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Latin America Review

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24 April 1987

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ALA LAR 87-01
24 April 1987

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**Secret** *ALA LAR 87-010 24 April 1987* 

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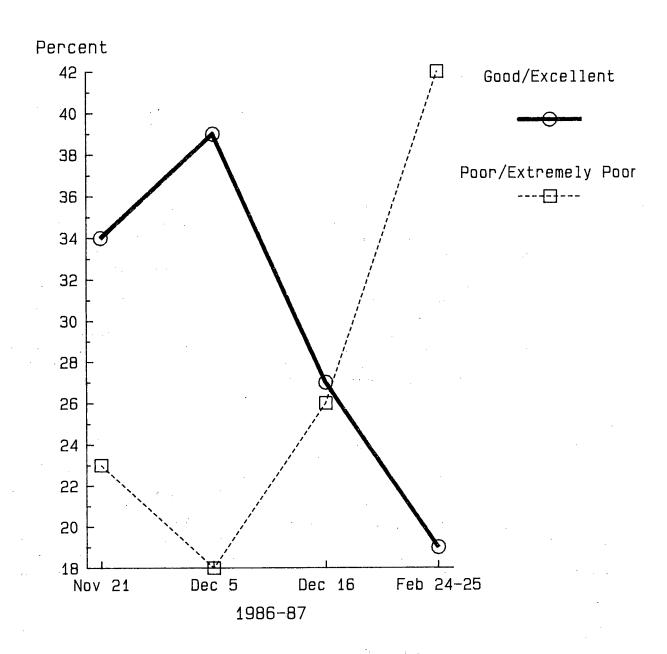


	Secret	
Latin America Review		
Articles		
Brazil: Signs of Potential Political Instability		
The decline in political support for the Sarney government in the wake of a sharp economic slide has heightened our concern about the potential for instability in Brazil in the months ahead. Indeed,	<ul> <li>A popular perception that the President is weak and indecisive.</li> <li>A consensus among civilian and military elites that the government no longer possesses the political</li> </ul>	
academic research on Brazil indicates a worsening economy, falling public confidence, increased strike activity, and heightened military concern about civilian government—as manifest over the last four	wherewithal to prevent social chaos or fulfill popular aspirations for economic progress.  Recent economic and political trends suggest to us	]
months—generally precede periods of political crisis. We judge that President Sarney still retains a working majority in the legislature, and the support of the high command, factors that have tended to stabilize Brazilian civilian governments in the past.	that a domestic crisis is in the offing. The set of indicators we use to track the country's evolving political situation graphically depict Brazil's worsening economic performance since November 1986: falling public confidence in the government,	
	increased strike activity, and heightened military concern with Sarney's indecisiveness.	]
Sarney will probably remain in office with reduced power and effectiveness, but there is an even chance that he will		
eventually be removed from office by the Constituent Assembly, in our view.		
Political Breakdown in Brazil Since 1950, according to historical studies, civilian	A Budding Political Crisis	
rule has broken down in Brazil on several occasions. For example, the military overthrew the elected President in 1955, staged an abortive coup attempt in 1961, and assumed power directly in 1964. Although these studies indicate that military intervention into politics is the end result of a complex process, we have identified four distinct trends that have invariably	Opinion polls indicated that public confidence in Sarney's leadership was shaken when the Cruzado II economic adjustment plan was decreed within days of the landslide victory of the Brazilian Democratic Movement Party (PMDB) in congressional and gubernatorial elections last November. Voters felt a deep sense of betrayal when the government reversed	
preceded the breakdown of civilian government. These include:	its pledge on price controls, according to press reports, and Sarney's stock fell dramatically	
<ul> <li>Declining confidence in the ability of civilian leaders to deliver economic improvement and political reform.</li> </ul>	and barney's stock for dramatically.	
<ul> <li>A steady deterioration in economic conditions that foment social unrest, especially violent demonstrations and labor strife.</li> </ul>		_

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# CONFIDENCE IN SARNEY: Poll on Sarney Government's Performance



Source: Periodic polls in a Sao Paulo newspaper.

