and Grenada.

FEASIBILITY STUDY

The directors authorised the president to sign a non-reimbursible technical cooperation agreement with the Inter-American Development Bank (IDB) in the sum of \$600,000 to be used to finance the expenses to be incurred in the realisation of a programme for promoting the development of export industries in the Caribbean region.

The Board also noted prior approval by the president for aid to St. Lucia and St. Vincent under the bank's technical assistance fund.

Assistance is being given to St. Lucia for the provisions of accounting services to the government's funding scheme, and to St. Vincent for a pre-feasibility study on chill storage facilities for vegetable and root crops.

FOREIGN MINISTER ON RELATIONS WITH U.S., THIRD WORLD

Buenos Aires CONVICCION in Spanish 25 July 82 p 24

[Interview with Dr Juan Ramon Aguirre Lanari, minister of foreign relations and worship, by H. H. Rodriguez Souza; date and place not given]

[Text] On his return from Punta del Este, Dr Juan Ramon Aguirre Lanari, minister of foreign relations and worship, answered questions posed by a special correspondent from CONVICCION. The almost exclusive focus of the discussion was the relations between Argentina and the United States and the need to obtain support for the policy our country will pursue at the next meeting of the United Nations General Assembly, scheduled for this coming September.

It was precisely these subjects which were of the greatest interest to the Uruguayan journalists who continually questioned government officials and their colleagues in the Argentine delegation, in view of the excellent relations Uruguay has with the United States.

The following is the text of the questions and answers in this exclusive interview with Dr Aguirre Lanari:

[Question] What is the Argentine position in the world today?

[Answer] We have an established international policy which is absolutely clear. We are prepared to make every effort to impose the Argentine sovereign rights over the Malvinas Islands, a subject which has been explained on numerous occasions and which has been acknowledged by the international community of nations in ever more decisive and absolute fashion, forcing Great Britain to come to the negotiating table.

[Question] What expectations exactly do you have concerning the handling of this subject at the United Nations General Assembly next September?

[Answer] As you know, this is the highest forum, where, naturally, many interests, many problems, some of which are sometimes superimposed on others, are at issue. We will proceed with our clear position seeking justice for our cause, and to this end we have prepared a strategy and we will naturally

continue to study other paths, all those which seem desirable to us with a view to achieving maximal support at that assembly, where representatives of all the countries in the world come together.

[Question] Specifically what is the strategy, and what are the foundations on which Argentina will base its position?

[Answer] The purpose of this strategy is to provide the bloc of Latin American nations with the greatest possible aid. In this connection, the initiative put forth by Mexico and agreed to by Argentina should be mentioned: It calls for heading a complex of Latin American nations asking that the subject of the Malvinas Islands be taken up in connection with the agreements of this highest international body at present.

[Question] Does the reorganization of relations with the United States have a direct effect on what may be decided at the General Assembly of the U.N.?

[Answer] The United States has an influence on a certain group of nations, and we should remember that the position of the United States was openly opposed to the Argentine position, such that the reiteration of a negative position now by the United States might serve as an obstacle, because its opinion may influence other nations. But this is something which can in no way imply that we will hesitate to use all of our energy and decision to assert our rights. Whatever the view of the United States may be, we are prepared to wage the great battle with the determination the circumstances demand of us.

[Question] Is there, therefore, a possibility of achieving a really favorable consensus?

[Answer] I do not want to put forth any opinion, because many interests are involved. An example is provided by the surprising reaction, which should give us pause, of the European countries, which with a speed which merits examination and study, joined together in favoring economic sanctions for Argentina. These same European countries, which have seen other international circumstances develop without adopting a clear position, met and agreed upon economic sanctions against our country within a few hours, extending them until the war reached the end with which we are all familiar. Thus this is an easy battle, because we cannot know--in the light of experience--what reaction to expect from many of the countries we are trying to sound out with a view to establishing the best possible conditions. This is our task at present, and, naturally, we cannot explain each case in detail.

[Question] There is an impression that the United States is trying to reorganize relations with Latin America, Argentina in particular, and that Uruguay might be providing its good offices.

[Answer] No. This is not correct, for there is no question of "good offices." And we do not like this phrase very much. I believe that we do not need this business of "good offices," because in reality we are the

creditors. Thus attention should be focused simply on the facts. If the United States is concerned, as according to some reports it seems to be, about the deterioration of relations with Argentina, and through it, with Latin America, it is the task of the United States and of that country alone to take the steps necessary to implement positive actions, rather than mere words asserting the right which we are pursuing.

[Question] Dr. Lanari, which is desirable, an OAS with or without the United States?

[Answer] This is a matter which the Latin American foreign ministers will have to study. I believe that because we are among the main protagonists, it is not for us to propose action in one direction or the other. What should be sought is a consensus, for it is that which will give us strength.

[Question] It has been reported that the United States might convene an OAS meeting without your participation, because this would free it from certain commitments.

[Answer] This is a possibility which, like any other, cannot be excluded, but this would also mean a gradual alienation of the United States from Latin America, which would not benefit that country either.

[Question] What role does Argentina play in the Third World today?

[Answer] We must provide a clarification, because there is considerable vagueness concerning this concept. We know that there are those who believe that Argentina should not join the movement of nonaligned countries. I would say to them that I would not make any decision of this sort in any case, because as I see it, it serves the interests of Argentina for us to participate in this movement. And I would ask them where we could obtain the support which some other sectors of the world refused us. I am never going to make a decision which would alienate us from the nonaligned nations, because first of all they supported us, and in addition, this need not mean ideological agreement with all of its members. This is not an ideological movement. There exists within it a plurality of ideologies, and it cannot fail to be of importance to us that we have obtained great support from these nations.

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CSO: 3010/2123

CONTIN DISCARDS COALITION WITH PERONISTS

Buenos Aires SOMOS in Spanish 6 Aug 82 pp 46-47

[Interview with radical leader Carlos Contin; date and place not given]

[Text] [Question] Do you believe in the possibility of a military coup which would delay the electoral campaign?

[Answer] I believe that one must not be naive in politics, and also that reality may be a changing thing. However I do not believe in that possibility, not because the intention is not there, but because it seems absurd to me, since the supposed leader who would overthrow the government would have nothing valid to offer the people. I cannot believe that the armed forces will not keep the promise made by President Bignone to the effect that the institutions of the country will be in place in 1984, nor do I believe that anyone altering the present situation will have civil support for staying in power.

[Question] What remedy would you use?

[Answer] You see, we are working on hypotheses, but the first and most fundamental would be the restructuring of the military junta to provide greater stability and a foundation for this policy. If the army can carry out this transition to an institutional structure successfully, without any tricks or compromises, it will recover a great deal of the prestige it should not lose because of circumstantial enterprises.

[Question] Are there military sectors which do not want the politicians to return to power?

[Answer] I certainly can not answer fully, but it all seems strange and unusual to me. In addition, it is not the politicians who want to return to the institutions, but the people, and also many sectors in the armed forces. There may be a minority in favor of a coup, but all of these rumors may also be counterfire designed to create instability, originating with those who lack votes, those who want to see the cards reshuffled and redealt in order to see what they get. It is better for us to wait. But we radicals know that all elections in Argentina have been preceded by rumors of military uprisings.

[Question] Can the radicals and Peronists create an electoral front?

[Answer] We cannot exclude anything, but this would be very difficult today, because the Radical Civic Union has always maintained party individuality, believing that it must be a distinct alternative on the political scene. In the final analysis, it will be the members who will decide if it is necessary to change or to maintain this position.

[Question] Could the radicals share a plan with such men as Luder, Robledo or Cafiero?

[Answer] For the time being, no. The radical sector would have to change its strategy, I reiterate, and this is not under consideration now. When its membership is established, the new radical sector will determine the path of the party.

[Question] What is the new radical sector?

[Answer] In reality, this is a term which covers all the strata of members who should have been gradually incorporated in the party since 1975, and who will now join in massive fashion. We note that there are many young people who desire to participate, and also many adults who understand the need to work within the political parties if they want them to act in accordance with their way of being and thinking.

[Question] Does Raul Alfonsin continue to head the youth and renewal faction?

[Answer] That is not entirely true, because the radical sector is not divided between young people and old people. There is no generation gap. Alfonsin represents a faction which participated in the last plenary session and in drafting all the documents we made public. There is a blend into a single ideological unity.

[Question] You once accused Alfonsin of being "an eternal loser." Do you still feel this way?

[Answer] Certainly not. These are things which slip out in the heat of a very important meeting, and I believe that Alfonsin himself would not coldly repeat the accusations of collaboration with the military government, of complicity, which he made against me. This was what led to my response. But these are anecdotal events which cause those who say these things more trouble than those about whom they are said. Alfonsin continues to be one of the key men in the party.

[Question] What differentiates the radicals from the Peronists today?

[Answer] The parties are much closer today than they were some years back. But this is not true only of the radicals and Peronists, but rather is a

phenomenon covering all parties which have realized that respect for the democratic system transcends temporary rancor.

[Question] What are the differences?

[Answer] We have different approaches: We developed from the bottom upward, while they developed from the top down. They developed with Peron in the government and we developed in the streets. We respect the individual more, while they are more leader-oriented. On the other hand, neither of the two is a class party, and we both respect private ownership, although there are major differences in style.

[Question] What is your opinion about the possible establishment of a new party under government urging?

[Answer] If it has government protection I do not accept it, but if someone from below wants to establish a party to express his ideas, I have no objection. I told Horacio Tomas Liendo, the former minister of interior, that the armed forces must not be converted into a political party nor take over any political group, because the armed forces are a totalizing institution, and they cannot protect sectorial interests.

[Question] Can you be more specific?

[Answer] This plan, in the long run, would lead to a clash between the civilian and the military, and that is not acceptable. We could not defeat the armed forces, because that would lead to anarchy--as happened in 1973--and the military could not defeat the politicians, because this would lead to dictatorship. Thus it is absurd that the army, or the three armed forces branches, would want to take over a political party.

[Question] You are accused of favoring dialogue and of being a friend of the government.

[Answer] I have always been in favor of dialogue. That is no defect. I am not a friend of the government nor have I military friends, but this means nothing in itself. I can state that at no time have I compromised the party position, and on the contrary, I believe that the frankness with which I have talked with any military officer has borne positive fruit. Those who say otherwise should examine the facts and try to prove the charges they made against me. They will find nothing to hold on to.

[Question] Do you want to be president of Argentina?

[Answer] No, I would never run for that office. I am 66 and I am satisfied with the career I have pursued in the radical sector--twice a deputy, governor of my province (Entre Rios) and president of the party. Now it is necessary to look for the ideas and impetus the young people will provide.

[Question] Troccoli, Pugliese, Alfonsin--who might the radical candidate for the presidency be?

[Answer] Any one of the three. I am the president of the party and I can not give you this decision now--the members must make it. All three are estimable and any one of them would guarantee not only effective democracy but also equity and ethics in government functioning.

[Question] Would you vote for Alfonsin if he were a candidate?

[Answer] All that is needed to get him to the presidency is for the majority of the radical members to say he is the best man. If he is the radical candidate, logically I will vote for him.

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CSO: 3010/2123

WRITERS EXAMINE POSSIBILITIES OF MILITARY COUP

Buenos Aires SOMOS in Spanish 6 Aug 82 pp 16-17

[Article by Tabare Areas: "What Coup?"]

[Text] Noon on Wednesday, 4 August, dramatically reflected the chaos at the summit of the regime, and revived reports of a presumed coup in all the media. In the morning, the rumor that a commando unit--not subversive--had attempted to take over the 601st Engineers Battalion in Villa Martelli began to circulate, and at noon, it was reported that Gen Cristino Nicolaides and Adm Jorge Anaya failed to appear, apparently without having sent any message, at a luncheon appointment with Brig Gen Basilio Lami Dozo at the Condor Building.

The report of a presumed takeover of the battalion raised sensitive military hackles and alarmed politicians, who could not fail to recall that this unit is a part of the engineering branch to which the commander-in-chief of the army himself belongs. According to every indication, the routine change of the guard had been completed at 1 am, when a shot was heard, followed by a response from another position, leading to an intermittent exchange of fire which ended 2 hours later, at 3:15 am, with no casualties. At that time 6 members of a federal police patrol, supported by a helicopter with searchlights, and 12 members of a provincial Buenos Aires patrol, arrived at the battalion headquarters, located between General Paz and Constituyentes Avenues and including a large athletic field on which the national team once trained. The head of the unit, Lt Col Julio Nestor Garcia, told the police that it was all a false alarm, but it was later noted that five civilians, who were not, it was said, marked as subversives, had been arrested within the battalion headquarters. One soldier said that an attack group (10 to 15 men) charged Section Number 4, firing a machine gun, which led to the reaction from the guard.

This incident had no major consequences, but it was enough to lead to speculation in political circles that it might be a maneuver on the part of those promoting a coup, for the purpose of unsettling the commander-in-chief of the army. Who might undertake a military coup in Argentina today? The question is circulating in the streets and merits serious contemplation. On the weekend, the downtown streets in Buenos Aires were covered by a shower, as intensive as it was fascinating, of flyers. Block letters on white sheets read "Fatherland, yes; parties, no," as well as a mysterious signature--

Restoration Nationalist Movement. "This hail of propaganda must be canceled out (it is being said in political circles) by the reports of an imminent nationalist coup circulated in recent days, urging the need to pursue the process in greater depth and to achieve the goals set forth in March of 1976." Those who say that the goals sought by those who promoted a coup are buried assert that the nationalists are afraid that the institutional organization announced by the government will end in another leap into the void like that of 1973, failing to put an end to the cycle of military and civilian governments alternating in power. They also frequently use a term very common in military terminology: It is necessary "to moralize" the country. Under this banner, they promise "to investigate and punish those responsible for the economic chaos, the civilians and the military officers who have suddenly enriched themselves without being able to explain how, and those who saw to it that the Falkland Islands operation was a failure.

Who Are They?

However, these arguments seem to come up against a fundamental common rule which sets forth the basic conditions for the success of a coup (at least in Argentina): the existence of a respectable consensus on the civilian front, and the emergence of a charismatic and persuasive commander who can lead large battle units into rebellion. Today no one would dare to challenge the fact that the majority of the population supports the institutional solution--above and beyond the questions posed about certain politicians and military officers, and that the difficult economic and social situation is too harsh a reality to justify hopes of recovery through another military experiment. Perhaps to correct those who give credence to the possibility of a military uprising, Minister of Labor Hector Villaveiran had little hesitation in saying that "It is obvious that if institutional normalization does not serve the purposes of a given sector, it will try to block it."

But those fully familiar with the army are aware that there is not among the generals any leader with the charisma needed to become the commander of a campaign for a coup, despite the ferment to be found in more than a few higher levels of the officers' ranks because of the way in which the commander is reorganizing the battle unit commands. Many observers believe that the officers most inclined to favor a coup still clearly remember the experience of Gen Luciano Benjamin Menendez, who organized a rebellion in September of 1979 in Cordoba against then Lt Gen Roberto Eduardo Viola. Menendez, a hard-line general with excellent political contacts over a broad liberal spectrum, could not defend his position in Jesus Maria more than 36 hours, despite the fact that he was a military leader admired by all of the officers in the powerful Third Army Corps, which he commanded.

The alternative--leadership of the putative coup by a retired general--seems equally unlikely. The fact is that those familiar with military peculiarities are aware that very few officials could be tempted to support a man who does not have a troop command. The only exception along these lines in the past 30 years was Gen Eduardo Lonardi, who assumed leadership of the Liberation Revolution in 1955, but with an army and a reality differing entirely from the situation in Argentina in 1982. All across the moderate political

and military spectrum, it is believed that the best means of discouraging any coup undertaking is reunification of the military junta, which does not however seem possible, despite the fact that in the three commands, a not at all naive formula has become popular: avoiding the Bolivianization of the process. According to the comments by army sources, Nicolaides did not appear for the luncheon with Lami Dozo--it is reported that it was to decide on reunification--for two reasons. He was irritated by the statements of the air branch commander urging formation of an official party, and he knew that he would be asked to reorganize the cabinet, in the political and economic sectors in particular. It was said at the Libertad Building that Anaya was discussing the position he should adopt with the admirals (knowing that Nicolaides would not go to the Condor), the final choice being to absent himself, an action with undeniable political implications. The fact is that it is thought in the navy that if the military junta were reorganized, it would be necessary to revise all of the actions of the Bignone government from 22 June--the date of the break--to the present, a step which would jettison any possible gesture of good will the three commanders might be prepared to make on the personal level.

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CSO: 3010/2123

'GLEANER' INTERVIEWS ADAMS ON ECONOMY, AREA ISSUES

Kingston THE SUNDAY GLEANER in English 1 Aug 82 p 15

[Text]

Says the Rt. Hon. Tom Adams in an interview with the Editor of the 'Gleaner'.

"I WANT A simple expression such as "Respect for human rights and the political institutions of democracy" added to the Caricom Treaty Preamble. Caricom should have a moral basis in addition to being an economic partnership."

This was how 51-year-old Tom Adams, Prime Minister of Barbados explained to me his proposal for amending the CARICOM Treaty to reflect concern in the region over human rights and the deviation from political democracy in which the citizen's right to choose his government is paramount.

He was on an official visit to Jamaica from Tuesday, July 13 to Saturday, July 17. On Wednesday night, July 14 replying to a toast at a dinner hosted by Prime Minister Seaga at Jamaica House, he had stated that the problems in the Caribbean were both economic and political; and in calling for Caribbean unity, he had said that Barbados intended to move an amendment to the CARICOM Treaty preamble with regard to human rights and parliamentary democracy.

He added that "I think those of us in the Caribbean who are committed to the principles of parliamentary democracy and human rights in the widest sense as we know them now, unless we speak up now, the time may very well pass when we can speak of them at all."

So when I interviewed Mr. Adams on Friday, July 16, I asked him what kind of phraseology he would propose to the October Heads of Government conference in Jamaica. On this he replied:

MOST CARIBBEAN countries have human rights provisions in their constitution. What I am proposing to my CARICOM colleagues is the addition of a simple expression such as "Respect for human rights and the political institutions of democracy. That is all that is contemplated. CARICOM should have a moral basis and be more than an economic partnership. It should contain West Indian ideals of nationhood. It should seek to provide a framework and a feeling for regional unity. In that context it should give the moral framework for such unity.

GLEANER: And now may we look at one or two points which are testing that unity? What is your comment on Trinidad Prime Minister Chambers attack on Air Jamaica's entry into the Eastern Caribbean?

ADAMS: I would prefer not to comment, but you will no doubt wish to ask yourself whether Air Jamaica could land in Trinidad without the permission of the government. In fact tri-partite and bilateral talks between Barbados, Jamaica and Trinidad; between Barbados and Jamaica; between Jamaica and Trinidad; and between Barbados and Trinidad on air services have been taking place. With regard to our Caribbean Airways, for example, we are negotiating with Jamaica for continuation of the tenancy of office space in Jamaica.

GLEANER: Mr. Chambers mentioned the breaking by Jamaica of a pledge. When you loaned Jamaica money in 1976 was there any secret or unwritten agreement?

ADAMS: No. We asked for none.

MAJOR PROBLEM

GLEANER: What is the major problem before CARICOM now?

ADAMS: The economic problems which every country is facing. These problems lead to restrictive trade policies by some countries, and these lead to tensions which endanger our unity.

GLEANER: What have you done for example to face up to the economic problem?

ADAMS: Let me explain it this way. Barbados has an importing economy. Last year we imported over U.S.\$2,000 per capita — (which incidentally is about twice Jamaica's Gross Domestic Product per capita). To sustain that level of imports, we must expose goods and services to a high degree. So we are very dependent on export growth in agriculture, tourism (five times as much as from agriculture) and manufactured goods (2½ times as much as agriculture).

GLEANER: By agriculture you mean sugar.

FINE EDGE

ADAMS: Yes. We can't aim at CARICOM only, as it is a small market. So we export to Europe and North America. When there is recession in our agriculture (and there has been) and when the recession in North America and Europe reduces our tourism, our economy is on a fine edge.

GLEANER: What do you import that cost so much as U.S.\$2,000 per capita?

ADAMS: We import a far greater proportion of necessary capital goods than consumer items — so it is difficult to reduce imports in order to keep a balance.

GLEANER: So to the IMF then?

ADAMS: Yes. We have applied to the IMF for a balancing loan, i.e. to

balance the foreign exchange deficits between exports and imports, in order to make up for two bad years of agriculture. And we may ask for more.

GLEANER: Any conditionalities?

ADAMS: What we have applied for so far is outside the bounds of restrictive conditionalities such as devaluation and firing public servants. We may at this stage go for further loans precisely to avoid having to go back later, and be forced to accept the harsh medicine of restrictive conditionalities.

GLEANER: But what have you done as a government to tighten your belt?

ADAMS: There have been cutbacks in recurrent expenditure. There have been no cutbacks in capital expenditure, but there is an effective freeze here as we have deferred some capital projects.

There is a freeze on government employment and a cutback in some cases. No new employment from recurrent expenditure.

GLEANER: What of interest rates?

ADAMS: Interest rates have risen, and the mortgage rate has gone to 12 per cent.

GLEANER: With the virtual cutback on employment, isn't there going to be an explosion?

UNEMPLOYMENT INSURANCE

ADAMS: Well, we have introduced unemployment insurance as from this month (July). School leavers do not qualify for the insurance. To qualify for the insurance benefits, you must have been employed for some part of the preceding 52 weeks, and the insurance benefit is up to \$60 Barbados (U.S.\$30) per week for 13 weeks.

GLEANER: How is it paid for?

ADAMS: By employers and employees through social security. We are trying as much as possible to have welfare paid for from the Social Security Fund which is contributed to in almost equal proportions by the employer and the employee. The Fund looks after pensions, unemployment, health and transport, and contributions are in proportions roughly like this: Pensions three per cent, unemployment one per cent, health one per cent, transport one per cent.

GLEANER: Transport?

ADAMS: Yes. Old age pensioners get free transport outside of the peak hours.

GLEANER: Yet, I notice that a University report has criticisms of your treatment of old age pensioners.

ADAMS: That is interesting.

because we have introduced a number of measures to help our pensioners. For example, housing is provided for old age pensioners and we introduced the "Home Help Scheme.

GLEANER: What's that?

ADAMS: "Home Help are people who are employed to visit old age pensioners and help them in different ways. These pensioners are those over 65 years old who have no other means of support. We regard this Home Help Scheme as the most successful part of our welfare programme. The Help receives \$126 Barbados (U.S.\$63) a week, and this helps also with employment.

GLEANER: Is this from the Social Security Funds?

ADAMS: Though most of our welfare programmes are projected to be on a self-financing basis, this particular programme of Home Help is paid for from general Taxpayers Budget as well as water and light bills for those old age pensioners.

GLEANER: How much pension do they receive?

ADAMS: Everybody over 65 gets \$34 Barbados (US\$17) if he or she does not have any other government, private Superannuation, allowance or social security. This amount will soon rise to \$40 Barbados a week. These pensioners are also eligible, like all indigent pensioners, to have lights and water free from government. All pensioners over 65 get free transport.

SOCIAL

GLEANER: It appears that your programme is as socialist in this respect as others.

ADAMS: Please bear in mind that the Barbados Labour Party is a socialist party.

GLEANER: Fabian type?

ADAMS: You might say a centrist, moderate approach.

GLEANER: Why are radical socialist parties being ignored nowadays in the Caribbean?