Sarney has been unable to heal the rift with the electorate, according to subsequent opinion polls. Surveys show that a growing segment of the public—now over 40 percent—view the government's performance as poor or extremely poor, while those who view the administration's performance as good or excellent—currently less than 20 percent—has steeply fallen since December. Another recent poll indicates that even Sarney's declaration of a unilateral debt moratorium on 20 February—a move encouraged by the ruling party—failed to restore public confidence.

We interpret this report card as indicative of growing public frustration over the government's inability to articulate a clear economic strategy to deal with the current crisis. The economy deteriorated rapidly during the past several months as the Cruzado Plan collapsed and the economic team remained divided on what steps to take to restore order. Inflationary expectations surged, pushing monthly inflation from 3 percent in November to a record high 16.8 percent in January, and another 14 percent in February. According to the US Embassy, the resurgence of inflation has outpaced wage increases, eroding consumer purchasing power and causing a slowdown in growth.

On the external front, Brazil's trade surplus has averaged only \$150 million per month since November—far lower than surpluses recorded in the same period last year. Meanwhile, Brasilia continues its steadfast refusal to implement an economic stabilization plan, even though its commercial creditors have informed it that such a plan is necessary to begin negotiations for raising the new money needed to lift its payments suspension.

Labor protests and a general strike in December forced Sarney to allow a return to indexation measures to help maintain living standards.

Nevertheless, the slowdown in economic growth in early 1987, coupled with rapidly rising inflation, provoked a wave of strikes.

the number of strikes in the first two months of 1987 was higher than during the same period last year—a time when Sarney's popularity was also very low and inflation was resurging. A maritime strike paralyzed the major ports for the entire month of March, while bankworkers shut down the financial system in early April. Sarney called on the military to occupy the ports and oil facilities to preempt further labor unrest.

## Regime Stabilizers Faltering

Instead of exercising decisive leadership, Sarney has vacillated on the direction of government policy—a development that has proved to be a fatal flaw for civilian rule in the past. He has, for example, proposed and then abruptly withdrawn a large income tax hike after loud protests by the middle class, according to press reports.

a President who has reversed his own decisions on implementing a maximum devaluation and undertaking economic stabilization measures. Moreover, Sarney remains uncertain of his ability to forge a working legislative majority in the Constituent Assembly, despite the favorable results of the procedural voting in February when the Assembly was organizing itself.

The US Embassy reports that, unless Sarney regains the legislative initiative soon, he could end up a caretaker President under a new parliamentary system of government when the Assembly finalizes the new constitution later this year. Opinion polls indicate that a majority of delegates in the Assembly favor shortening Sarney's term of office, now slated to expire in 1991.

Academic research indicates that military backing in a crisis has historically been essential to the survival of civilian regimes in Brazil.

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## CONGRESSIONAL SUPPORT: Scorecard on Key Congressional/ Constituent Assembly Votes

_	Kay Issue	Dutcome	Impact on Sarney
February 2	Leftist motion to exclude conservative Senate incumbents from the Assembly	Defeated	vote could have set precedent for Assembly to curtall Sarney's powers now
February 2	PMOB challenge to election of Chamber of Deputies President	Defeated; Ulysses Gulmaraes elected	Prevented leftist critic of Sarney from leading the Chamber
February 2	Motion to delay opening of Congress until Constitution completed	Defeated; Congress will meet concurrently	Setback to leftist plans to interfere with executive powers and current policy
February 12	Election of PMDB majority leader in the Chamber	PMDB leftist elected; Sarney selects his own pointman in the Chamber	Aebuff to Sarney's leaderahlp of the party
February 18	Motion to call Finance Minister Funaro to account for economic crisis before Assembly	Defeated	Vote could have set precedent for Assembly to interfere with executive operations
February 25	PMDB-inspired rules giving Assembly unlimited powers	Vote postponed; conservative opposition and PFL united against PMD8	Emergence of rightwing block lessens Sarney's dependence on rebellious PMDS

Note: Brazil's Congress = Chamber of Deputies (Lower house) and Senate (Upper house).

The Constituent Assembly is composed of both houses and will complete a new constitution this year. The PFL (Liberal Front Party) and the PMOB (Brazilian Democratic Mobilization Party) comprise Sarney's coalition.

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We also have indications of a continuing decline in political support for Sarney's coalition government among Brazil's civilian elites. Sarney's stubborn refusal to implement traditional fiscal and monetary measures to restrain inflation has alienated his former supporters in the conservative media and business community. The press, spurred by business unease with Sarney's programs, has run a series of critical editorials against the government since March. In fact, the President's recent meeting with the nation's leading entrepreneurs in Sao Paulo failed to change Sarney's position on the issues, and generally frustrated the business leaders.

#### Critical Signs To Watch

To track evolving political events in Brazil, we have identified two different scenarios for 1987, and produced a checklist of specific signs to watch. Our indicators provide a reference tool for analyzing current reporting from the press, Embassy.

These indicators have consistently been identified in academic studies as the key factors signaling a breakdown of civilian rule in Brazil. The checklist consists of expected events that would help identify the outcome of a particular scenario for 1987.

#### Sarney Remains, But Is Weakened Politically

Our most likely scenario foresees a general worsening of political and economic conditions, a loss of authority for Sarney, but not an abrupt end to his administration by legal or extralegal means. In this scenario, Sarney will be unable to take the tough economic measures needed to reverse economic stagflation and to reconcile with foreign creditors. Social restiveness spearheaded by labor disturbances will continue, and the PMDB-controlled Constituent Assembly probably will succeed in curtailing the President's executive powers and schedule direct presidential elections in 1989 or 1990. Nevertheless, Sarney probably will remain in office on the strength of military backing and a popular reluctance to jeopardize the democratic experiment.

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We would look for the following events to occur if this scenario plays out:

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- Sarney's decisionmaking becomes increasingly erratic, reversing his own policy decisions frequently in the face of criticism.
- Domestic economic conditions worsen as inflation continues at a 10- to 15-percent monthly rate and unemployment rises.
- Brazil remains cut off from Western finance because of its refusal to negotiate with the IMF, and its commercial negotiations occur in fits and starts while interest payments remain suspended.
- Numerous wildcat strikes give way to fewer, albeit larger, industrywide strikes directed at disrupting the economy.
- Opinion polls show growing public support for reducing Sarney's term and scheduling presidential elections before 1991.

 Civilian elites step up their criticism of the government in the press.

- Lack of confidence in Sarney and declining salaries provoke scattered, peaceful protests by enlisted men and junior officers.
- Leftist activities, particularly strikes, increase.
- Military leaders make public statements supporting Sarney and democracy, but privately pressure
   Sarney to adopt hardline measures against the left and strikers in return for continued support.
- The Constituent Assembly advocates a parliamentary system and support grows for shortening Sarney's term.

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## Sarney Legally Removed From Office

Our more pessimistic scenario, which we view as less likely to occur, presupposes a galloping monthly inflation rate and the beginning of a recession. These

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conditions almost certainly would result in widespread unemployment, protests and demonstrations by labor and the left, and a ground swell of pressure from the hard-hit working and middle classes on the Constituent Assembly to replace Sarney. The revival of the left and increased labor unrest would risk political polarization—undercutting Sarney's legitimacy and causing the military and civilian elites to withdraw their support in favor of another civilian leader, probably from the majority party. Instead of a military coup, however, we believe Sarney would be replaced via early elections.