ADAMS: The big spending parties nowadays not only in the Caribbean but elsewhere have come to be characterised as welfare and the economic assumptions underpinning them have been rejected after years of ascendancy. Parties which trim public spending are becoming the successful parties.

We in Barbados are fortunate in projecting welfare programmes largely on a self-financing basis. Since 1975 unemployment has gone down from 22 per cent to 10 per cent in 1981, and we have increased the pension rate from \$13 to \$34, and instituted other welfare programmes.

GLEANER: So how would you describe your economy now?

ADAMS: We do have problems, but we have cut public spending, we restricted imports and we have put a two per cent stamp duty on imports; and we trust that these will help to keep the economy stabilised. Remember that we, like you, are suffering the effects of the world recession especially that of the USA. For when the USA economy sneezes we have to take preventive measures against pneumonia.

GLEANER: Four last questions on the economy, security, Grenada and the UWI. I notice that the IMF is optimistic about your future.

ADAMS: Yes, they are talking about U.S.\$4,000 per capita income. Much of our development has gone to reducing unemployment and developing welfare, as I have told you. We are one of the largest exporters in the region of electronic chips and chemicals, and we sell garments to France and the U.S. I mention this to show how our economy has been diversified.

GLEANER: You had security problems a few years ago from mercenaries. How is it today?

ADAMS: Since the establishment of the Barbados Defence Force security threats — largely from small mercenary groups — that could have been serious, no longer present the same gravity. We concentrate on naval defence with a patrol craft and some small vessels which we use also for the economy. We are co-operating with the St. Vincent Coast Guard which has a patrol Boat too.

GLEANER: And that brings me to Grenada — the relations with you were sticky. What are they now?

ADAMS: Relations have neither improved nor deteriorated since last year.

GLEANER: And what of the UWI and the debate over restructuring?

ADAMS: This has been settled as far as our Ministers of Education are concerned. It's now left to the UWI Council.

GLEANER: Mr. Prime Minister, will there be any joint venture proposals emerging from your visits?

ADAMS: This is a goodwill visit. Of course we look forward to any major joint ventures in which our interests coincide. But this visit to Jamaica has not been structured for that. Not like my visit to Trinidad which led to joint venture in air-services, cement and the insurance industry. There may be joint ventures in the future.

GLEANER: Thank you Mr. Prime Minister.

SOOT FROM CRUISE SHIP FOCUS OF ST GEORGES COMPLAINTS

Hamilton THE ROYAL GAZETTE in English 6 Aug 82 p 1

[Text]

Furious St. George's residents are meeting next Thursday to demand action after a layer of white ash from the liner Volendam blanketed the centre of town on Wednesday and forced at least one business to shut up shop.

Last night Mr. Ernest (Dickie) Drew, chairman of the St. George's Citizens Committee, said he could not rule out some eventual form of protest action by residents themselves, although he added it was unlikely that anything like a picket of the ship — suggested by some angry townspeople — would follow.

He also criticised M.P.s of both political parties — including those representing St. George's — for not giving the soot issue more prominence in the House of Assembly.

Mr. Drew said the Town Square was covered on Wednesday afternoon by ash spewed out from the Holland America liner, falling on cars, drawing complaints from people coughing as they crossed the square and prompting one shopkeeper to close his store with a note outside explaining that the soot was responsible.

He commented: "Every one here is furious. It is a

dreadful health hazard. Senior citizens were particularly angry. We do recognise the economic advantages the Volendam brings to tourism here but we can certainly do without this soot."

Mr. Drew said Thursday's meeting would probably reach some conclusions which would be passed on to Minister of Marine the Hon. William McPhee, who is presently off the Island.

He said the meeting would also consider items like the shortage of housing in St. George's and the recurring problems with the Longbird Bridge, which he said frequently failed.

"Heaven help us if there were a major hurricane or fire that hit St. George's. All it needs is for the bridge to fail yet again and we are cut off from emergency vehicles and the rest of the Island," Mr. Drew said.

"The bridge was out of action for just a couple of hours the other day and the traffic jams were massive. What if someone stuck in that suffered a heart attack?" Mr. Drew asked.

He suggested a new bridge — paid for perhaps by raising Airport taxes by one dollar — might be the answer.

QUADROS POLITICAL MANIFESTO UPSETS POLITICAL CIRCLES

Lisbon A TARDE in Portuguese No 45, 19 Jul 82 p 3

[Text] We are publishing the complete text of the manifesto recently issued by Janio Quadros, former Brazilian president and PTB [Brazilian Labor Party] candidate for governor of the state of Sao Paulo. Presented in the form of an "open letter to the PTB," the document has caused a stir in Brazilian political circles.

The so-called opening is becoming a farce which no self-respecting Brazilian will be able to accept without reacting. That last package strikes a more fateful blow against our democratic expectations than that of AI-5 [Institutional Act No 5].

The historical quorum of two-thirds consolidates the tatters of an imposed and grotesque constitution. That which was necessary for insuring power for the existing system had already been inserted previously. The maligned April 1977 package provided, with the bionics, the creation of simple majorities, which the government held through bribery or coercion. The laws are usually approved without the symbolic votes of the alleged representatives of the people.

The inclusion of six deputies in each Legislative Assembly in the Electoral College buries the Federation and destroys the proportional aspect of the vote. The vote of a Brazilian from Acre would correspond to that of 110 Brazilians from Sao Paulo, to that of 58 Brazilians from Minas, 55 from Rio de Janeiro, 38 from Parana or Rio Grande do Sul, when one considers the voters registered in 1978.

Thus, the road is closed to alternation in government, an essential condition for democracy. Nevertheless, the people are convoked to fill minor public posts by means of a debased electoral system. It is expected that aroused appetites for the stewardship of functions which are bereft of any possibility of changing the destiny of the country, will conclude by emasculating what is left of the political institutions. It is expected that electoral blandishments will distract the people already stupified by surrounding vice, by daily scandals, by the dissolution of customs and by the enslaving crisis.

Meanwhile, the technocrats prosper. The state companies govern the country and the government. They suffocate private productive sectors and shake down the people. They confiscate family income by means of exorbitant rates and prices, which are always higher than inflation, the daughter of that government,

or by means of loans taken from savings passbooks which will never be paid back. Since there is no limit to immoderation, the money that is lacking is printed. Impoverished, the people no longer buy. The production sector without markets, dismisses urban workers, as if there were not enough unemployed.

Money was wasted mainly on unproductive, unnecessary, gradiose projects which satisfied vanities and provided illicit wealth.

All revolutions were thwarted: that of 1922, 1924, 1930, and all the others of our tumultuous republican history. That of 1960, born at the polls, was cut short by the resignation forced upon me by the same structure which today makes us unhappy. It is the same one which strangled the so-called 31 March Movement, turning it after the death of Castelo Branco into a succession of naive, ignorant, perfidious or cruel petty tyrants.

Under that inspiration, freedom was restricted, the family disunited, the values of society dissolved; children were abandoned, education became a business, intelligence and creativity were discouraged, the police were corrupted, the administration of justice was denied, issues of money increased greatly, shady business deals proliferated, the military was compromised, free enterprise was impoverished, agriculture was sterilized, the country was indebted and the multinationals, the privileged and the banks waxed fat. No greater subversion is possible. Despair reigns when the middle class dies and is debased, while the poor slide into degrading poverty.

The political parties, the political children of bastard standards, connivingly support the electoral farce. The PDS [Social Democratic Party] and the PMDB [Brazilian Democratic Party Movement] are the obverse and reverse of the same counterfeit coin, and are bereft of ideas. The former harbors the greater appetites of those who benefit from power and do not wish to leave it, while the second, the party of those, who not always lacking in responsibility, are sated with the crumbs of positions they gather at the banquet table, becomes the accomplice with its castrated opposition character.

The party which I join gives in to temptation. It is not distinguished from the artificial and illegitimate context which manipulated legislation imposes on it and in it are contained suspect or censurable interests against which relatively successful or unsuccessful attempts have been made to eject from the party.

I reject all that. I shall not be just another candidate. I shall not be a springboard. I shall not serve any electoral purpose. I shall not withdraw votes from a substate to help another because none of them are legitimate.

I have exhausted all means. I sought to merge the PP [Popular Party] with the PTB, creating a party which would frontally resist the casuisms I announced would come and did come. Greedy leaders of the PP did not want that and the party died. I tried to join the PMDB, preserving the multiparty system through the substates, which at that time could have served as embryos for legitimate parties. The electoral lust of the pseudo lords led them to deny me membership and later to enfold the PP, previously fought as being "a loyal opposition party." They accepted everything, from corrupt manifestos and even agents of dictatorial raids and violence, including the harboring of those who countermanded popular mandates.

I suffered greatly during that twilight of my life. Without political rights, but always fighting, even in prison and confinement, I witnessed the construction of that disgusting mythology with which they have slandered me for more than 20 years. I humiliated myself at the doors of those four-flushing factions and appealed to them for civic consciousness. I broke my word and went to Brasilia to ask the president for the minimum instruments of democracy which he had sworn to restore. The public response is found in that execrable "package."

There is, therefore, no democracy. The dictatorship persists and it will only give way before a revolutionary process. Those antecedents force me to warn the PTB that I am not the suitable candidate for the gang of postulants, the decadent court of the Fiscal Island, which lives at the expense of the nation. I do not want them on the speaking platforms at my side.

I shall only be a candidate for destroying the present system which oppresses Brazil, for lighting a true revolution which shall stand for the ideas of our deceived and muzzled youth, the revolution that will return the freedom of enterprise to the frightened and silent businessmen who live in suicidal accommodation; that will return freedom of speech to the media, which today is anesthetized or submissive; that will give land to those who work it; that will restore participation to all, including the illiterate, through a constituent assembly that will legitimize the greatestests of the legal texts.

The PTB should not grant a subplate to candidates who have not subscribed to those principles; who are not aware that with me they may even suffer the penalties of the current, strange Security Law. I do not want the company of those who are not genuine revolutionaries. The PTB should say whether that is what it does, or does not want. Perhaps I may not be the most suitable candidate.

I do not lie to the people. I shall not encourage the electoral illusions of anyone. I note in time that we were declared ineligible. I am aware of that. The Sao Paulo PTB is an example. In more than 400 municipalities, the PTB was prevented from organizing. The criminal linkage of votes will thwart the popular will, if it does not invalidate the elections because of the ire or ignorance of the masses.

At 65 years of age, a former president of the republic, I shall fight. There will be no electoral defeat, neither will there be a victory as long as that regime lasts.

I do not want a job as governor. Whoever wants another boon companion, another corrupt person, any figurehead, let him vote for one of the many who are there greedy for power even at the cost of their own soul and the despair of the present and future generations.

I shall be on the platform to proclaim the revolution. I am a probable candidate, yes, because the revolution will come sooner or later. If there is no way to begin it through the vote, it will take place with blood, which I did not wish to spill. Not with the blood of the armed robberies and inhuman violence of the past and present but with that of the people who destroyed the Bastille and

guillotined the symbols of oppression and robbery. Suffering organizes those people, and ours have suffered enough.

But when a long train of abuses and usurpations...evinces a design to reduce them under absolute despotism, it is their duty to overthrow that government...says the Declaration of the 13 American Colonies.

Today it seems to me we live under another one of them. And we shall attain a responsible and Christian freedom without the scraps from the municipalities and the states and with or without the president of the republic himself.

If the PTB does not accept me as I am, let it reject me as I am.

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CSO: 3001/209

URBAN VOTERS OUTNUMBER RURAL VOTERS FOR NOVEMBER ELECTIONS

Rio de Janeiro JORNAL DO BRASIL in Portuguese 29 Jul 82 p 4

[Text] Brasilia--This year's November elections will have their novel side for 30,028,000 Brazilians (nearly 57 percent of the voters), who will vote for governor for the first time, according to the last lists of the Electoral Supreme Court [TSE]. Of that total, only 6,537,542 will be participating in their first election.

Based on the 1980 Census, the TSE confirmed that 69 percent of the 52,502,443 voters are concentrated in the cities. Sao Paulo and Minas Gerais are the states where the concentration is more obvious: There are approximately five voters in the cities of Sao Paulo and Minas Gerais States for every one in the interior. In Rio de Janeiro the ratio between the urban and rural voters is four to one.

Southeast Region

With 11,965,763 voters, Sao Paulo is the state with the largest number of voters--22.5 percent of the total in the country. The Territory of Fernando de Noronha is the unit of the Federation which registers the lowest number, 474 voters, who have not voted for 22 years because they only had the right to vote for the president of the republic.

The Southeast Region has the largest number of voters: 47.1 percent (24,729,789). The Northern Region has the fewest: only .38 percent of the electorate (2,032,533). The urban voters of the Southeast Region are 39 percent of the total (20,473,791 Brazilians), while the rural voters total 8.1 percent, approximately 4,255,998 voters.

Balance

Although it loses in absolute numbers to Sao Paulo, Minas Gerais and Rio de Janeiro, Espirito Santo shows an identical disparity in the distribution of voters between the countryside and the cities. The urban voters of the state, as computed by the TSE, number 701,834 and the rural voters number 145,894.

Rio Grande do Sul, Parana, Santa Catarina, Goias, Mato Grosso do Sul and Mato Grosso were the intermediate block in which the urban voters also predominate but in a smaller proportion. In those states the ratio between urban and rural voters is around two to one as an average.

The largest group consists of the states of the Northern and Northeastern Regions: Amazonas, Acre, Rondonia, Para, Bahia, Pernambuco, Ceara, Maranhao, Paraiba, Piaui, Rio Grande do Norte, Alagoas and Sergipe. In them, the predominance of the urban voters over the rural is not very accented. In Bahia, the division is almost half and half: 1,840,075 voters in the urban area to 1,809,320 voters in the interior.

The balance between urban and rural voters also appears, according to TSE figures, in Ceara (1,033,560 to 1,015,529), and in Pernambuco (1,117,557 to 1,098,060).

In the overall computation in the country, the division of voters according to sex shows a slight masculine edge. There are 28,655,443 men eligible to vote and 23,746,628 women.

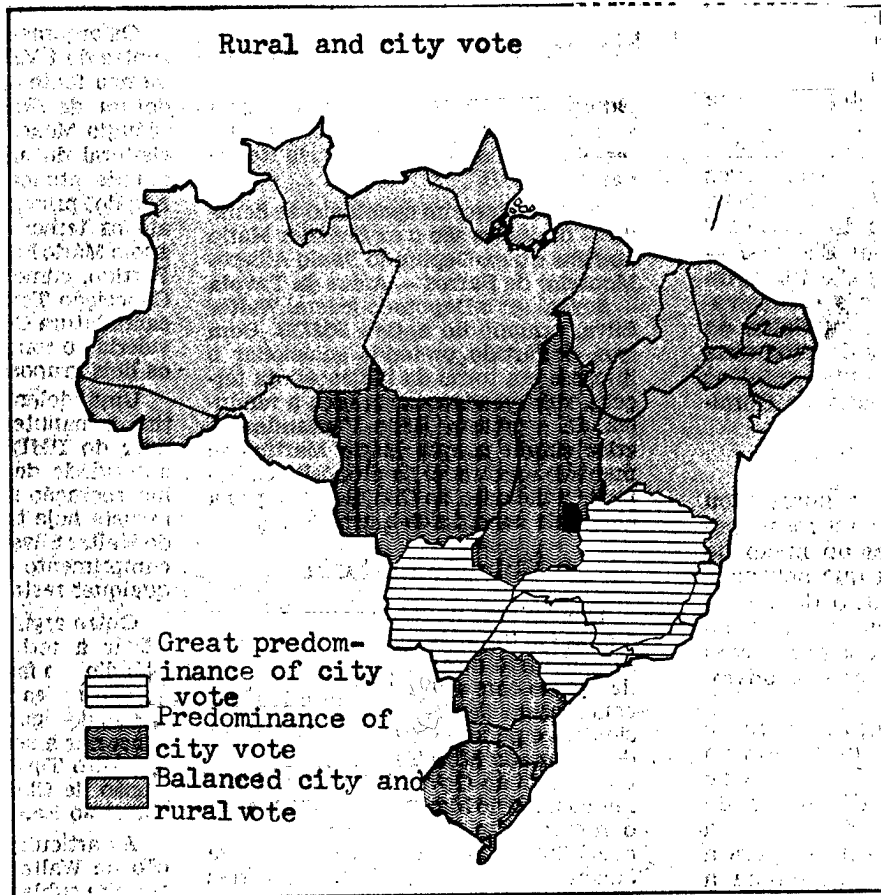
Opposition Victory Caused 1965 Crisis

The last direct election for governors took place in 1965 and caused the military crisis which resulted in the passage of Constitutional Act No 2. To placate the radical sectors of the army, who were not happy with the victory of opposition candidates Negrao de Lima in Rio and Israel Pinheiro in Minas Gerais, President Castello Branco decreed the abolishment of parties and instituted the election of governors by the Legislative Assemblies.

Although the 1967 Constitution with which Castello sought to institutionalize the 1964 Revolution stipulated the return to the selection of governors by popular vote, that provision was postponed by Constitutional Amendment No 1 passed in 1969 by the Military Junta.

Victorious in the legislative elections of 1974, the opposition prepared to compete for the government in the states 4 years later when the revolutionary bann on direct elections ended. The opposition dream ended in 1977 when President Geisel handed down the April Package, creating an electoral college consisting of the Legislative Assemblies and representatives of Municipal Chambers for selecting the governors.

Initiated under the sign of a political relaxation, after the revocation of Institutional Act No 5 left by Geisel, the government of President Figueiredo adopted liberalizing measures. The series, initiated with the granting of amnesty to those punished by the revolution, continued with the implantation of the multiparty system and culminated last year with the reestablishment of direct elections in the states.



The urban vote predominates in 10 states. There is balance in the rest.

Great Predominance

	<u>Total Voters</u>	<u>Urban Voters</u>	<u>Rural Voters</u>
Sao Paulo	11,965,763	9,906,455	2,059,308
Minas Gerais	6,050,126	5,008,899	1,041,227
Rio de Janeiro	5,866,172	4,856,603	1,009,569
Espirito Santo	847,728	701,834	145,894
Mato Grosso do Sul	618,761	419,210	199,551

Predominance

	<u>Total Voters</u>	<u>Urban Voters</u>	<u>Rural Voters</u>
Rio Grande do Sul	3,994,387	2,492,896	1,501,491
Parana	3,712,011	2,316,666	1,395,491
Santa Catarina	1,908,925	1,191,379	771,546
Goiás	1,650,557	1,118,252	532,305
Mato Grosso	424,444	287,560	136,884
Federal District	421,313	285,439	135,874

Balance

	<u>Total Voters</u>	<u>Urban Voters</u>	<u>Rural Voters</u>
Bahia	3,649,395	1,840,075	1,809,302
Pernambuco	2,215,617	1,117,557	1,098,060
Ceara	2,049,089	1,033,560	1,015,429
Para	1,227,744	634,620	593,124
Maranhao	1,222,788	616,774	606,014
Paraiba	1,119,810	564,832	554,978
Piaui	829,105	418,200	410,905
Rio Grande do Norte	828,106	417,696	410,410
Alagoas	591,349	298,276	293,073
Amazonas	455,064	235,222	219,842
Sergipe	403,991	203,773	200,218
Rondonia	155,690	80,476	75,214
Acre	102,762	53,117	49,645
Amapa	58,098	30,030	28,068
Roraima	33,175	17,148	16,027

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CSO: 3001/209

PROMOTIONS OF ARMY, AIR FORCE GENERALS ANNOUNCED

Rio de Janeiro JORNAL DO BRASIL in Portuguese 1 Aug 82 p 14

[Text] Brasilia--President Joao Figueiredo promoted 17 general officers in the army and air force yesterday, maintaining the procedures adopted since he assumed the presidency of the republic of following the list provided by the High Commands in promotions to the highest rank. In that second promotion of general officers of the year, there was no vacancy in the navy.

In the army, the following were promoted to the highest rank: Div Gens Leonidas Pires Goncalves and Jorge Sa Freire de Pinho, who will assume the posts of secretary of Economy and Finances and chief of the Department of Engineering and Communications, respectively. In the air force, the two new Lieutenant-brigadiers are Octavio Julio Moreira Lima and Luiz Felipe Carneiro de Lacerda Neto.

In the Army

In the list of brigadier generals promoted to the three vacancies of division general, the president maintains the chronological order of the list of names presented by the High Command. Gens Athos Cesar Baptista Teixeira, director of Engineering Materiel; Floriano Aguilar Chagas, commander of the 8th Motorized Infantry Brigade at Pelotas and Clovis Borges Azambuja of the Resources Directorate were promoted. General Athos remains in the post he holds, which calls for a division general. General Aguilar Chagas was appointed to one of the deputy slots of the Army Staff, and General Azambuja is going to command the 3rd Military Region in Santa Maria.

In the case of brigadier generals, the president changed the order of the names sent by the High Command, promoting Col Egeo Correa de Oliveira Freitas, commander of the Federal District Military Police, who will go on to command the 8th Motorized Infantry Brigade in Pelotas. The second colonel promoted to brigadier general was Claudio Bicalho Pitombo now serving on the Army Staff. He was assigned to command the 1st Construction Engineering Group at Joao Pessoa. The third colonel promoted to brigadier general was Wladimir de Azevedo, also of the Army Staff, who was assigned to command the 1st Motorized Infantry Brigade at Petropolis.

In the decrees to be published in Monday's DIARIO OFICIAL, there are also the following reassignments: Army Gen Tulio Chagas Nogueiro, relieved from command of the 3rd Army at Porto Alegre and assigned as chief of staff of the army. His replacement is Army Gen Henrique Beckmann Filho, who was relieved as chief of the General Services Department. His replacement is Gen Enio Gouvea dos Santos who commanded the 4th Army with headquarters in Recife. Because of that reassignment, Gen Heitor Furtado Arnizaut de Matos, who was chief of the Department of Engineering and Communications, was assigned to command the 4th Army.

Other Changes

In the ranks of division generals there were also reassignments affecting the following officers: Jose Albuquerque was relieved of command of the 3rd Military Region in Santa Maria and assigned as deputy chief of the army staff; Fernando Guimaraes de Cerqueira Lima leaves the command of the 7th Military Region and 7th Army Division in Recife and assumes the deputy slot in the Department of Education and Research, which Gen Octavio Costa left for the reserves; Mario Ramos de Alencar was relieved as director of Preparatory and Supplemental Education and assigned as deputy chief of the General Services Department; Harry Alberto Schnardorf, who was attached to the army staff, was assigned to command the 7th Military Region; Ivan Dentice Linhares left the Directorate of Deployment and was assigned as deputy chief of the General Personnel Department; Milton Paulo Teixeira Rosa, former director general of Economy and Finances, will now be the first deputy chief of Economy and Finances.

In the ranks of brigadier generals, there were the following reassignments: Leo Guedes Etchegoyen was relieved from the Directorate of Social Welfare and assigned as chief of staff of the 3rd Army; Paulo Figueiredo Andrade de Oliveira was relieved of command of the 1st Motorized Infantry Brigade and assigned as chief of staff of the 4th Army from which Luiz da Silva Vasconcellos was relieved and assigned to the Directorate of Social Welfare; Jose Apolonio da Fontoura Rodrigues Neto left as chief of staff of the 3rd Army and was assigned as chief of the office of the army staff; Antonio Luiz Rocha Veneu was relieved of that duty and assigned as director of deployments; Jose Ramos de Alencar was removed from the office of General Inspector of Military Police and assigned director of Preparatory and Supplemental Education, post which was held by his brother Mario Ramos de Alencar.

Air Force

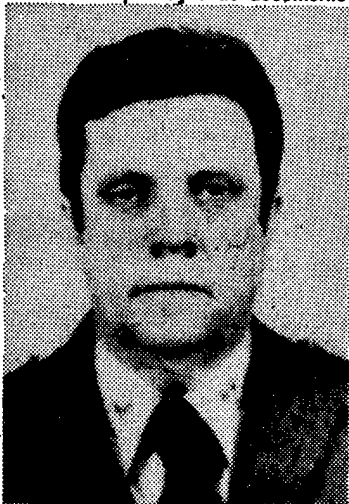
Reassignments in the Air Force were not revealed, only the lists with the names of the brigadiers promoted. The two lieutenant-brigadier vacancies were filled by Maj-Brigs Octavio Julio Moreira Lima, commander of Air Transport, and Luiz Felipe Carneiro de Lacerda Neto, chief of the Air Force Intelligence Center. Passed over on the promotion list were Maj-Brigs Silas Rodrigues, Edilio Ramos de Figueiredo and Ismael Abati Luiz Portilho Antony. The following are the others promoted: Air Brigs Humberto Zignago Fiuza, Evandro Lima Araujo and Hugo de Oliveira Piva were promoted to air major brigadiers. Aviator Cols Ruy Messias de Mendonca, Lino Pereira and Claudio Paixao Azambuja were promoted to air brigadiers and Col Irnoi Pimentel Ramos was promoted to brigadier-engineer.



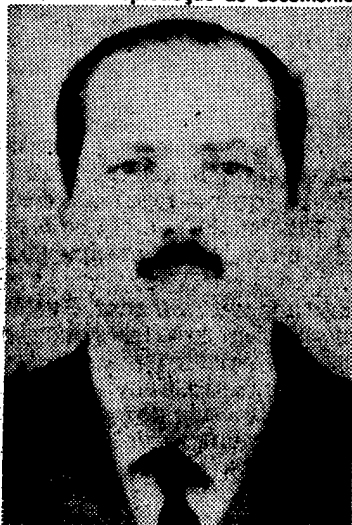
Leônidas Gonçalves
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Jorge Sá Freire de Pinho



Luiz Felipe Carneiro
Reprodução de documento



Octavio Moreira Lima

Four Star Generals

Gen Leonidas Pires Concalves is 61 years old and obtained the three promotions to general officer through merit. He comes from the artillery and went through the standard courses in addition to the Coast Artillery School. Among his other posts, he was a liaison officer of the Brazil/United States Military Commission in the North American section; a member of the Military Household of the Presidency of the Republic under the Janio Quadros and Castello Branco Administrations, military attache in Colombia, commander of the 2nd 105mm Howitzer Regiment of Itu, and military commander of the Amazon Region. Recently he was deputy chief of the army staff. He is married and has two sons.

Gen Jorge Sa Freire de Pinho, also promoted to general officer ranks on merit, is a Carioca from Realengo and is 62 years-of-age. He is an infantryman and was an instructor at the ECEME [Army Command and General Staff School] and at Resende at the same time as President Joao Figueiredo. He also went through the standard courses, in addition to the communications (technical) course. In 1964, when the March insurrection took place, he was director of Military Mobilization and Service. He was a student of Gen Castello Branco and an assistant in the Federal Intelligence and Counterintelligence Service. He is married and has two sons and two grandsons.

Lieutenant-Brigadier Octavio Moreira Lima is a Carioca 56 years-of-age. He is the son of Gen Felipe Moreira Lima, grandson of Marshal Antonio Mendes de Moraes and brother of Aviator Lieutenant Felipe Moreira Lima Junior, killed in an air accident. He has gone through the command and instructor course at the Air University in the United States and has 6,500 hours flying time as a pilot.

Lt-Brig Luiz Felipe Carneiro de Lacerda Neto is from Bauru, Sao Paulo, and has 6,000 hours of flying time as a pilot. He was chief of the Brazilian Air Force Commission in Washington and air attache in the United States and Canada. He has been in the service since 1943 and received the Military Gold Medal for service in the South Atlantic Campaign.

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CSO: 3001/209

CHANGE IN NETTO'S ECONOMIC POLICY DENIED BY FIGUEIREDO

Rio de Janeiro O GLOBO in Portuguese 22 Jul 82 p 6

[Interview with President Figueiredo by Claudio Kuck and Jose Luiz Faria of O GLOBO in Ottawa, Canada; date not indicated]

[Text] Ottawa--President Joao Figueiredo yesterday defended the present economic policy, believing that its reformulation is not necessary because in his opinion there is only one theory: "There are no sweet remedies for fighting inflation."

He said: "When Simonsen was minister of planning, some asked for Simonsen's head in order to effect a reformulation and they asked for Delfim to take his place. I appointed Delfim and now they ask for the head of Minister Delfim and they ask for another. All the others who would come would do the same thing."

Figueiredo granted the interview during his visit as a tourist to the city and as he was leaving the Garden Center, where he made some purchases. He also declared that there should be no expectation of a ministerial change, and speaking about the changes made in his government, he said that only the then minister of education, Eduardo Portella, "was asked to leave."

He reiterated that he only expects improvements in the economic situation, whose difficulties he attributed mainly to the high rates of interests of American banks, within a period of 2 years. He pointed out, however, that those economic difficulties do not represent an obstacle in the political area. He also stated that the elections are not inflationary, although obviously they imply expenditures, which he described as "the price of democracy."

Figueiredo referred to his talks with Prime Minister Pierre Trudeau, saying that he understood the Brazilian position with respect to the question of the Malvinas. He pointed to Canada and West Germany as the spokesmen of the developing countries, lamenting, however, the American position on the North-South dialogue.

The Interview

The following is the interview with President Figueiredo:

[Question] Why was there that climate of pessimism in your talks?

[Answer] There is no climate of pessimism. I do not know what that climate of pessimism they created is. In my talks with him (Trudeau) there was no climate of pessimism. Now, you have taken it as a climate of pessimism because I said that I spoke frankly. Now, I spoke frankly with respect to the subjects with which we dealt. I gave my opinion, what I believed. He was very satisfied with that. That was all it was.

[Question] However, according to the Canadian press, it appears they did not understand your statement very well. But what you meant to say was in the sense of an open conversation...

[Answer] No. It was in the sense of not hiding thoughts. I was as little diplomatic as possible, but I was very frank.

[Question] President, was it your idea to include that mention of the present problem of Lebanon in the joint communique?

[Answer] It was, but it was the idea of both parties. He also had that intention.

[Question] The questions on Central America also?

[Answer] Also. We discussed the subject.

[Question] Does Brazil recognize in Canada an intermediary for dialogue with the richer countries?

[Answer] No, not recognize. Brazil knows that Canada is one of the most important intermediaries, primarily because it defends the cause of developing countries. It is one of the most credible spokesmen with respect to those countries such as the United States, which does not accept the discussion, the beginning of global talks. It is Canada...Canada and West Germany, who defend our position that global talks should be initiated.

[Question] Would Brazil be for the developing countries as Canada is for the developed countries in that dialogue? Can there be some similarity?

[Answer] I did not understand well. What was the question?

[Question] Whether Brazil is in the same position with respect to developing countries as Canada is with respect to the developed countries in that North-South dialogue?

[Answer] I believe it is. The dialogue between Canada and the developed countries is the same we seek to have with the others. In that aspect, yes.

[Question] In that case would they be two good countries for effecting a mediation?

[Answer] I believe so.

[Question] President, how was the Brazilian position presented with respect to the Malvinas question? Was it well received by Canada?

[Answer] It was well understood, it was well received and was even praised by Prime Minister Trudeau. He only offered to see what Canada could do to diminish that impression left by the British position. I said that both of us, Brazil and Canada, should make efforts so that the episode would be left behind, that it be absorbed by Argentina, because we have to support Argentina.

[Question] Did Prime Minister Trudeau ever justify the Canadian position favoring England in that conflict?

[Answer] No. There was no need. That would even be nonsense.

[Question] Now, you made a statement on the Brazilian position...

[Answer] No. I made a statement of the Brazilian position to show him that no matter how much we wanted to help Argentina we could not do so because our position was always against positions of force. This means that in theory we could not support them. We never told Argentina publicly that we did not support it but it already knew that through out statements in theory. Now, we did all that was possible so that Argentina would accept the conditions of the UN resolution. Unfortunately it did not accept. And we did all we could to delay an action of force by the British Government.

[Question] President, in the economic area, despite that political understanding between Brazil and Canada, economic difficulties here in Canada place a series of obstacles to an increase in Brazilian sales...

[Answer] Obviously. We have difficulties, they also have difficulties and are not in the best condition to improve our trade. However, as much as possible, they are going to do what they can.

[Question] Do you believe there was progress?

[Answer] I have no doubts.

[Question] Do you believe that in this trip there was progress in the aspect of knocking down barriers a little bit?

[Answer] I have no doubts. I feel that the position of Canada is quite a bit better than the position of the United States. The United States is more...and is not against Brazil, no. And as President Reagan told me: "We are trying to straighten up our house." What they are doing with us they are doing with all the others, however, Canada has a certain accommodating attitude toward Brazil.

[Question] Now, do you believe that because the United States is straightening up its house the economy of the other countries will automatically improve, or is it necessary to rethink an international economic order?

[Answer] It is necessary to rethink. Of that I have no doubts.

[Question] The pessimistic tone of which we spoke was with respect to those difficulties; of the developed countries understanding a fairer policy with respect to developing countries.

[Answer] The pessimism resides in that sense of immediateness, of everyone thinking that things are going to improve tomorrow.

[Question] Do you believe, then, of a long-term improvement?

[Answer] Let us say in the medium term.

[Question] Does that mean that people are going to have to put up with high interest rates for a little longer?

[Answer] Some 2 months ago I spoke of 2 years. Many complained. That is the time I give.

[Question] Could economic difficulties in Brazil present some obstacle politically?

[Answer] Not an obstacle. However, difficulties may be greater. However, they cannot be an obstacle.

[Question] Would they not be an obstacle in the political area?

[Answer] Not in the political area because I do not...If I were to make a comparison between the needs of political order and the needs of economic order, I would not have effected the opening.

[Question] In your opinion, on what would the recovery of the world economy depend?

[Answer] On the United States having a little bit of good will and not wanting to put its house in order in such a hurry.

[Question] By lowering interest rates?

[Answer] Exactly.

[Question] How did Minister Trudeau explain to you the position of the rich countries on the Cancun Meeting?

[Answer] We did not discuss that subject. I only pointed out the position of the Canadian Government at Cancun, which included managing to have the Americans giving in on some points and creating what we call the "spirit of Cancun," the spirit which will make possible the initiation of talks.

[Question] President, is there the need to reformulate our economic policy in view of that world picture?

[Answer] No, I would not say reformulate our economic policy. Everyone speaks about reformulation but everyone does the same thing.

When Simonsen was minister of planning, some asked for Minister Simonsen's head in order to effect a reformulation and they asked for Delfim to take his place. I appointed Delfim and now they ask for the head of Minister Delfim and ask for another. All the others who would come would do the same thing, because there is only one theory: the truth is that there are no--and I have said this--sweet remedies for fighting inflation. All are bitter remedies, as much for the government as for the businessmen and the consumer. All have to suffer and no one likes that.

I also asked Minister Trudeau yesterday. "If you have a sweetened formula for fighting inflation give it to me and I will adopt it because up to now I have not found one." At least the economists have not shown it to me.

Now, that it is true that it is difficult to fight inflation I have no doubts, because the fight against inflation is a fight of sacrifices. At a certain point the sacrifice is such that the people have to make concessions in the social area as is the case now with FINSOCIAL [Social Investment Fund].

When the people make a concession in the social field, it is usually on inflationary measures which increase inflation. You do not know whether to decrease tension and let inflation increase or to clamp down, as in the time of Castello, and put up with it and wait for inflation to decline.

[Question] It seems there is an increasing faction which asks for recession.

[Answer] There are several factions. There is the inflation faction which says: "Let inflation climb and drive ahead. Issue money at will." I am against that. The following is the situation: If all would understand that each one should spend only that which is possible, that includes some government agencies, it would be easier to fight inflation. However, there are people who believe this: "We are going to finish our project as quickly as possible so that it will begin to make money." "The return of capital will be much greater, much quicker if we complete the project soon."

Sometimes they tell me: "Only 15 percent of that project remains to be completed. Could you give us the money to finish that project? And I ask: "And how much is 15 percent? "A billion dollars."

What I mean is that I am not interested in percentages; I am interested in how much. There are projects around that lack 50 percent, which, however, amount to \$200 million, \$100 million, and are easier to understand. However, in the iron and steel area, for example, the amount is \$1.1 billion. I cannot do it.

[Question] President, the last rate of inflation in Brazil should be attributed to what?

[Answer] I would say to a 30 to 40 percent psychological factor due to FINSOCIAL. In Brazil, unfortunately, the psychological part of inflation, the psychological parameter, is very high. Everyone says: "Ah, more things are coming there and therefore we are going to protect ourselves." Before the measure causes the effect, they themselves provoke the effect.

[Question] Minister Delfim Netto now guarantees that inflation should remain at that level or, even better, it should come down. Do you really believe that?

[Answer] I do not know whether he guarantees it. If I were he, I would not guarantee it, no. If he guaranteed it, he is going to answer to me. And he is not going to be happy.

[Question] But from what you said, should a change in the ministerial area not be expected?

[Answer] No, I do not say there should be no changes...What if some minister wanted to quit tomorrow? We come and we go: I lost a minister of health because he wanted to leave; I lost a minister of planning because he wanted to leave; I lost a minister of the Civilian Household because he wanted to leave. I lost a minister of justice because he died. Therefore, up to now I have practically made no changes in the ministers. The only minister I asked to leave was the minister of education.

Now, when the newspapers say: "The president has already changed ministers so many times," they even count Minister Portella, who died. I am not to blame because he died. I was even very sorry.

[Question] Did his death make the political plan difficult, President?

[Answer] I would not say it made it difficult. However, he was a very capable spokesman; he was a very astute individual politically. He helped me a great deal. It was a loss, it was a loss.

[Question] President, among many theories there is one that says the elections are inflationary. Do you believe that is correct?

[Answer] No. They are inflationary because in any event elections carry with them certain expenditures. However, that is natural. That is the price of democracy. But to say that in themselves elections are a great inflationary factor, that I do not believe.

[Question] President, Minister Camilo Penna advocated the end of monetary correction. Do you believe that is practical?

[Answer] He did not advocate the end of monetary correction, no. He expressed the opinion that he believed monetary correction should end. I also believe that if we could put an end to monetary correction...However, he added: "But that is not possible right away, it is going to take time." It is necessary to interpret the words of the minister, interpret the exact thought. No one would be crazy enough to announce: "Monetary correction has ended." It would mean chaos in the country.

[Question] When will your next trip be?

[Answer] I do not know. The next trip will be to Africa, to some countries of Africa. I do not know whether it will be this year or early next year.

[Question] Are China and Japan on your schedule also?

[Answer] I have invitations to go there but I do not yet have the date scheduled. I am going to have to wait. I do not know whether it will be possible, when it will be possible.

[Question] President, speaking now on the elections; the last time I interviewed you I asked if your heart was well. You were at the door of the Cleveland clinic. Is your heart still well? Are you going to guarantee the elections?

[Answer] And what does my heart have to do with elections?

[Question] Are you going to have the stamina to face the speaker platforms from now until 15 November?

[Answer] Ah, yes. Speaking boldly, yes.

[Question] Is there even an improvement?

[Answer] Even an improvement. What makes you sick is to remain quiet, to bite your tongue. That is what makes you sick.

8908

CSO: 3001/209

DIFFICULT FINANCIAL SITUATION FACING STEEL INDUSTRY

Bogota EL SIGLO in Spanish 10 Aug 82 pp 1, 15

[Article by Jaime Villamil Leon]

[Text] Paris, 9 August--A dangerous and difficult financial situation is facing Acerias Paz del Rio and the Colombian steel industry in general, as a result of the sharp drop in sales that led to the accumulation of more than 170,000 tons of finished iron and steel products in ingots, valued at 5 billion pesos.

The extraordinary volume of products in storage without any buyers in sight on the Colombian market, has been caused by a number of factors, including an estimated 50,000 tons of contraband coming from Venezuela. As a result, Acerias Paz del Rio is having temporary liquidity problems.

A confidential report prepared by Acerias Paz del Rio and released to selected circles in the French capital, indicates that the demandability of this major national firm now totals 12 billion pesos, a figure that demonstrates the solidity and strong backing of the most important steel company of the nation.

Production of 400,000 Tons

Last December the French company Creusot Loire Enterprises concluded the first stage of a project to modernize and expand the Aceria Paz del Rio steel plant, with the incorporation of the advanced LWS system for increasing and improving steel production.

These innovations will enable Paz del Rio to increase its annual production of finished iron and steel goods from 270,000 to 400,000 tons, to meet the demands of the Colombian construction industry.

This project, along with other fundamental improvements, required an investment in excess of \$100 million, and makes Acerias Paz del Rio one of the most modern factories of its kind in Latin America, thanks to the French LWS system.

World Market

Just when the Acerias Paz del Rio expansion began full-scale operations, however, there was a strong contraction in world demand for these products. Meanwhile, prices are the lowest they have been in a decade, but on the other hand there has been a considerable jump in production costs.

The worrisome situation of the national steel industry has also been caused by excessive imports at "dumping" prices, and the unusual amount of contraband coming from Venezuela, estimated at 50,000 tons per year.

In contrast, the United States has raised its tariffs by 40 percent to protect its own steel.

The imports and contraband factors have led to two adverse effects:

- 1) A drop in sales
- 2) A price war due to saturated markets

Acerias Paz del Rio, then, faces two high-risk situations: excessively high inventories and low prices. Prices of iron and steel products have not risen in 2 years, while wages have soared more than 60 percent.

Short-term Solutions

The report by the Acerias Paz del Rio Board of Directors, which will be delivered in the next few days to the administration of President Belisario Betancur, as well as Finance Minister Edgar Gutierrez Castro and Development Minister Roberto Gerlein Echeverria, proposes the following solutions:

- 1) Carry out the prescriptive plan for the steel industry approved by Compes several months ago.
- 2) Ban imports of steel products made in Colombia.
- 3) Carry out the prescriptive plan for the cement industry.
- 4) Establish a sufficient line of credit with reasonable interest rates to discount notes issued for loans against finished goods in warehouses, and thus obtain current short-term obligations of 7 billion pesos.
- 5) Obtain a loan from the Private Investment Fund (FIP) of the Bank of the Republic for 500 million pesos, to cover outstanding accounts with the contractors responsible for the Paz del Rio expansion, and the builders of the cement factory that has already begun production.

The report states very clearly that the book value of Acerias Paz del Rio's assets exceeds its liabilities, estimated at 12 billion pesos, while at market prices these assets are valued at more than 100 billion pesos. This indicates that Paz del Rio's financial situation is well-grounded and solid, but it is facing short-term financial and liquidity problems.

Presidency of Paz del Rio

For more than 20 years, Dario Vallejo Jaramillo served as president of Paz del Rio, but he resigned that position a few weeks ago.

The Board of Directors offered the prestigious position to former Minister Jaime Garcia Parra, who has indicated that he will not be able to confirm whether or not he could accept the position until December, when the regular session of the Colombian Parliament adjourns (he is a senator for the department of Santander).

Nevertheless, members of the Acerias Paz del Rio Board feel that the firm's presidency should not be in an interim state for a very long time, in view of the difficulties that have arisen, as described above. They advocate finding a successor to Vallejo Jaramillo as soon as possible; in other words, they want to fill the vacancy in a matter of days.

Serious Repercussions

The analyses made by the Paz del Rio Board of Directors conclude by pointing out that the expansions of the steel plant and the cement factory, with qualified personnel, provide strong backing for the reactivation of the Colombian construction and metal machining industries. The report warns that any default resulting from the prevailing financial situation would be catastrophic not only for Paz del Rio, but for the entire national economy, and would unleash an unpredictable crisis of confidence in the sector, with the consequent factory closures and lay-offs.

At present, Paz del Rio employs 7,000 people directly, and is indirectly responsible for 30,000 more jobs.

8926

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'TRABAJADORES' WRITERS DISCUSS JOURNALISM

Havana UPEC in Spanish Apr 82 pp 2-7

[Article by TRABAJADORES writers Jorge Garrido, Silvia Martinez, Pedro Garcia A., and Jose Alejandro R.]

[Text] Approximation to Reality

The great responsibility that we have of informing and educating, guiding and mobilizing our workers in regard to the enormous tasks involved in construction of socialist society should not be viewed by us as a cleared road, one that is pre-determined and unchangeable.

The very development of the revolutionary process, its dynamic of constant creation and improvement, requires of us, as journalists, a constantly renewed perspective and methods of communication that in essence stand in the vanguard of everything that is advanced and outstanding in our social process, in the spheres of both thought and deed.

The creative spirit is essential. It is an unavoidable necessity for attainment of the shining goal of our work: communication of the enlightening revolutionary message to the masses of workers who read us, as well as from them. That spirit should guide all our steps on the journalistic trail.

When we deal with our people's changing life, we should learn about the truly significant and revealing reality and extract from the heap of social events the elements that typify and convey the essences toward which our work is aimed.

This means that our newspaper's editorial thrust enables us, through the rich, complex Cuban labor experience and our workers' accomplishments, aspirations, and problems, to bear witness to and recreate with professional dignity and imagination the marvelous world we both observe and participate in, being more than mere witnesses.

Let us not limit or distort our newspaper's editorial thrust. Mechanical, automatic distortion of what is truly journalistic, fatal self-censorship in reporting, can lead us onto sterile, useless ground. What is significant rests in those revelations that underlie the daily heroism of the working class and the people in general, the individual experiences of the collectives and the workers.

Only by plunging into man's interior world, into that complex web of moral motivation and the workings of the conscience, will we find the keys to our duty as reporters. That which is enlightening and instructive is precisely, with respect to information, what advances his contemporaries, what conveys that dialectic, that progress inherent in socialist development, not free of contradictions.

When touching on and reporting positive experiences (work methods, economic achievements, emulations, etc.), we should probe them, specifying which elements can be adopted by other collectives and workers. It would be much more real and convincing to locate those social successes in the context where they have arisen, determine what difficulties and obstacles have been dealt with, through struggle against which negative elements or situations--that is, in the dialectic of our life--those successes have been attained. The facts of a single piece, the men in a single piece, also languish in journalism as they do in literature.

When bringing forth negative experiences, when consistently exercising the critical function, we should observe the same precepts in an inverse fashion. What should indeed be the common denominator for all our journalists is a very acute social sensitivity, very up-to-date knowledge of what is happening around us, and a very acute ability to discriminate or select what is truly journalistic.

Objective of the Piece

Frequently--and it is increasing--our journalistic pieces suffer from an insurmountable defect: lack of a--let us say--theoretical objective, or a solid, organic story line demonstrating a point of view and a bold, critical position taken by the journalist. We mean an expression of the idea beyond the mere statement of facts or a mechanical description of what was seen.

The journalist should establish his point of view, his position, his critical journalist's gaze. This does not always happen, even when it is implicit in the journalist's attitude. It should be clearly shown through demonstration of his point of view in his approach to the subject. This means with a resolute, direct, thorough exposition, while not detracting from the piece's agreeableness.

Our material suffers from repetition of the framework, from simple listing of data and facts. Where, as a rule, are the analysis, the guidance that our revolutionary journalism should make use of? Where is the clarification, the judgment of elements dealt with, the professional utilization of our primary weapon, ideology? Why not draw out of each happening, event, incident, in short, the significance, the analytical sense? Why set down the course of events in a linear, flat fashion? Why not organize the material, make comparisons, ponder, and draw conclusions beyond the simple and superficial, conclusions that contribute to guidance, education, and information for the readers?

This vice--the lack of an objective--abounds in our journalism. We cultivate in a facile way these approaches to work, which the reader rejects as boring, mechanical, and dry, lacking interest and substance.

The journalist should set himself to demonstrate something in each one of his pieces. If there is a union meeting, he should not simply relate who was there and what was said, and list the topics discussed and incidents that occurred.

Why not extract the substance, draw conclusions, grasp the kernel of the issue debated, the implications of what was discussed, which characterizes the meeting, and turn it into material that provides guidance? That is the journalist's noble and responsible function--to try to demonstrate something without forgetting that he is working in service of our ideology.

To be an ideological worker means, in addition to the burden of political responsibility and commitment, carrying out the work of ideologizing the masses from a Marxist-Leninist point of view. It means exploring, debating, analyzing, and manipulating ideas, extracting from life's and society's experiences the essence and orientation of our partisan political beliefs. It is a question of mastering our revolutionary ideology and using it in the analysis and interpretation of each event our profession calls upon us to deal with. To forget that or to fail to understand it is tantamount to producing superfluous, limited and limiting work.

Failure to heed these principles, to apply them consistently, can be explained by the following vices or defects.

First: Insufficient research, or preparation of the entire arsenal to be used in the piece. Lack of research or of skilled gathering, in the simplest of cases, of essential data and information. Lack of the cultural knowledge necessary for undertaking a deep-reaching piece.

We could be asked if this is applicable to all genera and types of piece. We think so--at least as a professional stance--even in the most simple piece.

Second: Lack of organization and even of simple ordering of information obtained. This leads to anarchy and inadequate demonstration and effects. Often the journalist starts his piece with the easiest point, with what he has casually found in his notebook or memory. Perhaps he has been guided only by the impression the events have made on him. We think that spontaneity, the recording of impressions, and the artistic imagination have great motivating, human, sensitive value and give impetus to creativity in journalism. We are not unaware of those virtues, but rather even value them.

However, spontaneity alone is a dangerous road. We should also proceed by means of analysis of the elements extracted, by interpretation of the ideas developed, with the most firm, clear purpose. Order and analysis of elements are not at odds with the power of motivation and creation of our piece.

Thus, the journalist often starts his piece out on the most travel-worn road--seemingly attractive--without pondering, comparing, organizing and structuring his ideas. Because of that, pieces often suffer from an obvious lack of organicness and coherence as well as from a high degree of improvisation, which at times neither beauty nor originality manage to offset.

Third: If the research is done poorly, and the arsenal assembled is not organized well, it will be difficult to arrive at a powerful, convincing, truly guiding conclusion. If in the end the writer's point of view does not appear, nor is a suggestion offered, nor criticism, nor some beneficial, useful conclusion, that

material will not have been exploited to its fullest. It is essential to provide analysis that is acute, a clear point of view, and a personal, partisan position in which we see no contradictions, but rather a proper complementarity.

The Form of a Journalistic Piece

There are also defects in the production of the journalistic piece. Force of habit, or of bad habit, leads to a pattern of always turning to the easiest genres, in which a nearly identical pattern or way of working predominates. The news item is abused, as is the interview, just behind it. Even when, lately, in our paper there has been greater stress on the genre of reporting, it is fair to admit, with a critical glance, that a similarity with the news item can be seen, or at least there has been very little utilization of the genre's rich possibilities.

Writers do not turn to such undemanding forms because of lack of time or acceptance of the need to meet a deadline as quickly and apparently as successfully as possible. The lack of in-depth pieces is a widespread evil. There are genres that are practically ignored that are reserved only for pieces dealing with ideology, culture, sports, and other topics. In-depth pieces on production, the unions, and related subjects rarely appear. It is as if these problems have no depth and deserve only an account of events and an announcement of achievements.

Let us not forget that our journalism is primarily for guidance, education, and mobilization. The lack of opinionated journalism unfortunately is characteristic of our press, and criticism appears only by chance, not in a systematic, coherent fashion. As a result, when it is offered, it has an unusual effect, and to some it even seems rather negative.

Owing to those defects and the three indicated earlier, we lack a journalism of opinion, especially creative opinion.

The richest and most significant genres are those that are least used or used in a less rich, significant way. People forget that those pieces are the ones that provide the greatest personal, professional, and intellectual reward. Well conceived and written, they also have a better effect on the reader.

The most thoroughly worked out genres, the article and the commentary, like reporting and chronological accounts, are more effective and efficacious because the news flies at an amazing speed through such powerful media as the radio and television. In the case of the press, we should turn to genres that are more serviceable, recreational, investigative, personal, and human; these are less feasible in the media mentioned above.

Production of the journalistic piece should entail use of all the elements that are valid and effective, not only those involving polemics, content, and analysis, but also all technical, methodological, psychological, and artistic resources. Without being a literary work, the journalistic piece has a large dose of literature in it, and the creative factor plays a prominent, inspiring role in it, aside from some genres that are practically literature from head to toe.

These elements, which undoubtedly are attractive, can be used primarily in the chronological account, the interview, reporting, and in large measure in the

article, genres in which it is necessary to deal with such vital, effective factors as skillful handling of people and their characterizations, the journalist's personal impression, the environment, description, and humanism.

These components are scarcely used in our work. As in the foregoing case, we stress that this deficiency is not due to problems with time or space but rather to attraction to what is easy, to poor tradition, to inertia, bad habits, and a poor creative sense. What is beneficial is use of elements that are rich, attractive, striking, and effective, provided that they do not work against reality and fair, cold, critical, honest analysis of the facts, nor the partisan, revolutionary spirit. The use of artistic resources has its limits in our journalism; but the positive, favorable aspect should be adopted, the technical and formal elements being applied.

On the one hand, the journalist should be more analytical, more technical; on the other, he should be more attractive in his role as an ideological worker. He writes under professional canons that belong to him. Both the writer and the journalist--to Alejo Carpentier--do the same thing: they write; the journalist, a literature that is more open, fictitious [as published], and personal. Each should find his opportunities for creation, for use of the creative imagination, without forgetting function and circumstance.

The concept of militant, creative journalism that we approved as a watchword at our professional organization's last congress embodies the dual goal of producing journalistic pieces that are more technical and analytical and at the same time more significant and creative.

Language and Style

Problems of language and style are surely among the most complex of the many difficulties facing a journalist. It is assumed that extreme methods of communication are not recommended, but rather a clearer, more simple and dynamic manner of self-expression--as demanded by the tenets of journalism--a personal style that is identifiable and distinguishable by readers.

This personal manner of self-expression--that is, of language and style--is one of the means of producing creative journalism, as our well-known canon says in part.

Language and style are so closely linked that it is very difficult to speak of one without somehow dealing with the other. However, we shall try to set forth some specific ideas regarding each of these concepts separately, ending with the requirements dictated by our newspaper's editorial stance.

Language

The concept of language can be strictly understood as lexical with respect to the body of words in the language, but it can also be viewed in a high sense that embraces grammar and related disciplines; that is, the principles that govern the logical use and ordering of words, orthographic rules and the technique--or techniques--of writing. Without mastery of language in a broad sense, the journalist

will always be limited in his capacity for self-expression and communication, whatever the medium in which he is working, including radio and television or film. As a result, we consider it obvious that it is prudent for our journalists--those at TRABAJADORES--to study and improve their use of this, their chief tool, language, systematically going deeply into all its aspects.

It is also obvious, though, that our journalists should search the vast arsenal of words in the language and among the various manners or techniques of self-expression for those most suited to the reader at whom our newspaper is specially directed: the worker. It would seem simple to conclude that those words and techniques should thus be those that are simplest, clearest, and most accessible to the vast mass that reads us, so that we can reach them--as the saying goes--with our message. On this, of course, we think we would all agree. However, it is a reality that some at times understand simplicity as simplemindedness, clarity as banality, and accessibility as vulgarity. Then the well-justified intention to be comprehensible to the majority misfires owing to a deficiency or to excess, depending on the point of view; and the writer falls into the quagmire of tastelessness and vulgarity.

Of course, the contrary vices are terrible, also: empty rhetoric, unsubstantial and gratuitous logorrhea, pseudometaphoric hermeticism, and the elitist esotericism of those who believe themselves touched by the divine grace of the muses, beyond the understanding of the "common people," above all good and bad.

We are convinced, however, that our journalism in general is not characterized--less now than ever--by those vices of extreme intellectualism. Rather, unfortunately, in many cases there is a clear tendency toward what is most easy, toward poverty of language, uncritical adoption and mechanical application of tactics, vulgarity and tastelessness of expression.

Everyone knows that in the middle of the last century Karl Marx set for himself the goal that his theoretical writings would be comprehensible to the workers, but also the duty of giving the works the rigor and literary quality that they deserved. We all know how this patient work by Marx in search of the best means of expression contributed to the length of the gestation of "Das Capital." We also know that, when reproached by Engels because of the delay in finishing the book, he answered that he still didn't consider it sufficiently perfected to turn it over to those for whom it was intended, the workers.

We are not unaware that this anecdote has been the object of disbelief and mockery on the part of bourgeois propaganda; but--aside from the unquestionable truth that "Das Capital" is a scientifically profound book--we are sure that none of us can miss the fundamental sense of what Marx meant.

Of course, a newspaper is not a book, and much less could one aspire to write "Das Capital" every day. However, we believe in the validity of this example and in its applicability to the conditions of our work, except for the appropriate differences.

What we mean, in short, is that in the essential struggle to achieve quality--that is, to show the respect that our people deserve, as Che wanted--the commitment to

improve, to polish, to perfect our journalistic exposition occupies an advanced position. We do not think that anyone doubts--much less denies--that any journalistic piece will have greater value if, in addition to containing the praise-worthy message and being intelligent, it is well written.

As we had suspected, we now realize that nearly everything we said about language could have been said, too, about style. However, it would still be possible to add some ideas that we consider it important to bear in mind in future discussions about what is, without doubt, a controversial, stirring issue.

"The style is the man himself," said the noted French naturalist Buffon; but before and since then so many definitions of style have been given that now many people believe that they can offer their own as a new contribution destined to enrich stylistics. We are not going to submit to that temptation.

To be sure, we think, along with our friend Buffon, that when you speak of style, you will always have to think about the specific man, individually, unduplicatable as he is in real life, thinking and acting in politics, engaged in a sport, making love, writing a poem or a journalistic account.

We think, moreover, that style can also be a group of men, a political institution, a periodical, and in this regard we are in complete agreement that the newspaper TRABAJADORES--like the other newspapers, like each man--should also have its own style. To delineate and specify this style, we believe, is everyone's job, and certainly one of the most complex tasks lying before us.

Now, it would be a mistake, an absurdity, to think that a newspaper's unity of style entails identity of styles among its journalists, an identity that would moreover be simply impossible to achieve. Two journalists can write equally well or equally badly, but never have the same style. Unity in diversity, we are taught by dialectics, which exists especially so that we will apply it, so that we will think dialectally.

We believe in the improvement of style, more essentially as a conscious effort by everyone, as a will. Without special talent and sensitivity we will probably not be a John Reed, a Hemingway, or a Garcia Marquez; but if we enrich our language, if we systematically study grammar and writing technique, our style will be enriched and will improve.

Several days before writing this paper--and as a part of its preparation--its authors spent an entire week going over the old argument about whether or not journalism is literature. On one point, at least, we agreed: Journalism /can/ [in boldface] be literature, and not only when a feature story or a major account is involved, but also when any of the known genres are used.

Of course, it wouldn't occur to anyone to write a news item about sugar prices using literary images; but not all news items are the same. Practice shows that the imagination, language and style itself of literature can be present in a simple news report.

The time seems not to have arrived yet when all journalism can be literature, but perhaps the day will arrive sometime, and it would not be entirely pointless for us to be prepared, just in case.

Conclusions

In order to extract a practical result from this paper, and in the interest of friendly debate, positive confrontation within a very creative framework--which demands much more than mere verbal battle or indifferent reading carried along simply by available time--we are avoiding formal, theorizing conclusions. We are more inclined, with modesty but with a creative, bold spirit--why not?--to set forth, rather than a summary, a selection of propositions derived from the statements made in this paper.

--We do not view our journalistic function as an unchangeable, completed road on which there is nothing left to lay out, to try, and to determine. On the contrary, in our profession, we are always subject to constant change and a spirit of renewal. We do not limit the editorial thrust of our newspaper with self-censoring, mechanical positions. Rather, we open up a unique, significant, human world.

--Let us impart to our material and our professional news reporting a genuinely guiding, critical, analytical sense, providing a specific objective and a definite theoretical foundation. In each case, let us fix a gaze on our material that is both personal and partisan. Let us learn how to express our points of view without coming into conflict with veracity, with the spirit of guidance, with party policy, and the scientific conception of our ideology, while at the same time remembering the natural freshness, authenticity, individual dynamism, and the organic, methodical, consistent nature of our work.

--Let us avoid vices like resorting to what is easy or routine, and the mere repetition of formulas, without effort and creativity, without exhausting the infinite rich, creative possibilities of the tools of our profession and of the power of our imagination. Let us make use of the genres, the resources, and any artistic, technical, or methodological element that enables us to produce more effective, powerful work.

--Let us try to master the weapon of our rich, complex, varied language to achieve greater efficacy in our journalistic writing--in addition to beauty, clarity, and attractiveness--aimed particularly at a simple, mass reader. Let us work to provide guidance and clarity without making concessions to simplemindedness, superficiality, vulgarity, or tastelessness, which, though they can have an attractive effect, are clearly opposed to the guiding, educational nature of our work and to its ideological intent. We should find a balance between the dignity of our profession and of the style that we use, and our meaning, which is intended especially for the great working masses.

9085
3010/2048

'JUVENTUD REBELDE' EDITOR DISCUSSES USE OF MEDIA

Havana UPEC in Spanish Apr 82 pp 19-21

[Article by JUVENTUD REBELDE editor and writer Pedro Rodriguez Gutierrez]

[Text] Polemics is disappearing from the press. Could it be timidity? Although it would be useful and interesting to find out the causes, that is not the purpose of this article; but it could indeed be the topic of an interesting polemic. . . .

The point here is to lay rough foundations for the view that use of this manner of exposition of a topic is needed. If opinions were to be exchanged, here, then, is the first: Yes, polemic should be used in our communications media.

We are not speaking of polemic in the sense of the first meaning given in the Ramon Garcia-Pelayo y Gross "Pequeno Larousse" (1975): the art of attacking and defending fortresses. Nor do we mean the second, which renders it as a "controversy," and refers you to the term "discussion."

Of the synonyms provided by the Sainz de Robles dictionary, we are discarding, for this discussion, "dispute," "argument," "quarrel," "litigation," "competition," "rivalry," "wager," "battle," "combat," and "struggle" because they deviate from the form and content of the meaning that "polemic" should have in our socialist press.

Our attention is drawn to "dialectic," which this writer finds as a synonym for the term under discussion. It seems to us that it comes fairly close to what "polemic" expresses. Although "dialectic" is much more universal than what the similar word embraces, it is known that one of its laws, in the case of dialectical materialism, suggests unity and the struggle of opposites. In the case discussed here, those opposites would be ideas that are different, though not necessarily conflicting in essence.

Following the essence of that law, we shall have to agree that the source of growth in the case under discussion--diffusion of ideas--is the struggle of opposites.

Do we have the raw materials to develop a struggle of contrary ideas in our society? The struggle exists and is developing. This was stated at the First Party Congress in its statement about the ideological struggle:

"In the dialectical interaction between the economic base and the ideological superstructure, changes in the latter have a tendency to fall behind relative to the changes occurring in the former. Ideas, concepts, habits and patterns of conduct from the past, formed in a certain environment, deeply rooted for decades or centuries, transmitted from one generation to another, do not change with the same speed as production relationships, and they persist in people's consciousness even after socialism has triumphed in economic relationships and in the sphere of government institutions."

There are, then, basic issues concerning which to polemicize and bring to triumph the ideas that are best and closest to the state enjoyed by the development of the material base and its production relationships.

Moreover, we would be contributing still further to the education of masses and making them more active participants in the ideological struggle, which is "intended to educate all the working people in socialist ideas and to overcome the remnants of capitalism and neocolonialism in the social consciousness, (and) it is, in fact, the essential continuation of the class struggle against yesterday's imperialism and exploiters. It involves a complex struggle that requires tenacity and firmness, proper and constant attention, and systematic and organized utilization of available resources and means," the party statement says further.

On the other hand, it is obvious that in this matter of putting the most dissimilar ideas on the table, there is a single, basic exclusion: the class enemy, whom we do not allow to utter a word in our press, which is unalterably devoted to the working class and its party.

The more systematic use of polemic in our press would more faithfully reflect the daily life of our people in their organizations, governmental bodies, and enterprises. The people discuss and enrich their laws, their plans, the progress of their development in all spheres of life. Why not express better or in a more lively fashion that true democracy? It also can contribute to the practice of criticism and self-criticism. Lenin, who was a great polemicist in his time and who transcended that era, employed polemic as a method. We need only consider some titles from his vast works:

"A Reactionary Tendency in Social-Democratic Russia"

"One Step Forward, Two Back"

"The Zemstvo Campaign and the ISKRA Plan"

"Something About Results and Deeds"

"A Shameless Lie by the Capitalists"

"The Alliance of the Lie"

"Against The Planners, Workers, Soldiers, and the Entire Population of Petrograd"

"How a Clear Issue Is Confused"

and so forth.

Those who read that material will be convinced that he did it on a scientific foundation, with full reasoning, and without giving an inch to the class enemies. A great passion and his entire character as a sincere polemicist are seen in the following passage:

"Where is the blacklist of lagging factories that after nationalization continue to be models of disorder, of disintegration, of filth, vandalism, and parasitism? There is none. BUT these factories exist. We do not know how to fulfill our duty, for we are not making war on those 'guardians of capitalist traditions.' We will not be communists, but ragpickers, while we silently tolerate the situation prevailing in those factories. We don't know how to make use of the newspapers to sustain the class struggle, as the bourgeoisie did." (Lenin, "About the Press," Progress Publishers, Moscow, page 271)

Fidel has given countless examples of polemic and of criticism and self-criticism. His refutation of attacks by enemies of the Cuban Revolution and straw men is now widely known. In his wise leading of the masses, including when speaking before them, he has provoked discussion or has initiated it to seek a solution. We recall how the name of Cuban youth's newspaper arose. Fidel conducted the public debate in this way:

"Now, there was tremendous discussion: What should that newspaper be called? There were then two names left after a process of elimination, and considering the inevitable conflict, I suggested that we submit them to the young people gathered here. Here are two names: Don't say a word when one or the other name is spoken, so that the one said first won't have an advantage. Be quiet when you hear the names, and then vote."

"There's a name here, which is 'Diario de la Juventud.' Another name: 'Rebelde' (Shouts). There's agreement here...! Then let's see, and without doing... Fine, do what you want! (Laughter) I said, without much commotion, but that's impossible."

"Those who are in favor of its being called 'Diario de la Juventud' (Shouts and applause). This vote is close!"

"Those who are in favor of its being called 'Rebelde'" (Shouts and applause).

(They begin to chant the name "Juventud Rebelde," "Juventud Rebelde.")

"The bunch here by this stage, and very spontaneously--I don't think anyone has had time to campaign--is proposing a new name, 'Juventud Rebelde'" (Applause and shouts of "Juventud Rebelde!")

"Who's opposed to that name? (Shouts of 'No one'!) Well, it seems that in this very democratic selection of a name there's practically unanimous support for that name, which, to tell the truth, I vote for, too, because it's a really good one: 'Juventud Rebelde.'" (Applause)

During the existence of various periodicals in the early years of the Revolution, several natural, useful polemics arose in the heated ideological and political process that was under way. Perhaps some were scarcely edifying, generally

because behind them there lay elements contrary to the process, or erroneous ones, or personal disputes carried to the pages of the newspapers.

However, with all the communications media in the hands of the working class, the polemics that have arisen have proved healthy in a general way. I remember one in the newspaper HOY stirred up by Nicolas Guillen, one of its best columnists, when he suggested that the name O'Donnell be removed from the El Morro light and that it be named Placido. This latter name has been the focus of a polemic lasting over 100 years.

There was a torrent of responses, supporting comments, counterproposals, and suggestions regarding what Guillen had written. Finally, we don't know the exact date, the name fell from the light like the imperial eagle from the Maine monument.

More recently, there was considerable benefit in, and attention paid to, the debate provoked by Adá Mendez' piece in JUVENTUD REBELDE entitled "Que Vola Asere" [nonstandard Spanish], concerning the incorrect forms of speech used by young people. It should have continued regarding, for example, the care of social property, work education for young people, and countless topics that would interest all readers and young people a great deal, youth itself being a source of, and participant in, heated polemics.

What is not very edifying is turning them into occasions for public self-justification, of which there are a few instances recently that are causing considerable dismay.

Without excluding the possibility of using them in any communications medium, I think the press is the most appropriate one for polemic. It lends itself better to subsequent analysis of points of view, and to objectivity, and to pursuit of the topic with less likelihood of erroneous or faulty interpretations.

More can be written about polemic, pro or con. For the time being, it is enough to have an exchange of opinions concerning whether there should or should not be polemics in our press. Only it will be incomplete if no one throws the second stone and argues why polemics should not be used in our newspapers, magazines, and other media. Will it be you?

9085
3010/2048

IMPROVEMENTS IN LOBSTER HARVEST SINCE 1978 NOTED

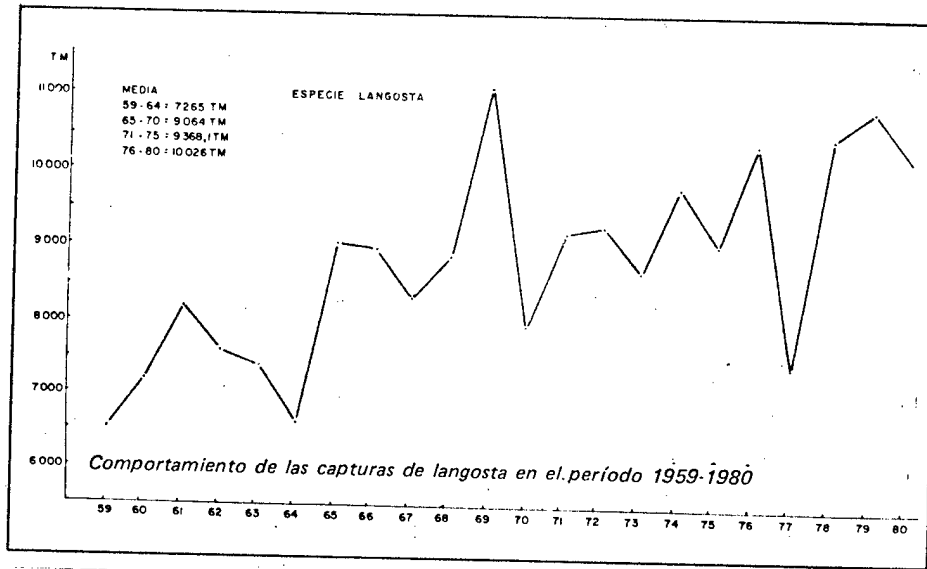
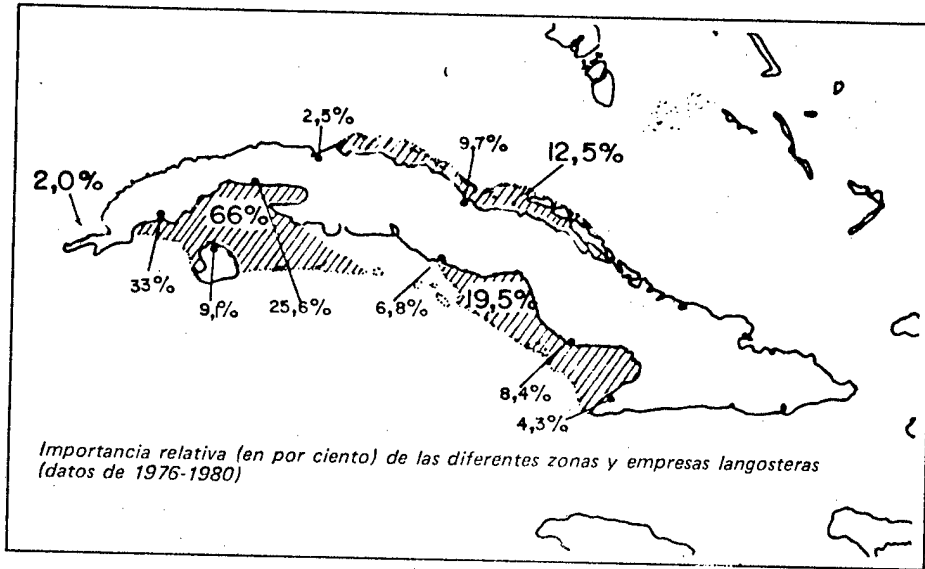
Havana MAR Y PESCA in Spanish Apr 82 p 25

[Text] Lobster is harvested in Cuba on the four large insular shelves which surround the island. The importance of each of these is shown in the map below. Most of the lobster production is located to the south (almost 80 percent), especially in Batabano Gulf.

The development of the lobster harvest from 1959 to 1980, which has varied, is shown in the graph. Since 1965, when over 9,000 metric tons per year were caught, the harvest of this specie has fluctuated often, with sudden drops every third or fourth year and showing levels of less than 8,800 metric tons in 1967, 1970, 1973 and 1977, and especially following years with high harvests, as in 1969 and 1976.

Beginning in 1978 this situation has changed completely and the harvests have been kept at stable levels and above 10,000 metric tons per year. This of course was determined from the application of a fishing administration policy, particularly with regard to a more strict compliance with the minimum legal size and an increase in the closed season as well as the complete watch over this period. All of this has contributed in making the yearly weight increase of the harvestable population be estimated at around 700 metric tons.

[Charts on following page]



Captions:

1. Map--Relative importance (percent) of the various zones and lobster enterprises. (information from 1976-1980)
2. Graph--Behavior of the lobster harvest over the 1959-1980 period.
 TM = metric tons
 Media = average
 Especie = specie

CSO: 3010/2244

CHAMBER OF COMMERCE CRITICIZES MONETARY POLICY

San Salvador EL MUNDO in Spanish 10 Jul 82 p 2

[Text] In Guatemala, according to a statement by the Chamber of Commerce, a serious situation is already being experienced because of the major obstacles which the productive sector is facing in securing foreign exchange. According to what that organization reported, today's serious difficulties are the consequence of a "faulty monetary and fiscal policy set up by the previous government."

A cable of the DPA dated yesterday and received on our teletype in the evening, under the title of "Production Slowdown Closes Enterprises and Increases Unemployment, the Chamber of Commerce Reports," reads as follows:

[Text of DPA news report]

Guatemala, 9 Jul (DPA)--Guatemala's Chamber of Commerce and its branches throughout the republic issued today a public statement in which they explain the "serious situation facing the country's productive sector in securing foreign exchange," at the expense of the national economy.

The Chamber of Commerce, one of the two most important ones in the country, severely criticizes the establishment of a foreign exchange control system which has been in operation since 1980 and notes the "faulty monetary and fiscal policy established by the previous government" leading to this situation.

The Chamber of Commerce adds that the lack of foreign exchange to purchase raw materials, capital equipment, and consumer goods abroad has resulted in late payments with a detrimental consequence "for the reputation of solvency of the Guatemalan businessman, the country's financial image, and for securing new foreign financing."

This has led to a "contraction and slowing down of productive activity, the temporary closing down of enterprises, increased unemployment, a shortage of goods and services, and the rise in the prices of products."

Accordingly, the Chamber of Commerce has requested the Monetary Board to make available to the private sector the foreign exchange necessary to avoid economic stagnation. Also, that the Central Bank should guarantee that it will make such foreign exchange available to cover agreements reached and to obtain a modification in foreign exchange policy, making the purchase and sale of foreign currencies freely possible.

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CSO: 3010/2109

MORALES EHRLICH, REY PRENDES HOLD PRESS CONFERENCE

San Salvador EL MUNDO in Spanish 14 Jul 82 p 2

[Text] Dr Jose Antonio Morales Ehrlich said yesterday that even more than unity this is a government of commitment inasmuch as the majority parties have pledged themselves to set specific goals for the provisional president of El Salvador, Alvaro Magana.

However, he explained, there are parties such as ARENA [Republican Nationalist Action] which are not abiding by these goals and he added that "while as a country we are saying that the reforms will not come to a halt, this is not because of the effort deployed but rather because there are other internal forces being pressured so that the reforms may be implemented."

The member of the former ruling junta made these statements at a press conference at the PDC [Christian Democratic Party] offices and which was attended by Christian Democratic leaders Julio Adolfo Rey Prendes and Professor Roberto Serrano Alfaro.

The PDC members made known their party's position as well as the effort pursued by the Christian Democratic Party for the achievement of a democratic government even though there have been serious obstacles on account of the policies of the other parties which make up the so-called national unity. Nevertheless, they added, the PDC continues to fight for the fulfillment of the provisional government's fundamental commitments considering that "it would have been illogical to relinquish the field totally to the forces of the Right since the latter have not only evidenced a genuine lack of awareness regarding the country's circumstances but also, because of their ideological parochialism, they would not hesitate to lead the government to chaos and adopt revanchist attitudes such as those that they had announced."

On his part Julio Adolfo Rey Prendes said that despite the talk of a government of national unity, so far the three parties have not sat down to hold a dialogue about common goals to pursue, and in this respect some critics have been correct since positions were distributed first before goals were identified.

"When the PDC made its agreement with the armed forces, it first determined its goals and only then signed the agreement," Rey Prendes noted. For this reason he stressed that it was urgent to define goals and that once this was done "we would check each other."

Referring to the pacification program, Dr Morales Ehrlich said that the government has to provide political possibilities, even a role for the forces of the Left, without this signifying concessions. Thus, just as the Right was allowed political participation, so the Left could be encouraged to relinquish the use of force in achieving its goals. "I am aware that this could be misinterpreted or used tendentiously by the Right, but an effective pacification program could be achieved only with the participation of all the active forces of El Salvador, without an attitude of revanchism, hate, or vengeance," Ray Prendes [sic] concluded.

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CSO: 3010/2109

MESSAGES, NAMES OF DELEGATES TO PPP CONGRESS REPORTED

Composition of Delegates

Georgetown MIRROR in English 1 Aug 82 p 1

[Text] Among the first delegations to arrive for the 21st Congress of the PPP was a three man delegation from the Communist Party of Cuba. Headed by Central Committee member Ursine Rojas, the delegation includes Rozelio Oliva Ramirez and D. Suarez, Rusino Rojas is responsible for organisation in the province of Holguin. The delegation met PPP General Secretary Cheddi Jagan shortly after arrival, presenting the Cuban flag as a mark of solidarity.

At the time of going to press, other delegations booked to arrive include a 2-man delegation from the Communist Party of the Soviet Union; Krum Vassilev, Central Committee member of the Communist Party of Bulgaria; Tasisse Vondimu, Chief of the International Department of the Committee for the Establishment of the Party of the Working People of Ethiopia (COPWE); Arthur Tenberg of the People's Revolutionary Party of Suriname; Augelis Santos, Central Committee Member of the C.P. of Portugal; Mirya Ruikka, Candidate member of the Central Committee of the Communist Party of Finland; Vais Polironis, Central Committee Member of the Communist Party of Greece; Francis Bell and Harry Husbands of Monali, Barbados; General Secretary Earl Bousquet and John Francois Joseph of the Workers' Revolutionary Movement of St. Lucia; Renwick Rose, General Secretary of the United People's Movement of St. Vincent; Jean Paul Lombion of the Communist Party of Guadeloupe; Michael Aberdeen of the People's Popular Movement of Trinidad, and delegations from the February 18th, Movement of Trinidad, the Worker's Party of Jamaica, the Dominican Liberation Movement, the Venezuelan Communist Party and the Communist Party of Canada, Jeffrey Da Silva.

FRG Delegate

Georgetown MIRROR in English 1 Aug 82 p 3

[Text] Ms. Ulrike Schroter, in photograph above, a member of the Central Committee of the Ruhr District and Central Instructor of the Secretariat of the German Communist Party (DKP) of the Federal Republic of Germany is in Guyana as a delegate to the 21st Congress.

This is the first time that any member of that Party has come to Guyana, although the 2 parties have had close and fraternal relations for a number of years.

Earlier this year, Central Committee Member Clement Rohee paid an official visit on behalf of the PPP to the German Communist Party and in June attended the Festival of the Party newspaper UNSERE ZEIT (Our Times).

Philippine Party Message

Georgetown MIRROR in English 1 Aug 82 p 3

[Text] The Central Committee of the Partido Komunista ng Pilipinas (PKP) (Communist Party of the Philippines) has "warm fraternal greetings" to the 21st, Congress. "We wish you success not only in the deliberations of your Congress, but more important still, in the implementation of its resolutions and decisions." The message is printed in full:--

Signed by Francisco Balagtos for the International Department.

"Your Congress is being held at a time when the most reactionary circles of world imperialism, spearheaded by the Pentagon and the US military-industrial complex benefiting from the arms buildup, are seriously endangering world peace, including the possibility of nuclear disaster, due to their hegemonist and expansionist policies and actions. This is reflected in the US interventions in the internal affairs not only of various Caribbean and Latin American countries, but also of many African and Asian countries, the most recent of which is the US-supported Israeli genocidal invasion of Lebanon. It is most decisively manifested in the huge US military budget and the corresponding arms buildup, particularly of strategic and tactical nuclear weapons, at the expense of social welfare, even while the Reagan administration pursues an unprecedented anti-Soviet crusade, including a declaration of economic war against the Soviet Union.

"The PKP is not unaware of the popular support which your Party enjoyed and continues to enjoy since the 1953 elections, and of the past and continuing, US interventionist activities designed to undermine such support, because of your Party's firm anti-imperialist positions. It highly appreciates the principled policy which your Party is pursuing in doing virtually everything to make the People's National Congress resume consistent anti-imperialist positions, taking into account the extremely complicated situation in the Caribbean and Central American zone.

"Our Party is also cognizant of the left extremist accusations against your Party, for not being interested in revolution, and for engaging only in conventional politics limited to parliamentary struggle. It is indicative of the maturity and self-confidence of your Party in dealing with such infantile accusations, to concentrate your efforts in uniting the working class and all democratic and anti-imperialist forces, and raising their class and political consciousness, even while it participates in elections and utilise parliament and other forums and institutions to defend the interests of the working people and advance the revolutionary cause.

"Your Party's public call for, and its efforts to bring about a National Patriotic Front is of great interest to Filipino communists, who are also taking

broad anti-imperialist patriotic front. We note a similar approach between our Parties in not insisting on ideological conformity within the patriotic front, which should include non-communists and communists alike, while at the same time opposing anti-communism and anti-Sovietism within the front. This is due to our common realistic assessment that communists, alone, cannot adequately solve the acute problems of developing countries, but neither can such problems be resolved without the communists, much less against them.

"It is in this light that the PKP understands your policy, embodied in the slogan "winner does not take all", of sharing power, through the establishment of a multi-party government, should your Party win power, in order to tackle more effectively the growingly acute problems facing our country, including the serious problems of achieving racial harmony and unity, and the threat posed by the territorial claims of the government of Venezuela.

"Dear Comrades:

"In the face of the increasing provocative, adventurist and chauvinist actions of your adversaries on the international, regional and national levels, your Party has demonstrated utmost patience and understanding to broaden your alliances and correspondingly isolate your adversaries. Our Party is confident that such policy will earn you more successes in your dedicated and difficult struggle for peace, national liberation, democracy, social progress and socialism.

"Long Live the Guyanese People and Their Vanguard--People's Progressive Party of Guyana!

"Long-Live Marxism-Leninism and Proletarian Internationalism!"

Vietnamese Message

Georgetown MIRROR in English 1 Aug 82 p 3

[Text] FROM the Central Committee of the Communist Party of Vietnam has come this message--"On behalf of the Vietnamese working class and people, we extend to the People's Progressive Party and the people of Guyana warmest greetings.

"We wish your Party's 21st Congress fine success in active contribution to the common struggle of the peoples of the Caribbean and Latin American countries as well as in the rest of the world against imperialism headed by US imperialism, racism, and other international reactionary forces, for peace, national independence, democracy and social progress.

On this occasion, we sincerely thank the People's Progressive Party and people of Guyana for constantly giving the Vietnamese people's just cause their warm support in the struggle against US imperialism in the past as well as in the building and defending their Fatherland against China's hegemonist and expansionist policies at present With solidarity and militant greetings."

Other Foreign Salutes

Georgetown MIRROR in English 1 Aug 82 p 3

[Text] FROM the large island of Madagascar, off the coast of Africa comes this cable of greetings from the AKFM/KDRSM Party, signed by President Richard Andriamanjato and Secretary General Gisele Rabesahala: "Salute 21st Congress of the PPP and wish that your work will contribute to the development of the struggle of the Guyanese people in favour of independence, democracy and peace."

From the Communist Party of Sudan have come greetings and "militant revolutionary congratulations". "The communist and democratic forces in the Sudan hold in high regards your staunch struggle in the interests of your working class and toiling masses against monopoly exploitation and for democratic gains. We are confident that your 21st Congress will attain success in charting out the path of further unrelenting struggle in the face of the complicated course of social and political development your country is now passing.

"Our expressed confidence derives from the history of the struggle of your party which holds high the banner of Marxism-Leninism and proletarian internationalism, a position that earns the respect of our party and all Communists the world over...."

From Senegal comes a message signed by General Secretary Seydou Cissokho-- "On behalf of the Central Committee of the Party of Independence and Labour of Senegal, it is a great pleasure for me to express our best wishes to the honourable delegates of your 21st Congress.

"We have no doubt that this Congress of your party will bring new and higher contributions to our common struggle for genuine independence, democracy, peace and social progress. With fraternal and militant salutations."

And from the underground Communist Party of Indonesia comes a warm message of solidarity: "We salute....the PPP, vanguard party of Guyana's working class, which under the banner of Marxism-Leninism leads the working class struggle for better social conditions of the working people of Guyana for genuine independence, democracy, peace and social progress for its nation and land, against home reaction and foreign imperialism.

"The PPP holds high the banner of proletarian internationalism, fights for peace and security in the region and in the world over, expresses its solidarity with the national liberation movements and the movements for democracy, peace and socialism.

"We, the Indonesian Communists, who are now under the conditions of clandestine fighting against a military reactionary regime and imperialist domination in our country, sincerely wish you, dear Guyana comrades [part of text illegible] the [part of text illegible] 21st Congress of your party".

Greetings From Near East

Georgetown MIRROR in English 1 Aug 82 p 2

[Text] INTERNATIONAL solidarity within the world communist and workers movement has always been and continues to be an important force in the struggle against imperialism, for liberation. The People's Progressive Party, guided by the principles of proletarian internationalism, has always been giving solidarity to people in struggle all over the world.

Also, in its international work, it is the PPP that is mainly responsible for spreading the truth of the struggles and hardships of the Guyanese people. This has resulted in peoples in most countries knowing the situation in Guyana.

This is avidly demonstrated by the warm and fraternal messages of greetings to the Party's 21st Congress. Below we publish extracts from these messages:

Turkey

***The General Secretary of the Communist Party of Turkey, I, Bilen, said the Congress is taking place "when the economic and social crisis in Guayana are deepening. The PPP of Guayan is waging a struggle against imperialist diktat, against cuts in the rights as well as in the living conditions of the toiling masses, and for achieving the unity of the working class at all levels, and for national independent and social progress."

The General Secretary also outlined the struggles of the Turkish people who are being ruled by a ruthless military dictatorship backed by NATO and US imperialism. In the last 19 months alone some 100,000 persons have been detained and persecuted.

Iran

The First Secretary of the Tudeh--Party of Iran, Nureddin Kiaruri, said: "We are fully convinced that your Congress will take all necessary measures to enhance the struggle of the working and progressive people of your country for the cause of national independence, democracy and social progress. At the international level, the struggle for peace constitutes the most urgent duty of all progressive forces of the world. In this respect too, we are sure that your Congress will work out a policy which would contribute to the cause of peace."

Sri Lanka

K. P. Silva, General Secretary of the Communist Party of Sri Lanka, in expressing his party's views on the developments in the world and especially in Latin America stated: "We are deeply conscious of the fact that the domestic and foreign policies of those in power in Guyana are pushing the working people slowly but surely into the clutches of imperialism and world reaction."

"We are convinced that the Guyanese communists, will, guided by the principles of Marxism-Leninism and proletarian internationalism, play their historic role of leading the working class to ultimate victory."

Egypt

In its message the Central Committee of the Egyptian Communist Party wrote: "Your party fights for the unity of the working class; to stop the process of national betrayal and to arrest the measures aimed at removing the rights of the working people; to win genuine national independence, democracy, peace and progress.

"In the main, this is the same struggle in which the Egyptian people, working class and our party are engaged."

Palestinian Communist Party

Georgetown MIRROR in English 1 Aug 82 pp 2-3

[Text] THE Palestinian Communist Party has sent greetings to the 21st, Congress of the People's Progressive Party being held this week-end at Mon Repos. Signed by Naim Ashab, Political Bureau Member, the message conveys "warm comradely greetings and best wishes for the success of Congress deliberations."

"We take this opportunity," states the message, "to express our full solidarity with your just struggle for consolidating the independence of Guyana, for democracy, progress and peace. No doubt that your struggle for peace has, at the time being, a special importance, as the warmongers, especially in the USA are intensifying their provocative and most dangerous activities. The British aggression against the Falkland Islands with the full support of Washington is a manifestation of this ultra-aggressive policy. Needless to say that the unity of the Latin American and Caribbean peoples constitute a main tool to foil such policy in your continent.

"Dear Comrades! Permit us to take the opportunity of the conveying of your congress and express our high appreciation for your principled and consistent international solidarity with the legitimate rights and struggle of our Palestinian people. Nowadays, this solidarity has a very special meaning and priority, as the US - Israeli alliance has again come out in an open wide-scale military invasion to Lebanon, aiming at the liquidation of those rights, and the physical annihilation of as much as possible of our people, without distinction between men, women and children, old or young, by genocide and mass massacres, similar to those implemented by the Nazis during the Second World War, as well as the liquidation of the Lebanese Patriotic Movement to pave the way for a right wing dictatorship, which has to join the notorious Camp David agreements and sign a separate deal with the Israeli aggressors and permit the US and NATO forces to occupy Lebanese territories, similar to the Egyptian Sinai and deals a blow to Syria in order to compell it to change its anti-imperialist policy.

"But our Palestinian people, who are seasoned in the fierce long struggle with very heavy sacrifices have proved to be able to overcome these difficulties and will never give up, supported by its faithful friends, mainly the Soviet Union and other socialist countries, till its legitimate rights are implemented, including the right for an independent state on its Palestinian territories, under the leadership of the PLO.

"You can be sure, dear Comrades, that the Palestinian Communists are in the battlefield with their people, in the occupied territories and abroad..."

CSO: 3025/410

PPP DEPICTION OF POLITICAL, ECONOMIC 'CRISIS' REFUTED

Georgetown SUNDAY CHRONICLE in English 1 Aug 82 p 2

[Article by Commentator]

[Text]

THE PPP issued a statement on its perception of the economic and political situation in Guyana to the resident Diplomatic Corps on July 28, 1982. There is nothing on the economic situation which the minority leader conveyed to the distinguished members of the Diplomatic Corps which has not been candidly stated in the local Press.

The declining production and the shortage of foreign exchange are not problems created by the Government. They are the direct result of a trammelled international economic system whose inadequacies and deficiencies have been the subject of debate among serious politicians and those concerned about changing the old order of things.

Economic growth on a global scale has been declining and continues to decline. By way of example it may be said that the decline in production is common to all developing countries and most developed states.

The problem of the lack of foreign exchange has reached critical proportions in all developing states and the states of Eastern Europe.

As was to be expected the PPP misleadingly compares the 1964 period when Guyana was still a colony with the current situation in which Guyana, is an independent state with different economic, social, and military obligations. One such obligation to the people of Guyana is the creation of a socialist order of things.

As a consequence the

major industries had to be nationalised and this has correspondingly necessitated a comparatively small growth in the bureaucratic apparatus.

As for military expenditure we need only to remind the PPP that Guyana's territorial integrity and sovereignty are threatened.

If the PPP and other opposition groups were to channel their energies into the general productive effort now needed by Guyana we would easily resolve the economic difficulties now facing the Nation and there would be no perceived political crisis.

The 'Political Crisis' is a creation of those who do not have the interest of the Nation at heart and who are in the vanguard of the Anti-patriotic forces.

CSO: 3025/411

'CHRONICLE' EDITORIAL ACKNOWLEDGES SHORTAGES OF GOODS

Georgetown GUYANA CHRONICLE in English 29 Jul 82 p 4

[Editorial]

[Text] A HARRIED housewife buys a tin of powdered milk on the blackmarket and discovers when she goes home that not only is the inner foil missing, but that the tin contains sawdust topped with powdered milk.

Another woman, worried about the hungry state of her children, buys sugar-- of all things--at three times its controlled price just so that she could sweeten 'tea' and porridge.

Other men and women in the crunch for scarce commodities resort to the blackmarket for a packet of blackeye, a box of matches, a tube of toothpaste or a packet of salt.

The flourishing blackmarket trade--a major indicator of an economy in crisis-- is alive and well in Guyana. Victim and oppressor are locked together in its macabre embrace. And while many people would virtuously declare that they have never bought anything on the blackmarket, the grim reality for thousands of can't-do-better people is that there is no middle ground between the one extreme of urgent demands and the other of limited supplies.

The recent announcement by authorities that both seller and buyer in the blackmarket racket will be punished equally when caught, must have set off alarm bells in many a heart.

How will people in search of essential commodities fare in the coming days?

Implicit in the decision to censure both seller and buyer in the blackmarket business is the assumption that people are deliberately rejecting the legal system of commerce.

However, the blackmarket system is just a symptom of an economic ailment-- not the ailment itself.

It is a truism, but we need to remind ourselves that were there adequate supplies of consumer items, blackmarketeers would have to seek other means of earning a living. So let us never cease addressing ourselves to the root cause of the disease--and take the necessary measures to cure it.

EMPLOYMENT BODY ABSORBED INTO NEW MANPOWER AGENCY

Georgetown GUYANA CHRONICLE in English 29 Jul 82 pp 1, 12

[Text]

THE Employment Exchange and the Manpower Research Unit of the Ministry of Labour have been re-organised and merged into the new structure of the Central Recruitment and Manpower Agency (CRMA).

The aim of the restructuring of the CRMA is to "institute an effective, centralised manpower administration" in the country, a senior Labour Ministry official has explained.

The new structure of the agency was approved by Cabinet after submission of draft proposals by the Public Service Ministry. The CRMA, which was established in 1979 as an advisory body, is now to be headed by a Chief Recruitment and Manpower Officer.

The top position has not yet been filled, but two acting Assistant Chief Recruitment and Manpower Officers (ACR-MOS) have been named.

An ACRMO is responsible for each of the divisions of the agency — the Recruitment and Placement Division, formerly the Employment Exchange, and the Manpower Planning Division, formerly the Manpower Research Unit.

PLACEMENT

So far, the CRMA, which is to have decentralised recruitment and placement operations,

has named three senior regional recruitment and placement officers to serve in New Amsterdam, Georgetown, Vreed-en-Hoop, Essequibo and Bartica. Other subordinate staff have also been working in various positions.

Some of the functions of the restructured CRMA are:

- to assist unemployed persons to identify suitable vacancies and place them in positions where they can perform effectively.
- to help employees recruit suitably qualified workers; and

RESEARCH

- to undertake manpower research and collect, collate and store data for use in manpower planning and other operations.

The CRMA, with its new duties, will also normally be the agency to be contacted by public and other organisations seeking persons to fill job positions. The agency will also be in contact with training institutions for information on persons due to enter the labour force after periods of education and training.

BRIEFS

COUNTERFEIT RING--SIX persons were last Thursday arrested in Essequibo for allegedly making counterfeit currency. According to police reports two women and four men were held in a house at Windsor Castle after the police, acting on a tip-off, rushed to the house and found them in possession of over one thousand dollars in forged Guyana currency notes. They also had in their possession a quantity of parchment paper and drugs usually used for the purpose of making counterfeit notes, the reports said. [Text] Georgetown SUNDAY CHRONICLE in English 1 Aug 82 p 1]

'CHRONICLE' CUTBACK--THE shortage of newsprint is forcing us to produce an even smaller CHRONICLE. Come Wednesday, the daily paper will be reduced from 12 pages to eight. And from next week, the SUNDAY CHRONICLE will be 16 pages instead of 24. We take these decisions with a heavy heart, but we do so in order to forestall the day when we may have to go out of print altogether. In order to ensure reasonable coverage and analysis of national and international happenings, we are introducing some drastic measures to restrict the amount of advertising too in both the daily and the Sunday newspaper. Also our job-printing customers are being asked to reduce significantly their use of newsprint. These measures are intended to be temporary. With the rest of the nation, we shall rise again. BECAUSE of holiday arrangements, and the growing shortage of newsprint, the GUYANA CHRONICLE will not be published tomorrow or Tuesday of this week. The next issue will be on Wednesday (82-08-04). The GNNL genuinely regrets any inconvenience to our regular readers. [Text] [Georgetown SUNDAY CHRONICLE in English 1 Aug 82 p 1]

CSO: 3025/411

PIMENTO GROWERS REJECT GOVERNMENT DEREGULATION PLAN

Kingston THE DAILY GLEANER in English 31 Jul 82 pp 6, 7

[Text] PIMENTO GROWERS HAVE REJECTED THE GOVERNMENT'S PLAN for deregulation of the industry, declaring that it is totally unacceptable to the growers as it gives them no further control over the sale of pimento.

In a statement issued this week, the Pimento Growers Association said that no grower in Jamaica can qualify for exporter status under the plan as this status is given only to those growers who produce over 240 bags of 142 lbs. per year. As there are virtually no grower in Jamaica who qualify, the whole exercise is pointless, the statement said.

Another point of disagreement was price. The association said that under the current system, the grower received \$2,464 per ton while for export, it is quoted at \$4,264--a difference of \$1,800.

On this question, the association took issue with a recent report appearing in the FARMERS WEEKLY which quoted a Ministry spokesman's comments on the reaping of the 1982 pimento crop that started on July 1. It said:

In looking at these figures, can anyone honestly believe that the collection, storage and marketing of pimento are being effectively carried out as the Ministry alleges. Why should the grower who bears the lion's share of the cost, received only 57% of the selling price?

How indeed is the \$1,800 being spent by the various Government bodies involved? As spent it is, as the officials tell us that they are in fact losing money, not to mention markets. Before the next annual general meeting, the Association expects meaningful steps to be taken by the Government in collaboration with the Association in effectively deregulating pimento.

Contacted about the matter yesterday, a Ministry of Agriculture spokesman confirmed that proposals for deregulation had been submitted to the Pimento Growers Association. But these proposals were sent to the Association under confidential cover for its comments; and one expected that its comments would have been sent to the Ministry, not published in the Press, said the spokesman.

Agents Commission

While confirming that the proposal embraced specifications on growers who would qualify for exporter status--and that the suggested specifications corresponded with what the Association had said--the Ministry source and that this point and a number of others were not yet finalized. The plan has not even been discussed yet with the growers, said the spokesman.

So far as the buying price and the selling price of pimento goes, the Ministry source said that growers were well aware of the fact that the Ministry had to allow commissions to the agents who traded in pimento. And, certainly, all the pimento is not sold at the price which the growers have quoted, said the spokesman, adding: To say that the Ministry's plan for deregulation is unacceptable, seems highly premature, for this is not a final position.

According to this source, deregulation proposals had been drafted not only pimento, but also coffee, cocoa, and citrus. In each instance, the proposals would have to be considered in consultation with the growers concerned, in order to come up with final plans which were acceptable to them.

CSO: 3025/412

MINISTER EXPLAINS GOVERNMENT COMMITMENT TO SUGAR INDUSTRY

Kingston THE DAILY GLEANER in English 31 Jul 82 p 6

[Text] THE GOVERNMENT IS COMMITTED to the concept of preserving and developing the sugar industry towards viability as an essential factor in the social and economic life of the country, the Minister of Agriculture, Hon. Dr. Percival Broderick, declared as he addressed the Awards Ceremony of the National Cane Cutting Competition held at Innswood Estates on Wednesday.

Dr. Broderick said that he, as Minister of Agriculture, believed and was committed to the fact that there was a future for the sugar industry since the social and economic benefits it provided for the society could not be discounted without great social dislocations. What was required, he said, was that the industry be placed in a position to become viable in the shortest possible time.

But one cannot invest confidence alone. A number of studies have been carried out to determine what restructuring needs to be done in order to achieve this objective. Since the industry has no money with which to carry out these programmes, those who exercise control over the administration of the country will have to be influenced to invest money in sugar so as to secure the potential benefits the industry offers," Dr. Broderick said.

In a Crisis

Examining the background to the problems facing the industry, the Minister said that the industry was in a crisis not only in regards to the market price of sugar, but also because of a shortage of money to carry out a resuscitation programme in factories and fields. The position with the National Sugar Company which operated seven of the eleven factories, was that it inherited a legacy of debts and inefficiency which had never been seriously addressed. The Company started out with a debt of \$200 million and has limped along with none of the inputs that could provide for developing a viable institution.

The Sugar Industry Authority buys sugar at \$915 a ton and sells on the export market at \$640 and is therefore subsidizing the guaranteed price to the farmers and manufacturers by \$275 a ton. When people want to lay blame and accuse others for the failure of the industry, they should never ever forget where we are coming from," Dr. Broderick said.

Speaking of the workers in the industry, the Minister congratulated them for surviving the pressures of the past years, and said that they could expect fair treatment from the Government and management in the industry. We will consider at all times, the effect of policy decisions on the welfare of the workers, farmers, and all those involved in the industry," he concluded.

Among those participating at the Awards Function were the Parliamentary Secretary in the Ministry of Agriculture with responsibility for Sugar, Mr. Astill Sangster, the SIA Chairman, Mr. Trevor Donaldson, the All Island Jamaica Cane Farmers and the Chairman of Association, Mr. T. G. Mignott.

CSO: 3025/412

DISTRIBUTION OF LAND ON FREE-HOLD BASIS COMMENCES

Kingston THE DAILY GLEANER in English 31 Jul 82 p 6

[Article by Ivorall Davis]

[Text] LAND DISTRIBUTION TO FARMERS ON THE FREE-HOLD SYSTEM HAS STARTED in the first Rural Development Programme in western Jamaica and at Danks, New Ground, Suttons and Cottage Hill in Clarendon.

The change from lease-hold to free-hold is being carried out within the Government's stated land policy and is also one of the criteria raised in the Structural Adjustment Loan Agreement.

These facts were disclosed by the Minister of Agriculture, Hon. Dr. Percival Broderick, in an exclusive interview with the FARMERS WEEKLY on Thursday. He added that a Cabinet Submission was being prepared outlining all the procedures in the process of settling persons on the land within the Government's stated land policy.

The Minister said that surveys are currently being carried out in the first Rural Development programme in western Jamaica, and at Danks, New Ground, Suttons and Cottage Hill (Clarendon) properties for final allocation to farmers.

Dr. Broderick explained that there is a selection process by which persons are recommended for final placement. They are interviewed by a committee made up of representatives of the relevant Land Authorities and Ministry of Agriculture personnel. If the prospective settler is successful in the interview, he is immediately placed on a holding.

The system of payment for land has been changed and settlers are now required to make a deposit of one-fortieth of the value of the land and installments at the same rate for the four following years. From the sixth year the balance must be paid in 40 half-yearly instalments over 20 years.

We arrived at these rates on the principle that during the first five years when the land is being developed, the small farmer's burden should be reduced, and that he could, without too much of a burden, pay one-fortieth of the balance annually once the land has been developed.

During the conversion programme from leasehold to free-hold, a major up-grading of several departments have had to be carried out. An assessment was made of what would be required in terms of equipment and man-power and these have been put in place the Minister explained. The major Departments involved are the Lands Department and the Survey and Titles Departments.

In addition, we have taken measures to ensure that the allocated lands will be properly developed in accordance with the rules and conditions of the sale. We are also considering legislation, if necessary, to ensure that the lands acquired by Government for the benefit of needy farmers do not pass on to persons outside this category, he concluded.

CSO: 3025/412

SEAGA DISCUSSES EMPLOYMENT SITUATION IN CONSTRUCTION

Kingston THE DAILY GLEANER in English 31 Jul 82 p 15

[Text] Prime Minister Edward Seaga, said in the House of Representatives on Tuesday, that 20,000 new jobs are being provided in the construction sector this year.

Mr. Seaga said that 12,135 persons have already been employed in that sector, and another 7,636 are expected to be employed by the end of the year. The figures cover both the public and the private sectors.

The Prime Minister who was speaking in the third sectoral debate in the House, gave the following figures for persons already employed in the construction sector:

In the private sector--2,957; National Development Agency--1,133; Ministry of Construction--4,871; National Housing Trust--2,260; Ministry of Housing--50; Jamaica Industrial Development Corporation--265; National Housing Corporation--199, and Urban Development Corporation--400.

In addition, Mr. Seaga said 7,636 more persons are to be employed by the same agencies by the end of the year in construction projects.

This does not include calculations for employment in single family homes or for home improvements.

Mr. Seaga said also that up to May this year, the Town Planning Department had processed plans for building on 2.5 million square feet of space, which was five times the amount processed for the whole of 1981.

He said, however, that one of the problems in the housing sector was rents.

He said that the Rent Restriction Act is to be brought to Parliament in September and will be passed after the House returns from its Summer recess.

Speaking on the sectors which contribute to the building industry, Mr. Seaga said that the cement and steel industries were in a position to support the expansions.

He said that the cement company had increased its output from 142,00 tons in 1980 to 267,000 tons in 1982. The demand in 1982 is 300,000 tons. The 30,000 tons shortfall is to make up with the importation of cement, of which 12,000 tons which are on order will start arriving next week.

Deliveries were now up to 7,000 tons per week, compared with 5,000 tons per week which is the average. The No 1 kiln is expected back in operation by December creating a capacity next year of 400,000 tons.

On steel, Mr. Seaga, said output had increased from 9,200 tons in 1980 to 15,000 tons in 1982. The demand is for 20,000 tons and the shortfall of 5,000 tons is to be filled by imports, of which 2,700 tons have already been imported.

Mr. Seaga said that the Ministry of Construction will be concentrating on building homes costing less than \$30,000.

He said that over the next three years \$500 million will be mobilized in the public sector for financing the construction of 10,000 to 12,000 homes annually, compared with the 4,000 per annum average over the last ten years.

Mr. Seaga said that the technology has been found for the construction of homes which can be put on the market in large number for under \$30,000.

He said that in addition to these there would be cheaper homes available in the Start-A-Home project, as well as the Build-on-Your-Own-Land-Project.

The programme will be carried out by the Ministry of Construction and private sector firms-system builders, who have been able to demonstrate their ability to build homes for below \$30,000.

He said that the private sector would then be free to go up as high as the market can afford.

Speaking on foreign developers, Mr. Seaga said 1,000 low income homes would be built by a U.S. contractors who will provide his own mortgage money.

He said that foreign developer/contractors would only be allowed to do business here if they can produce their own mortgage money.

CSO: 3025/412

SEAGA, HERREA CAMPINS REMARKS AT STATE LUNCHEON REPORTED

Kingston THE DAILY GLEANER in English 3 Aug 82 pp 1, 14

[Text] Venezuelan President, Dr. Luis Herrera Campins, yesterday urged greater integration between Caribbean and Latin American States. He called on Jamaica to turn its eyes once again and feel itself to be a part of a continent which was still struggling for unification and integration.

Dr. Herrera Campins was replying to a toast by Prime Minister, the Rt. Hon. Edward Seaga, during the State Luncheon in his honour at King's House.

The Venezuelan President said that the Caribbean and Latin America must "respond to the demands of the times in matters of regionalisation and sub-regionalisation, seeking to understand each other better, to establish affectionate and friendly ties, and to achieve harmonic and intergral development.

Venezuela offered its co-operation as a level for development and as an instrument for peace in extending technical and economic assistance to Caribbean nations, deepening bilateral relations and international relations.

Such co-operation came from the conviction that the path to a better world must pass through the co-ordinates of the economic, techno-scientific and political cultural strengthening of the relatively less-developed countries so that they may achieve a standard of living worthy of the inhabitants personal dignity.

Venezuela was proud of the traditional friendship with Jamaica and wished this feeling to be consolidated in every country. He therefore called on Jamaica to feel once again, a part of Latin America. Continental America and Island America "must reach a better collective understanding so that the Caribbean will never be a sea separating us.

TURNING TO THE GUYANA-VENEZUELA border issue, Dr. Herrera Campins said that Venezuela had made every effort to comply with the negotiations in good faith, under the terms defined by international law. Therefore it had proposed to the Guyana Government that it meets with the provisions of Article 4 of the Geneva Agreement, choosing negotiation among the means of solution proposed in Article 33 of the United Nations Charter.

The recent declaration issued by the meeting of the Non-Aligned countries in Havana, Cuba, which stressed the need for a peaceful solution, within the outlines of the Agreement, was "highly significant, he said.

The Venezuelan President said he hoped the English-speaking Caribbean nations would be "in agreement with continental causes. "We are encouraged by the belief that a timely solution to the differences inherited from colonialism will further our convergence towards progress and development, achieving a hemispheric solidarity that will allow us to ventilate and resolve any differences in a practical fashion.

In his speech, Prime Minister Seaga said it was appropriate that Dr. Herrera Campins should have visited the island on Independence Day, since Venezuela over 150 years ago was in the vanguard of the independence struggle for the nations of Latin America and had been a symbol of the triumph of freedom over tyranny in the history of the continent.

Mr. Seaga spoke of the expanded relationship between the two countries in aid and technical co-operation which was marked by this, the latest in an exchange of visits at the highest level. The relationship between the two was "an inspiring example of what is possible between developing countries, and the growing friendship was rooted in the fundamental respect they shared for a plural democracy.

Mr. Seaga paid tribute to Dr. Herrera Campins as a political leader of unflinching courage and integrity, toasting him as President of Venezuela, and in respect of democracy, freedom and justice within and between nations.

CSO: 3025/412

PNP RAISES QUESTIONS ABOUT SEAGA'S NEW HOUSING PROGRAM

Kingston THE DAILY GLEANER in English 31 Jul 82 pp 1, 15

[Text] PRELIMINARY EXAMINATION of the Government's three-year \$500-million housing programme, announced on Tuesday by Prime Minister Edward Seaga, reveals several omissions and there are at least six questions the country needs to have answered, the PNP said yesterday.

A statement signed by Opposition Leader Michael Manley said:

The People's National Party notes the Government's recent announcement of its housing policy after nearly two years. Preliminary examination of this policy which claims that 10-12,000 units a year will be built over 3 years and that \$500 million has been identified for this purpose reveals several omissions and there are at least six questions that we believe the country needs to have answered.

First since the Government has said it intends to give priority to people earning \$100 and less, and up to \$200 per week in the allocation of units, it needs to clearly state how the mortgage will be structured to facilitate such persons, since the prevailing monthly payment for a \$30,000 unit spread over 20 years is roughly \$180 per month.

Secondly, the Government needs to tell the nation how the distribution of mortgages will be managed to prevent political victimization and favouritism since it has abolished the impartial and non-discriminatory lottery system normally used by the National Housing Trust.

Thirdly the nation needs to know how the Government has arrived at its figure of building 10-12,000 units per year, or 30-36,000 over the next three years, since at \$30,000 per unit, even if it were able to raise the \$500m including the foreign exchange component, that sum would only enable the construction of considerably less than the number of units projected.

Fourthly, the Government needs to provide the country with a breakdown of the \$30,000 unit cost, in particular, whether the figure includes the cost of infrastructure, since depending on where the unit is located the cost of land and other infrastructure can add from \$10 20,000 to the actual structure of the ground.

Fifthly, with the cost of conventional construction at roughly \$85 per square foot, the Government needs to tell the country what will be the size and design of the units it plans to build for \$30,000 or less.

Finally, the P.N.P. would like to know the different sources who will subscribe the \$500-million the Government expects to raise over the next three years, and what can reasonably be expected to be the interest charges and repayments on these loans. Clearly, the cost of funds from these sources will affect the rate at which they are reloaned by mortgage institutions and therefore the ability of buyers to afford the mortgages.

Failure on the Government's part to answer these questions in a clear and forthright manner will indicate to the public, that the J.L.P. still has no realistic and practical policy for meeting the nation's housing needs, and that it was merely responding to public pressure in its usual manner of playing around with big numbers in order to sell illusions for reality.

CSO: 3025/412

COMPUTERIZED SYSTEM TO COMBAT TAX EVASION

Mexico City UNOMASUNO in Spanish 23 Jul 82 p 8

[Article by Luis Acevedo Pesquera]

[Text] Manuel Rodriguez Rocha, coordinator of the Unit for Implementation of the Integral System of Tax Collection, said yesterday that the Secretariat of the Treasury is planning to modernize the present apparatus of internal revenue collection by installing an entirely computerized system which will put an end to "evasion, mistakes, obstacles and diversion" in the payment of taxes. This will assure the country the necessary financial resources so that it will depend less on domestic and foreign borrowing.

He said that the objective of this system is to process the tax declarations and to keep strict accounting of incomes and expenses both of people and enterprises. This data will be assembled in each one of the states and will then be stored in its entirety at a computerized national processing center.

The treasury officer stressed that this system is the one best adapted to the legislative, administrative, socio-cultural, geographical and technological conditions of Mexico. Besides, it will be "sufficiently flexible" so that it will not become obsolete during the next 20 to 40 years.

Rodriguez Rocha explained that under this new system of fiscal control, all manual collection procedures will be replaced by a single control center at the Revenue Under Secretariat so that the authorities will approach the taxpayers "in a most favorable relationship between the parties."

In a report made to the Technical seminary of the Inter-American Center of Tax Officials, CIAT, Rodriguez Rocha admitted that the present system of Mexican tax collection suffers from "mistakes, diversions and obstacles" which facilitate evasion of the payment of taxes.

He said that for this reason the Secretariat of the Treasury has made a broad study which included the legislative as well as the public administrative aspects, and of four alternatives studied, the fiscal authorities decided to install a central computer for the processing of information collected regionally.

The new system of collection of internal revenue will have three levels: the central consisting of the Undersecretariat for Internal Revenues with the functions of policy, programming and evaluation; the second level is the regional which includes the regional fiscal administration in each one of the states of

the republic; and the third level will consist of the federal treasury offices and will perform the services of receiving payments, sending out notices and receiving tax statements.

The official pointed out that the project, on which they are working by authorization of the Secretariat of the Treasury, has not yet been authorized by legislative and federal executive action, nor are the financial resources necessary to put it into effect available.

He said, however, that the integral tax collection system will not only decentralize administrative activities but it will assure financial resources for the country without the need to depend on loans.

9204

CSO: 3010/2087

COMMITTEE CALLS FOR RECOGNITION OF "WAR" IN GUATEMALA

Mexico City UNOMASUNO in Spanish 26 Jul 82 p 5

[Article by Miguel Angel Velazquez]

[Text] San Cristobal de las Casas, Chis., 25 Jul--After expressing their rejection of the appointment of Julio Cesar Montenegro as the Guatemalan Ambassador to Mexico, the Mexican Committee of Solidarity with the Guatemalan People demanded that the Mexican Government recognize the state of war existing in that nation, because of which thousands of persecuted citizens seek asylum in Mexico and, at the same time, that the status of political refugee be granted to the thousands of Guatemalans who flee from repression by the Efraim Rios Montt regime. The Christian Committee for Assistance to Guatemalan Refugees joined in this resolution.

Samuel Ruiz, bishop of San Cristobal, said that what unifies all participants in the committee is, basically, "the human suffering" of the Guatemalan Indians or, actually, of the entire Guatemalan people. He said, "This is not a matter of adopting a posture, and this should not serve anybody as a political platform, but it is a case of coming to the aid of a people in misfortune."

The Bishop of San Cristobal, who spoke at the conclusion of the two sessions of the Second National Meeting of the Committees of Solidarity with the Guatemalan People said, "What is involved here is not the need to express opinions or an attempt to strengthen the position of the labor unions or of a political group, but rather to be near those who suffer, those who are victims of a terrible state of injustice which is the calculated result of a society which does not tolerate changes."

Among the resolutions adopted by the members of the committees, who are members not only of political parties but also of agrarian and labor organizations, is a demand, as an essential point, for the promotion of a law recognizing the status of refugees and also a statement that for the present, no request will be made for Mexico to sign or adhere to the Geneva Convention on Refugees of the UN, in view of the action of the high commissioner of the UN for Refugees, ACNUS, who in the case of the Salvadorean refugees showed his complicity with the policy of a repression and genocide of the Salvadoran dictatorship and the Honduran Government.

On the other hand, they will request the organizations of solidarity and human rights at the international level to request the Mexican Government to respect the rights of the Guatemalan refugees on the basis of the state of war existing in that neighboring nation.

They also requested, in some of the most important resolutions, respect for present and future self-management in refugee camps, designed to meet their minimum welfare needs.

The persons meeting here have resolved to reaffirm the broad current of solidarity, without sectarianism and without the exclusion of any force, and the recognition by the Mexican Committee of Solidarity with the Guatemalan People of the Guatemalan National Revolutionary Unity, URNG, as the vanguard in the struggle for the liberation of the people against the military dictatorship.

They also resolved that it is necessary to appeal to the people of the United States and to international solidarity to prevent the Reagan administration from lifting the arms embargo decreed by the American Congress during the Carter administration since there has been confirmation of massive violations of human rights by the military dictatorship, which was worsened during the months of the Rios Montt regime.

As an example of the terrorism endured by the Guatemalan peasants Bishop Ruiz said that in the village Boca Chajul, in the so-called Marques jungle, in Mexico, there are about 800 persons who arrived just a few days ago.

"In order to leave Guatemala, while being pursued by the armed forces, they had to do so in absolute silence so as not to be discovered; so the mothers held their children against their breasts so that they would not cry and thus be discovered. After a time of being firmly pressed against the mothers' breasts and of having left their place of birth, the children of three women were dead. These women will undergo a trauma for life for having accidentally killed their children although they will know that by the silence they imposed they saved the lives of almost a thousand others."

9204

CSO: 3010/2087

CONSTRUCTION INDUSTRY UNEMPLOYMENT FIGURES FOR 1982

Mexico City EXCELSIOR in Spanish 22 Jul 82 pp 1-A, 8-A, 9-A

[Article by Jaime Contreras Salcedo]

[Text] Nearly 758,000 construction workers--masons, unskilled and skilled workers, technicians and installation specialists, and even professional workers--reportedly have lost their jobs in this sector in the period up to June this year, according to information from the chamber for the construction industry. Furthermore, it is agreed that building costs in the construction sector have exploded at an average of 20 percent per month, after the devaluation of the peso.

In relation to the foregoing information from the Ministry of Programing and Budget and from the Banco de Mexico shows that whereas in other sectors of the economy the inflation rate reached an annual average of 30 percent by the middle of this year, in the construction industry inflation has gone "above 40 percent."

During the most recent meeting in which this matter was discussed within the CNIC [National Chamber of the Construction Industry] it was said that "we will only get out of the crisis by uniting our efforts, seeking unity, and avoiding problems among us. Our position must be defensive, but not one of alarm or desperation, and still less one of confrontation or attack."

Consequently, the substantial "boom" which had marked this sector of production until 1981, is now turning into a fall of up to 40 percent in demand--to say the least--given the factors of the devaluation of the peso, the high level of prices, the increase in salaries (without taking into account the recommendations of the Ministry of Labor, which generally have not been considered), and the sharp increase in tariffs on the importation of machinery.

It is appropriate to point out that, due to budgetary reductions, the prospects, for example, of completing 112 km in the Collective Transportation System will be frustrated, as is also the case with the halt on work on the deep drainage project and the limited demand which will be generated for the construction of schools throughout the country.

As a consequence this has led to the situation where many construction firms have halted all their building projects, while the more fortunate companies are

working at a level 50 percent less than last year, which necessarily has had an impact on employment.

In the employment sector, which up to 1981 had given employment to 1,895,000 Mexicans, or 14 percent higher than 2 years previously, present prospects indicate at most the employment of about 1,100,000 workers and the abrupt dismissal of almost 760,000 others.

The above data, recorded in the Latin American Studies Center, further indicate that the volume of heavy construction, industrial building, construction of installations, medical projects, and other structures will also feel the impact of the decline in comparison with what was recorded up to 1981.

In this connection the National Chamber of the Construction Industry emphasizes that, according to information from SAHOP [Ministry of Human Settlements and Public Works], SARH [Ministry of Agriculture and Water Resources], PEMEX [Mexican Petroleum Company], BANAMEX [Banco de Mexico], and "its own sources," after the devaluation of the peso and in a single month (February-March) the index of prices of all elements involved in this sector rose by 22.7 percent. By their magnitude the high costs of labor and materials, as well as of related machinery, were particularly notable. Cement, sand, wood, wallboard, and steel construction shapes registered average price increases of 45 percent.

The association of construction contractors itself stated that after the devaluation of the peso its impact was felt immediately in the cost of machinery. It said that, "salaries have increased as a means of restoring the purchasing power of the currency, and the prices of materials have also changed. Nevertheless, it is expected that the increase in prices of the latter will be continued during the next few months," it warned, up to 31 May.

Elsewhere, when we sought concrete explanations from the leader of the CNIC, Dr Miguel Angel Salinas Duarte, personnel from his office stated that, "he will not meet with the press for at least 3 weeks' from yesterday. He will "endorse the view that the construction industry is not fatally affected but will have the latest statistics in his hands."

Of course, he did not discuss the issue of unemployment, and the proof of that is that in the assembly of the National Chamber of the Construction Industry it was stated that in view of this problem (only in terms of prices, salaries, and machinery), "it is essential that we get together in our chamber and help it in the performance of its functions which now, and justifiably, will consist above all of investing in the defense of the interests of the construction industry," without mentioning who is the author of these ideas, which appeared in the information bulletin of the chamber, dated 30 June.

Far from expressing the triumphant mood which reigned up to the end of 1981, when the CNIC noted that in that year 200,000 new jobs had been created--among which those requiring few qualifications predominated, of course--now it was said that the construction industry was encountering massive unemployment and without private or public resources to help it out of the crisis.

5170

CSO: 3010/2088

LOPEZ PORTILLO OPENS WORLD'S LARGEST SILVER MINE

Mexico City EXCELSIOR in Spanish 21 Jul 82 pp 4-A, 32-A

[Excerpts] Noria de los Angeles, Zacatecas, 20 July--President Lopez Portillo yesterday [19 July] opened the Real de los Angeles silver mine, the largest in the world, whose annual production is estimated at 7 million ounces. Its reserves are calculated at 85 million cubic tons of silver ore, and it is expected to have an active life of 25 years.

Opening of the mine confirms the position of Mexico as the leading world producer of silver and ensures the implementation of a federal policy aimed at strengthening mining activity as fundamental to our national economy, the director of the company, Cesar Garcia Gonzalez said.

The chief executive, in addition to opening the installations, gave the signal for four truckloads of ore to come out of the mine, which set the crushing machinery in motion.

During the visit to the mine Dr Garcia Gonzales explained that the plant would process 10,000 tons of ore per day, which would result in an annual production of 220 tons of silver--15 percent of the total Mexican production per year--in addition to 31 tons of lead, 27 tons of zinc, and 415 tons of cadmium. He also stated that the plant began test operations on 15 June and that it is presently working at full capacity, using Mexican technology and personnel.

The company has built a residential area with complete services for the 500 workers who are employed on three shifts.

The capital for the operation of the mine is 60 percent Mexican, and the rest is Canadian.

5170

CSO: 3010/2088

CHURCH, MILITARY SUPPORT FOR LATEST PRICE RISES

Mexico City PROCESO in Spanish 9 Aug 82 p 16

[Text] The highest authority of the Mexican Catholic Church, first of all, and then the army have supported without reservation the authorization to increase prices of fuels, bread and tortillas as decreed by the government; and they have urged the Mexican people to maintain calm and confidence.

On Monday, 2 August, Cardinal Ernesto Corripio Ahumada, primate archbishop of Mexico, called for a change in direction to get the country out of a fictitious economic situation. And he asked the Catholic people to adapt themselves to the real situation.

Two days later General Felix Calvan Lopez, secretary of national defense, stated that the army "does not close its eyes in the face of the economic and social difficulties through which the country is passing, but on the other hand they are not bewildering us nor causing us to collapse." He added that that is why the army "supports the painful measures which the president of the republic ordered to meet the situation because questioning them, rejecting them or hesitating before them would create greater problems."

The prelate made his statements at the capital city airport where he was interviewed as he departed for the United States to participate in the centennial of the Knights of Columbus order.

The military officer spoke, before President Jose Lopez Portillo, at the 12th General Assembly of Commanders of the country's military districts.

Corripio Ahumada asked Mexicans to cooperate during the present economic situation of austerity, to cut out unnecessary and extravagant spending. The archbishop did not speak of the repercussions that the rise in prices would have on the different classes of people nor on the social cost of the measures taken. However, as if it were a consolation for fools, he declared:

"The church is not safe from inflation."

He exhorted them to build up confidence in institutions because distrust, he said, "will only lead us to destroy each other, or to fall into the hands of others." "If fear and distrust exist among Mexicans," he warned, "we will be like dogs and cats, and perhaps like wolves."

In his turn General Galvan Lopez said that there certainly are occasions when some persons or groups find it difficult to understand or adjust to painful measures which our government must take, but he also said that "there is no doubt that the more we aggravate an already complicated situation, the more we will add to our hesitation and uncertainty."

The secretary of national defense added that in Mexico, "the army is and will continue to be the reliable armed force of democracy which believes in nationalism and supports social recovery because it is revolutionary in a reasonable way."

The army's support of the government's measures for meeting the crisis, he said, "is responsible and clear because it trusts President Lopez Portillo to help the country and maintain faith in the nation's destiny."

He likewise pointed out that, both in regard to international influence and internal development, "the thinking and concepts which guide the army are strictly the same as those of the government in which it habitually plays its part."

Such identity of interests, Galvan Lopez added, "permits us to say that the problems of Mexico are also those of the army. That which has not yet been attained also is a challenge, and Lopez Portillo's program also belongs to each one of the men who make up the armed forces."

9972

CSO: 3010/2158

ACCUSATION OF ENDERS DOCUMENT, ANTI-MEXICO CAMPAIGN

Mexico City EXCELSIOR 11 Aug 82 pp 1-A, 14-A

["Private Network" column by Manuel Buendia]

[Text] A document by Assistant Secretary of State for Inter-American Affairs Thomas Enders proves that the government in Washington, at the very least, is the instigator of an escalation of attacks against Mexico in certain important magazines in the United States and on the ABC television network.

The document has been shown to "Private Network" and is now the subject of analysis and internal commentary by officials of the present administration and by members of future President Miguel de la Madrid's team.

Prepared as a briefing paper, its distribution was restricted to officials in Washington and to certain journalists. Written and issued at the end of June, several days later there began an avalanche of journalistic articles and other publicity efforts which culminated in the American Broadcasting Company's program.

The script for this program has a structure very similar to that of the Enders memorandum. All these efforts directed at public opinion in the United States tried to persuade it that Mexico had thoughtlessly precipitated an economic crisis and that the country moreover was threatened with a conflagration. Some of these news releases and commentaries--which presumably were instigated by the Department of State through efforts like the Enders memorandum--insinuated that the United States would have to prepare itself for an intervention.

A Mexican official has characterized as "insolent" a phrase in the Enders memorandum which says that the crisis will cause Mexico "to be less adventuresome in her foreign policy and less critical of ours."

The document adds that Washington could lend several billion dollars to the Mexican Government and that although this sum is small in relation to Mexico's needs, the loan "would help show Mexico the road she must take in her domestic policy."

Enders characterizes Mexico as a ship "now without wind in its sails;" he warns, however, that even so she is not ready to "compromise in any fundamental way her fastidious independence (sic)."

While the various meanings which can be drawn from the document are being discussed here in the circles already mentioned, the conduct of Ambassador John Gavin also continues to be evaluated in regard to several problems and especially in regard to the ABC program which irritated Mexican public opinion so much. According to a reliable source, Gavin several times urged President Lopez Portillo to participate in that program.

The Enders memorandum acknowledges that "relations between the United States and Mexico are undergoing difficult tests," and observers are asking themselves in what way Gavin may have contributed during the last year to making this so.

A count made by foreign correspondents has revealed that John Gavin's name probably could be registered in the Guinness book since he possibly holds the record among all his predecessors at the embassy for absences as well as among representatives from other countries.

From 5 June 1981 when he presented his credentials up to 17 August of the current year (when he is due to return from his last trip), 438 days will have elapsed. But Gavin was absent from the embassy 87 days last year and this year he will have accumulated 97 days of absence by the date indicated.

Averaging it out then, Gavin has not physically been at his post at the Paseo de la Reforma 42 percent of the time that he has been assigned there. There are no precedents for this and the possibility of inscribing this as a big record is being studied.

Even if Gavin becomes immortalized in the Guinness compendium, however, his absenteeism may have contributed to disorienting his own opinions regarding an entire country which he has not taken the time to get acquainted with.

A fuller account of the Enders memorandum (number 6-26-82-29894) follows:

"After a steady improvement during the past 18 months, relations between Mexico and the United States are facing hard tests in regard to trade, finances and immigration at a time when Mexico is attempting to confront an important economic crisis," so begins the Department of State memorandum which was designed to set guidelines for decisions of other Washington officials and to waken interest among the information media.

According to the opinion expressed by Thomas Enders, along with the petroleum boom, Mexico "began to play a political role of leadership, acting boldly and not always advantageously for us in the affairs of the United Nations and in the Central American and Caribbean region."

He elaborates then on how Mexico developed "this activism" and on the characteristics of the present economic crisis. The document exudes the satisfaction experienced by Washington because now "the holiday has ended" in Mexico and because the Mexican Government now sees how accounts are entangled so that they mar the confidence of businessmen. The consequence, Washington says, is galloping inflation, zero economic growth and more unemployment.

According to Washington, on 1 December "a delicate transfer of power" will occur in Mexico.

Mexico's task immediately after the elections will consist of launching a program for domestic stabilization which has a large measure of austerity, increases in prices of basic products, a reduction in spending by the government and a reduction in issuance of currency, according to the document which sees "all this directed toward recovering the confidence of the international banking community."

Enders adds other details to his description of the crisis and concludes, in this phase of his analysis, that "for political reasons Mexico finds it hard to approach the International Monetary Fund" and that "her access to other governments in her search for aid is zero." Washington believes, as the Enders memorandum expresses it, that a government-to-government loan of a billion dollars "could help show Mexico the road she should take in her domestic policy."

Finally, the document expresses confidence that Mexico is finding herself very close to yielding to the United States and to giving in on petroleum prices, foreign investment, tariffs, foreign policy, etc.; and that eventually she will be approaching the "realistic" point of compromising her independence which Washington now characterizes as "fastidious." There follows below the final part of the memorandum which is almost like a sealed letter of doom sent by the White House.

"With our own economic and budgetary problems, our close ties with Mexico will present as many opportunities as risks: Mexico could be prepared to sell us more petroleum and gas at better prices, could ease her restrictions on foreign investment, perhaps be prepared to negotiate a reciprocal reduction in regard to tariffs and other commercial obstacles and perhaps be ready to cooperate in handling the illegal immigration problem. Now without wind in her sails, moreover, it is probable that Mexico will be less adventuresome in her foreign policy and less critical of ours. It would not be very realistic, however, to expect even an economically punished Mexico to be ready to compromise in any fundamental way her fastidious independence."

9972

CSO: 3010/2158

BRIEFS

BANKER FORESEES HIGH INFLATION--Queretaro, Qro., 25 Jul--Banker Agustin F. Legorreta said today that the inflationary spiral will be "very high" during the second half of 1982 due to external factors and for this reason parity cannot be established for the peso. Legorreta, who accompanied President Lopez Portillo during his trip, said that although Mexico has petroleum to support its economy, external problems will have internal repercussions and will increase inflation. The data necessary to determine the level inflation will reach during the second half of the year is not available, he added, but one can be sure that it will be very high. Thus, for the good of the economy, the private sector, the government and the workers should make every effort to reduce inflation and then seek parity for the peso. [Text] [Mexico City UNOMASUNO in Spanish 23 Jul 82 p 8] 9204

PRICES PROMPT TECHNOLOGICAL REGRESSION--Guadalajara, Jal., 25 Jul--Peasants are beginning to go back to primitive methods of planting since the prices of agricultural machinery have doubled due to the currency devaluation. Salvador Martinez Carrillo, secretary general of the Federation of Workers of Heavy Agricultural Machinery, STMPA, pointed this out and said that the current prices of machinery prevent a large part of the nation's peasants from acquiring machinery so as to make their lands more productive. He added that most of the agricultural machinery used in this country comes from the United States so the price has doubled as a result of the devaluation. He said that many peasants have left the fields because of the constant rise in costs and prefer to emigrate to the large cities in search of work. [By Eduardo Chimely] [Text] [Mexico City EXCELSIOR in Spanish 26 Jul 82 p 32-A] 9204

CSO: 3010/2087

DEPUTY PRIME MINISTER COMMENTS ON GOVERNMENT PROGRAM

Georgetown GUYANA CHRONICLE in English 30 Jul 82 p 6

[Text]

SAINT Lucia's Deputy Prime Minister and Minister of Trade, Industry and Tourism, George Mallet has said the United Workers' Party (UWP) Government intends to push the construction and building industry, in its bid to provide much needed jobs and develop the island's infrastructure.

Mr. Mallet, now in Georgetown to attend the Caricom Council of Ministers meeting which began yesterday, cited increased job opportunities as one of Saint Lucia's "greatest needs" at present.

In an interview with the GNA, he said unemployment in Saint Lucia under the previous Labour Party Government had risen to 25 per cent due to the closure of several factories and hotels.

The Saint Lucia Labour Party (SLLP) Government, headed by Winston Cenac, resigned under pressure earlier this year, making way for an interim government and premature elections. The UWP led by John Compton, was returned to office after winning 14 of the 17 parliamentary seats at the May general elections.

Outlining some of the UWP government's development plans, Mr. Mallet said the Compton Administration will continue to emphasise the development of the agricultural and tourism sectors.

The Saint Lucian Minister also spoke of the tripartite discussions involving officials from the business sector, trade unions and government, which had been initiated with a view to formulating guidelines in some areas.

These include wage increases which the government has suggested should be fixed between eight and ten per cent. Government, he said, has also suggested that price increase be set at nine to twelve per cent.

"Looking at the world situation and its adverse effects on our economy, this is not the time to have diversion and opposition", he stressed, adding that Saint Lucia was however, "practically at one" with government enjoying the "confidence and support of the people".

Expanding on the "middle of the road — slightly left" approach which Prime Minister John Compton has said

his government will follow, Mr. Mallet said the UWP recognises the "need to help the masses through the provision of welfare services and benefits".

"But at the same time, we will try to attract investment into the country", he explained, adding that "good up-to-date labour legislation to protect local workers" will be formulated.

And in describing the Caribbean Basin Initiative (CBI) as a "beginning" which provides for increased trade and investment opportunities, Mr. Mallet stressed that the Lesser Developed Countries (LDCs) of the region need more financial assistance from infrastructural works, such as adequate roads and water and electricity services.

"Without these, we will not be able to attract foreign investment", he pointed out.

And on the Guyana-Venezuela territorial issue, Mr. Mallet said the present UWP government has never taken a stand on the issue, but hopes that these differences between Guyana and Venezuela can be settled amicably.

OPPOSITION ULF SEEKS TO OUST CLARKE, ISSUES STATEMENT

Clarke Remarks at Issue

Port-of-Spain TRINIDAD GUARDIAN in English 30 Jul 82 p 7

[Text]

THE EXECUTIVE of the Opposition United Labour Front (ULF) has taken a decision to initiate the procedure for the removal from Office of Mr Ellis Clarke, President of the Republic of Trinidad and Tobago.

The executive has issued a call to all independent-minded members of the ruling People's National Movement (PNM) both from inside and outside the House of Representatives, to join in this endeavour to redeem the dignity, integrity and independence of the Office of President.

According to a ULF spokesman, the procedure to be followed in calling for the removal of the President from office is laid down in Sec. 36 of the Constitution of the Republic of Trinidad and Tobago.

The Opposition has ten members in the House of Representatives.

Contemplated action in this matter, according to a ULF statement yesterday, followed a recent statement attributed to the President at the Steelband Festival Finals held at the National Stadium.

The statement has to do with a slogan used by the PNM supporters in the last General Elections which said "We like it so," the statement added.

The ULF said that the President was reported to have made a statement to the effect while referring to the performance of the steelbands.

A ULF executive statement Wednesday said: "Our party views the statement with

the utmost concern and we are convinced that Mr Clarke has brought the Office of President into hatred, ridicule and contempt."

The statement said that Mr. Clarke seems to have forgotten that he occupies one of the most difficult demanding and sensitive offices in the land and he is supposed to mirror the national will and to maintain a balance between contending forces in the society.

The President is the keeper of the national conscience, the supreme statesman in the land and the very embodiment of patriotism. He is President of the whole country of all races, factions and creed, said a ULF release.

It was pointed out too, that on the occasion of the President's re-election for a second term as President this party publicly expressed its reservations and suspicions about Mr Clarke's alleged involvement with the politics and manoeuvring within the PNM.

The ULF said: "We had called on him to clear the air by issuing a public denial of any partisan association with the PNM and to firmly proclaim his political independence and integrity."

"But Mr Clarke by his recent statement and behaviour has confirmed our worst suspicion and this party would be failing in its duty to the country if it did not take appropriate action."

The ULF executive meeting was presided over by Rep. Nizam Mohammed, (Tabaquite) Chairman of the Party.

Port-of-Spain TRINIDAD GUARDIAN in English 31 Jul 82 p 8

[Editorial]

[Text]

FOR the education of Mr. Basdeo Panday and members of his United Labour Front we quote from the standard work, "Power of Parliament," by well-known British authority Ronald Butt.

"However long an Opposition is obliged to remain out of office and regardless of whether it achieves power at the next general election, it is of vital importance to the political health of the nation that they should at every moment be seen to be a credible alternative government ready and waiting to take over.

"It is not enough for an Opposition to work for power in the next Parliament by diminishing confidence in the present Government: it must work to persuade the public that it is a credible alternative in the present by behaving responsibly."

We would urge Mr. Panday and members of his ULF to read and ponder the above passages carefully and in depth. We think they contain a key lesson for the Opposition, going to the very root of its failure as the party which offers itself as an alternative to the Government.

To present itself as a credible alternative in the present, the Opposition party must behave responsibly.

It must not, we would add, continue to indulge in cheap headline-grabbing politics. If it believes in and subscribes to parliamentary democracy, it should not be seeking to create chaos by urging civil disobedience. If it pretends to any appreciation for law and order, it should not be actively encouraging any form of lawlessness, including the illegal practice of squatting.

And, if it is interested in the stability of the country, it should

not rush intemperately into any action to remove a President who, only 16 months ago, was hailed as the saviour of the nation and from whom Mr. Panday himself has unfailingly received all the courtesies and respect due to his position as leader of the Opposition.

What exactly did President Clarke say (not do, mind you, but simply say) to warrant such a ravenous attack upon him?

Has anybody seriously analysed his words at the end of the Steelband Festival to determine whether he has truly compromised himself? Is it simply because he used for his own purpose a phrase that became popular during the last elections campaign?

What is all the hulabaloo about? President Clarke is a brilliant and distinguished son of the soil who has served his country admirably in a variety of offices over the last three decades. Suddenly there is a call to crucify him. But why?

Is our memory so short? Is this what we have become as a people striving to develop as a nation?

In an exquisite moment of national pride, President Clarke sought to refute the criers of doom and the charge that we are an unproductive people by hailing the magnificent performance of our steelbands at the Festival and, in this context, he said "we like it so." Don't we like our steelbands so? We certainly do. In fact, we not only like them so, we like them for so!

Politics or any other field of social activity has no monopoly or phrases or idioms or proverbs or sayings. If they did, then poetry, literature and all other creative efforts would have been so much the poorer.

So too would be the mellifluous language of our President.

Clarke Rejoinder

Port-of-Spain TRINIDAD GUARDIAN in English 1 Aug 82 p 1

[Article by Therese Mills, Editor, Sunday Guardian]

[Excerpts] PRESIDENT Ellis Clarke said on Friday that as far as he was aware no one had patented the words "we like it so", and to suggest that it was wrong for him to use those words amounted to an infringement of a person's fundamental rights.

In a telephone interview on Friday from London where the President and Mrs. Clarke are on a 12-day visit, President Clarke said that his words at the recent Steelband Music Festival had been completely misunderstood.

"They have it all wrong," he said. "When I said 'we like it so', I was not referring to conditions in Trinidad and Tobago at all, nor to the prophets of doom. I was referring to the excellence of the steelband. The two things are quite distinct," he said.

Told that the parliamentary Opposition United Labour Front was calling for his removal from office because it saw his reference to "we like ti so" as showing support for the PNM, President Clarke replied:

"I will ignore what the ULF has to say."

"My reference had nothing to do with conditions in Trinidad and Tobago at all or with prophets of doom," President Clarke said. "I used the words in relation to the steelband, which I said was getting better and better. I used the words of a calypso out of which the steelband was born. I said our greatest asset is the quality of our people, as demonstrated by the steelband."

President Clarke said that "we like it so" was not an election slogan.

"It was a cynical calypso by Sparrow that came out after the election and it was in ridicule of the PNM. If anybody should be annoyed at the use of the words perhaps it is the PNM."

CSO: 3025/413

AUDITOR GENERAL'S REPORT DEALS WITH DEBTS, SPENDING

Special Fund, Other Outlays

Port-of-Spain TRINIDAD GUARDIAN in English 31 Jul 82 p 1

[Text] TRINIDAD and Tobago Government spent \$2,993.1 million last year from Special Funds for long-term development. The funds have a balance of \$2,865.5 million.

In addition the Unemployment Levy Fund has a balance of \$528.6 million. The Consolidated Fund shows a balance of \$1,349 million.

These figures are given in the report to Parliament yesterday from the Auditor General's Department on the country's 1981 accounts.

The Racing Authority Fund, set up in 1979 with \$10 million and increased to \$112 million shows disbursement of \$110,253,737 during the period 1979 to 1981 for the Caroni Racing Complex.

Authorised warrants covered \$110,553,737 until the project was halted in May last year.

Between 1970 and 1981, a total of \$1,020.3 million was spent from the Unemployment Levy Fund.

While revenue in 1981 fell short by \$62.1 million and totalled \$7,007.8 million, Trinidad and Tobago Government spent \$869.5 million less than planned, with expenditure of \$6,516.1 million.

Public debt at the end of last year stood at \$1,706 million, \$2.5 million less than in the previous year.

Loan balances from general revenue stood at \$2,121 million. Loans were not repaid in accordance with stipulated terms and in 87 loans, amounting to \$1,941 million, terms of repayment were not stated. The Auditor General noted in his report to Parliament.

Capital receipts for the year fell short by \$802.1 million but this was offset by a net surplus of \$740 million in recurrent revenue. Total revenue for 1981 was \$7,007,846,470.

Arrears of revenue total \$86.7 million according to an interim statement from the Ministry of Finance.

Actual expenditure for 1981 was \$6,516,192,917.42 according to the Treasury, which is \$869.5 million less than the estimate of \$7,385,740,787.

Debt Levels

Port-of-Spain TRINIDAD GUARDIAN in English 1 Aug 82 p 1

[Text] TRINIDAD and Tobago public debt at December 31, 1981 reached an estimated \$1,097,097,808 owed to foreign sources, not counting \$1,027,065 drawn from loans by the World Bank and the Inter-American Development Bank. The local debt section of the public debt at that date stood at \$683,441,804, according to the report on the financial accounts of the nation released by the Auditor-General and tabled in the House of Representatives on Friday.

Thirty-one contracts undertaken by private accounting firms for the audit of certain statutory boards and public enterprises enabled the Auditor-General, Mr E. W. Gregoire, to produce the report a few months after the end of the year, an extremely rare event in our history.

Loans of Credits guaranteed by the Government amounted to \$2,002,283,039 altogether, states the report, which is supposed to go from the Parliament to its Public Accounts Committee for its consideration.

Actual expenditure by the Government amounted to \$6,516,192,917, which was \$869,547,869.58 less than the \$7,385,740,787 reflected in the original Budget and several supplementary Budgets. Actual revenue collected amounted to \$6,752,-629,587.96--\$62,159,624 below the original estimated revenue.

Frauds, losses and irregularities discovered by the new auditing process consisted of 143 cases involving \$32,714.65, but not including any sums of under \$1,000. This latter category comprised 1,737 cases but the total sum involved was not given.

Unvouched expenditure was represented by 926 vouchers covering expenditure totalling \$6,469,872.67 which were not produced.

From general revenue during 1981, Trinidad and Tobago (BWIA) Airways Corporation received two loans amounting to \$119,852,000.

Government Departmental Rip-Offs

Port-of-Spain TRINIDAD GUARDIAN in English 2 Aug 82 p 3

[Text]

THE RIP off continues. They range from theft of coins from the national museum (\$10,000) and 500 bulbs from Port of

Spain General Hospital (\$1,300) to motor vehicle parts from a Barber Greene plant in Tobago (\$10,300), and a John Tann Spe-

cial Mirror safe, 17 inches by 13 inches, from the Ministry of Labour.

One Electrolux freezer (\$1,000) and a generator (\$1,000) were stolen at the Elections and Boundaries Commission.

In a report to Parliament on Friday, the Auditor General said that up to April this year 70 new cases totalling \$327,996.17 in fraud, losses and irregularities remained unsettled.

The grand total at that date was 143 cases involving \$524,577.74.

Thefts covered items like boat engines, galvanise, animal feeds, and chain link wire from the Ministry of Agriculture. Vehicle wheels, a milk pump, and a pig were also reported stolen.

Several schools have lost equipment including eight portable sewing machines from Arima Senior Secondary and 15 speakers from St. Francois Girls' College, a drill press from Penal Junior Secondary, woodwork equipment from Mt. Hope Junior Secondary (\$9,737), which also lost four portable Sony recorders (\$5,142.50) and industrial auto equipment (\$3,265.07).

LOSS OF STAMPS

The Inland Revenue Division of the Finance Ministry lost \$11,254.85 in cash from the District Revenue Office in Cedros. Its St. George West office lost \$11,254.85 in

an armed robbery.

The Auditor General's report for 1981 reports suspected irregularities of fraud in the Supreme Court Registry totalling \$2,314.92. Suspected fraud in the St. George West Magistracy, Port-of-Spain involves a further \$1,086.50.

St. Andrew St David Country Council lost \$2,000 in cash.

Burglars took \$9,058.14 from the St. Vincent Street Post Office in Port-of-Spain, while there was a \$1,077.87 loss of cash and stamps at the same office as well as a cash shortage of \$2,756.29.

The Auditor General said there was suspected fraud in the sale of air letter forms at the General Post Office, totalling \$1,050.75.

Fraudulent use of invoice order books at the Ministry of Labour totals \$10,154.78 and the Piarco Air Services holding shed at El Socorro, San Juan, lost \$3,528 in cash.

Someone stole a 22 foot pirogue owned by the Ministry of Health, at Five Islands.

At the Health Ministry 42 electric fans (\$4,200) were stolen, four pedestal fans, and a beverage dispenser at the San Fernando hospital kitchen were included in a \$56,835.83 total of fraud, losses and irregularities.

A \$30,000 shortage of cash occurred in the Paymaster's Office of the Ministry of Transport and Communications. Thefts included two water pumps, and 150

gallons of paint and 31 brushes which were taken from the Traffic Signs storeroom in Eastern Quarries, Laventille. A payroll robbery in South Trinidad accounted for \$20,284.87.

The Drainage Division lost a Johnson outboard motor. Someone stole 1,280 feet of solid copper from Trinidad House in Port-of-Spain. An unredeemed payroll at the Special Works Division incurred \$9,241.31 in loss. The total value for the Ministry of Transport and Communication was \$109,559.72.

CASH SHORTAGE

At the Ministry of Government Construction and Maintenance paymasters had a cash shortage totalling \$19,279.87. These are outstanding cases from the Auditor General's 1980 report.

New cases discovered and still outstanding at April 30 this year included loss of cash and food stamps from San Fernando post office (\$2,357.50) with similar losses totalling \$3,276 at St James post office

Robbery with aggravation at Newtown post office accounted for \$28,105.90.

Mt. Hope Maternity Hospital has lost a portable welding set valued at \$2,200. Centeno Livestock Station lost 17 tyres. Schools are plagued by thefts all over the country.

TOBAGO ISSUE: AMENDMENTS PASS, OPPOSITION WALKS OUT

Robinson at Rally

Port-of-Spain TRINIDAD GUARDIAN in English 30 Jul 82 p 6

[Text]

GRAPHIC placards were demonstrated at James Park in Scarborough last Wednesday at a rally called by the Democratic Action Congress to "...demand an end to the prolonged and wasteful crisis in the relations with Trinidad."

Keynote of the rally was struck by DAC Chairman ANR Robinson who said: "We have reached a new, a deeper, and a more significant phase in the struggle for the liberation and the fulfilment of the aspirations of the people of Tobago.

"And I believe that at every stage of a struggle it is important that the people should know and should keep in mind, and be inspired by what we are fighting for, and why we are fighting.

"The greatest ammunition," he said, "is the conviction that what you are fighting for is right."

Mr. Robinson cited several areas of conflict between the Tobago House of Assembly and the Central Government Administration, and quoted extensively from the PNM manifesto and other documents claims that Government had been reneging on

its commitment to Tobago and the House of Assembly.

A SHINING LIGHT

He said that contrary to the provisions of Act 37 of the Tobago House of Assembly certain powers were illegally retained by Central Government and not transferred to the Assembly.

These powers related to the economic development of Tobago — control of Customs, Inland Revenue; and Marketing in particular.

The DAC Chairman said that Government, having created a mess in Trinidad, wanted to keep Tobago in a bigger mess by sheer wickedness and sub-human insolence.

On another note Mr. Robinson pointed out the assets of Tobago — the fertility of the land, the minerals under the sea-bed, its location in terms of proximity to Trinidad and Venezuela and in the route between the Caribbean and Europe — saying, "All of these give us a tremendous opportunity to build a civilisation in Tobago. We can be a shining light in the Caribbean and the world. The challenge is for you!" he said.

Other speakers included Parliamentarians James Ogiste and Pamela Nicholson and Assemblymen Dr. Jefferson Davidson and Hochoy Charles.

The meeting was chaired by Benedict Armstrong.

House Action

Port-of-Spain TRINIDAD GUARDIAN in English 31 Jul 82 p 1

[Article by Norris Solomon]

[Text] OPPOSITION members walked out of the sitting of the House of Representatives yesterday protesting the continuation of the debate on the amendments to the Tobago House of Assembly Act.

They also claimed that yesterday should have been "Private Members' Day" in the House.

Action of the Opposition was the latest in the protest against the Bill to amend the Act relating to staffing of the Assembly.

Despite the walkout of the Opposition members the Bill was passed with amendments following completion of the debate with Attorney General, Senator Russell Martineau outlining the history and reasons for the measure and Senator Anthony Jacelon, Minister in the Ministry of Finance, winding up the debate.

The walkout came with Rep. Cyril Rogers, Deputy Speaker, in the Chair in the absence of Mr. Matthew Ramcharan, Speaker, who is out of the country.

When the debate was about to be resumed, Rep. Nizam Mohammed (Opposition, Tabaguite) referred to the Standing Orders which states that the last Friday in each month was Private Members' Day and, as such, private members' motions should be given priority over Government Business.

He said the Opposition was protesting the situation since the Opposition had come prepared to discuss private members' motions.

Deputy Speaker Rogers said that according to the Standing Orders, the Fourth Friday in the month was Private Members' Day but the fourth Friday this month was a public holiday.

At that stage Opposition Leader Rep. Basdeo Panday said that the Opposition was contending that it was the fourth sitting, not the Fourth Friday.

Attorney General, Senator Russell Martineau insisted that the Standing Orders made it clear that it was the Fourth Friday and not the Fourth Sitting.

Rep. Panday questioned whether it was not "the spirit" that the Opposition should have one day each month.

Following the Deputy Speaker's ruling that Government Business should continue and when the debate on the Tobago House of Assembly Amendment Bill was about to be resumed, Rep. Pamela Nicholson (Tobago East) said she was strongly resisting continued debate on the Bill. She said she felt that private members' motions should be debated.

Rep. Nicholson claimed that it was only when she arrived for the meeting of Parliament that she saw an agenda for the day's meeting.

Senate Next Step

Rep. Rogers said he understood that the Order Paper was sent to her on Monday last by the Police and she immediately questioned whether he was querying her integrity.

She said, too, that she was entitled to speak on the amended Bill again since she had not spoken on the new amendments proposed by Government.

"I will resist any further debate on this Tobago matter," she said.

Rep. Kamaluddin Mohammed, Minister of Agriculture, Lands and Food Production and Leader of Government Business in the House, said the amendments were circulated at the last sitting.

Parliament could not solve the matter in Tobago, she said, and she wanted people to realise that Tobago must be respected.

Rep. James Ogiste, the other Tobago Representative (Tobago West) also objected to continuation of the debate.

As the debate was about to continue, Rep. Nicholson walked out and was joined by all the Opposition members and a section of the public gallery.

Objections to the amendments were first made when the Bill was introduced almost two months ago. Objections came from the Opposition, the Tobago House of Assembly and the Public Services Association and following a meeting with a ministerial team appointed by Prime Minister George Chambers and the THA and the PSA, two sets of amendments were made.

However, the Tobago House of Assembly and Opposition are continuing to object.

The Bill will now come up for debate before the Senate.

Yesterday, Attorney General, Senator Russell Martineau gave reasons for introduction of the Bill.

He said: "One thing clear is that we have only one Government in Trinidad and Tobago. We have only one Cabinet and one Prime Minister.

"When we speak of the public service," he said "we speak of people in the service of the Government of Trinidad and Tobago...not in the service of the House of Assembly.

Senator Martineau added: "I feel sure that the country as a whole want a unitary state and we on this side are prepared to support that.

The problem that had arisen, he said, was the "members of the other side wanted to have their cake and eat it."

The Attorney General said that, speaking as a Tobagonian, he did not think that anybody would like to discard the system of the last 25 years. He said business of policy was for Cabinet and if Cabinet decided to refer matters of policy to the House of Assembly, then so be it.

Government, he said, never intended to disenfranchise public servants.

Senator Martineau also explained that under the Act the Minister of Finance personally did not have any obligation personally to consult with anybody.

He pointed out that Government had consulted with the Assembly and the Public Services Association and that was a demonstration of the spirit of cooperation.

Senator Jacelon said that in his dealing with the Assembly he ensured that he did not breach the spirit of the law.

He said that secession of Tobago would be a tragedy for the Unitary State of Trinidad and Tobago.

"Because of the situation existing in Tobago I have ensured that I have done nothing to contribute to or to accelerate any event on the part of certain persons to have any such even take place," he said.

The Tobago House of Assembly, he said, had refused to co-operate with him on suggestions, he added.

When he visits Tobago, he said, he sees about 20 to 30 persons and he never asked their religion, background or political inclination, but assisted people in nearly every field within his competence.

CSO: 3025/414

OIL WORKERS UNION IN DISPUTE WITH ELECTRICITY COMMISSION

Port-of-Spain TRINIDAD GUARDIAN in English 30 Jul 82 p 2

[Text]

THE TRINIDAD and Tobago Electricity Commission (TTEC) has strongly denied allegations that it walked out of negotiations with the Oil-fields Workers Trade Union (OWTU) on Tuesday.

In a statement issued yesterday TTEC said that an impasse had been reached with the Commission offering 35 per cent for three years and the union refusing to reduce their claim for 170 per cent.

It explained that on Tuesday it advised the OWTU that workers were refusing to work overtime and slowing down productivity, and asked that an attempt be made to settle the salaries question.

The union was told that TTEC could not consider increasing its 35 per cent

offer if the union did not reduce their unrealistic 170 per cent claim, but the union was adamant.

"It was at that stage that the union was advised that no useful purpose could be served by continuing discussions and the matter would be referred to a third party. The matter has in fact been referred to the Ministry of Labour," said the Commission.

Yesterday the OWTU was still standing by waiting to resume negotiations.

Mr George Weekes, president general stated that he contacted a senior official of the Commission to find out the Commission's stand in the matter and was told that the issue was now at board level.

Mr Weekes was also informed, according to him, that TTEC has reported the matter to the Ministry of Labour in accordance with the Industrial Relations Act (IRA).

South Protest

Meanwhile, TTEC workers in San Fernando started wearing red ribbons on their shirt lapels as a mark of protest over the Commission's "general" attitude around the negotiating table.

The workers, it was [learnt], are contemplating placing a ban on overtime but this matter is yet to be discussed, said many workers interviewed yesterday.

Giving the background to the issue, TTEC noted that since March 9 a total of 29 meetings had been held this year, and on several occasions it told the union too much time was being spent on items outside an industrial agreement.

In May TTEC made an offer of 30 per cent but after 12 meetings the union reportedly refused to reduce their demand of 200 per cent. On July 20 the union finally went down to 170 per cent and the Commission went up to 35 per cent.

According to TTEC, the union then refused to budge from 170 per cent, and subsequently refusal to do overtime and acting appointments, plus a slowing down of productivity in some areas.

Because of this and the mood of the workers, the union was advised that every effort should be made to settle the wages question, and leave other matters to be dealt with afterwards.

TTEC declared that it had given confirmed positions on other items which the union claimed to be unresolved.

In yesterday's statement it pointed out that the Commission was an essential service and industrial action was prohibited.

CSO: 3025/415

ICACOS TERMED CENTER FOR SMUGGLING OF DRUGS, OTHER GOODS

Port-of-Spain TRINIDAD GUARDIAN in English 1 Aug 82 p 1

[Article by Ed Wynn Brant]

[Text] ICACOS residents are scared to live at home. The more than 500 people who make a living by fishing or in the coconut plantations are in the way of smugglers who operate around the clock.

They estimated the value of goods passing through the back door daily is more than what goes through the Port-of-Spain docks weekly.

Illegal goods imported through Icacos range from gold, guns, electronic items to cocaine, marijuana, food-stuff, wild birds and animals.

Smuggling is big business and gunhands have been hired to keep the coasts clear for the small boats to discharge their cargo quickly.

Strangers in big cars and fast fighting boats rendezvous at several points on the five-mile long beach in Icacos.

Smugglers with less valuable goods ply their business during daylight hours while the guns, gold and drugs come during the night.

Under such circumstances, the Icacos residents wanted to talk but did not want names or pictures to be published.

A resident who was born in the once quiet village "behind God's back" 50 years ago said, "We don't know who is who? You may innocently tread on some one's corns and end up without a head or disappear."

Two fishermen who took on special jobs to shuttle strangers across the seven-mile wide channel to Peder-nales more than three weeks ago have not return-

ed to Icacos. Their relatives are very worried over the disappearance. The matters have not been reported to the Police. One of the escapees from Golden Grove Prison passed through Icacos for Venezuela, they said.

The fishermen said they face a more serious problem with smugglers at sea. For instance, a man with a load of marijuana had a breakdown with his twin-engine outboard motor recently and at a gunpoint forced a fisherman who went to his rescue to hand over his engine.

A similar case, this time the fisherman was shot at, has reached the High Court.

The villagers said big shipments of marijuana and cocaine come by boat from Colombia via Venezuela during mid-week for the weekend market.

The dope dealers trade openly under the eyes of residents who fear that they could be killed to remove them as witnesses if the Police start asking questions.

Guns and ammunition, wild birds and animals are brought by the locals from the Macareo River in Venezuela where the boats

leave around midnight arriving at the lonely Icacos beach around 4 a.m.

MORE PROTECTION

A housewife living on the beach said smugglers coming from Guiria, Capure beach their boats and walk direct to waiting cars with their illegal goods.

She confirmed that a man of negro origin was found beheaded at low tide in waters off the furthest point in Icacos a few weeks ago. The high tide removed the body. Many people in the district saw it, she said. The man's car was seen at low tide off Galfa Point, three miles from where the body was found.

The Cedros Police do not believe the story. An Officer said "we have been on a million enquiries on that case without luck."

A few weeks ago, Customs and Police picked up some Venezuelans with more than a million dollars worth of gold and precious stones. Jewels were sold to the villagers before the men were picked up in a road block while on the way to Point Fortin. The villagers want more Police protection, a regular beach patrol and telephones before the district could return to normality.

It takes about half an hour by car to travel the ten miles from Icacos to the Police Station in Bonasse. Residents said people who go to make reports to the station are watched by other villagers, friends of the smugglers.

They said the telephone could provide a safe way of reporting crimes in the area.

The villagers are also disturbed about the upsurge in pornography - in English and in Spanish - in the district.

Parents said there is a house on the beach which shows blue films and a bevy of Latin American beauties who work as prostitutes on weekends.

GOVERNMENT THREATENS ANY WHO ASSIST SQUATTERS AS LAW BREAKERS

Port-of-Spain TRINIDAD GUARDIAN in English 31 Jul 82 p 1

[Text]

ATTORNEY GENERAL Senator Russel Martineau yesterday warned that those who encouraged persons to settle on State lands were challenging the rule of law.

He said that steps would be taken against persons and organisations doing so.

His comments were made during question time when a question relating to squatters posed by Opposition member Rep. John Humphrey (St. Augustine) came up for answer.

He said that he was not able to answer the question fully without reference to matters before the courts but he wished to assure that anyone publicly ... the media or others ... advocating that citizens settle on State lands was challenging the rule of law.

There were 14 questions

before the House of Representatives yesterday. The first three were deferred because of the absence of questioner Rep. Winston Dookeran (Opposition, Chaguanas)

Three others were also deferred.

Six reports were laid at the sitting yesterday in addition to the Contract for the Mount Hope Medical Complex between the Government and Sodeteg.

Deputy Speaker Rep. Cyril Rogers who presided yesterday ruled against an application by Rep. Dr. Emmanuel Hosein (Opposition, Naparima) who sought to raise the issue of demolition of three squatters houses in San Fernando under matters of urgent public importance.

CSO: 3025/413

BRISK TRADE IN FOODSTUFFS WITH VENEZUELAN UNDER WAY

Port-of-Spain TRINIDAD GUARDIAN in English 2 Aug 82 p 1

[Text]

THOUSANDS of dollars worth of foodstuff leave Icacos daily for Guiria and Capure, settlements on Venezuela's east coast.

The Venezuelans buy milk, onions, garlic, sugar, flour, wine and over the counter medication.

Truck loads of milk — powdered and liquid — leave by boat for Capure and Pederanales, two fishing villages on the banks of the Pedernales river.

A grocer said there is no shortage of food stuff in Venezuela but the districts are very far from the city and neglected by the authorities.

Milk, garlic and onions are premium goods in Venezuela and fetch high prices. A Trinidadian just back from Guiria across the Gulf of Paria said the town had more Klim than one could find in Trinidad and Tobago.

Most of the items taken out by the visitors are subsidised by the Trinidad-Tobago Government.

Two weeks ago, a Police patrol vessel "The Fox" now on surveillance work between Icacos and Columbus Bay gave chase to two pirogues taking goods from Icacos.

Residents said "The Fox" was too slow, for the pirogues outran the patrol.

Groceries in Cedros do a thriving business in sugar, flour, and milk which prompted a San Fernando provision merchant to say that he sold more goods to Cedros than the whole of the borough.

It was explained that it took more than four hours for Capure residents to travel up river to Tucupita, the nearest Venezuelan town while it took half an hour to cross the channel to Icacos.

CSO: 3025/414