We would look for the following events if this scenario plays out:

- Sarney's decisionmaking becomes erratic and his policies become more populist as he tries to preempt leftist pressure.
- Domestic economic chaos takes hold as monthly inflation reaches 25 to 30 percent, and negative monthly growth rates result in rapidly rising unemployment.
- On the external front, the moratorium begins to affect trade adversely, as exports and imports decrease markedly and cause increasing shortages.
- Skyrocketing urban unemployment prompts protests, high crime, and the return of vigilante and death squad activity.
- Opinion polls indicate public disgust with both the executive and legislative branches.
- Politicians call for Sarney to resign and rumors of military coup plotting abound.
- Military discipline is jeopardized by short mutinies of enlisted men and leftist agitation.
- Extremists undertake scattered incidents of urban terrorism.
- Business and political elites consult with military leaders to speed up the timetable for presidential elections, or to approach Sarney to resign.

#### Outlook

Brasilia has shown little inclination to adopt a coherent anti-inflation program following its moratorium—a prerequisite of its commercial creditors for renegotiation of the debt. Investment is also likely to suffer in this climate of uncertainty, thereby worsening growth and export prospects this year.

Economic setbacks will contribute to the deepening malaise of the populace. In addition, we expect labor unrest to continue this year, and there is a growing possibility that the labor leadership will be able to orchestrate a nationwide strike more disruptive than the one in December. The military's restiveness, in our view, will continue in the face of labor strife, challenges to the government by the Constituent Assembly, and economic deterioration.

At this juncture, however, we do not know if the military has the leadership, desire, and civilian support necessary for another intervention in Brazilian politics. Nevertheless, there is an even chance that some type of political crisis will take place in 1987.

## Implications for the United States

In our view, Brazil's transition to democracy will be seriously tested in the months ahead. Moreover, steady political disintegration would probably lead to greater calls for economic nationalism and trade protection measures that could hurt US businesses operating in Brazil. As the situation polarized, we would expect a tougher position on repayment of the foreign debt to emerge, and calls for outright repudiation would increase. Lastly, a setback for the democratic process would have a negative demonstration effect on other struggling Latin American democracies, including some, such as Peru and Argentina, with severe civil-military strains.

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## Latin America: Developments and Trends in Terrorism and Insurgency

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Insurgent groups in both Peru and Colombia are using new tactics as they attempt to expand their campaigns against the regimes in Lima and Bogota. Guerrilla attacks in Peru have become increasingly violent during the past month, resulting in higher casualties. Sendero Luminoso (SL) terrorists have escalated urban violence and for the first time have tried to assassinate a foreign businessman. Violence is also increasing in Colombia as the largest insurgent group tests the government's resolve to maintain its faltering three-year-old truce. Moreover, efforts are under way by all major Colombian insurgent groups to coordinate political and operational activities.

Peruvian Sendero Luminoso insurgents have sustained their frequent targeting of ruling American Popular Revolutionary Alliance (APRA) officials and buildings in their pattern of selective assassinations and attacks. In the past month an APRA governor, assistant governor, mayor, and two APRA activists were assassinated, and an attempt was made to kill an APRA leader. The insurgents also bombed an APRA office in Trujillo during a meeting attended by 100 party members, injuring eight people, including the mayor of Trujillo and a district governor. Guerrillas—presumably SL—attacked the homes of two APRA leaders and bombed 10 APRA offices in Lima.

Insurgent attacks on military installations and personnel have escalated. Insurgents killed 11 soldiers and four civilians during an Easter Sunday bomb attack on a troop truck near Huancavelica, the deadliest single attack against the military during the seven-year insurgency. In another recent assault, terrorists wearing police uniforms killed two policemen guarding a train station in Cusco. An SL commando unit wounded four soldiers in an attack on an Army barracks in Ayacucho. The guerrillas used long-range weapons and bombs in an attempt to free two terrorists being held at the barracks. On 9 April SL terrorists bombed a restaurant near a military complex north of Lima, killing six, including two Army officers, and wounding at least 10 others.

Continuing its efforts to undermine the Garcia government's agricultural reforms, SL assassinated the president of the Junin Development Corporation and tried unsuccessfully to ambush a vehicle carrying senior development officials. The insurgents view these development programs as a threat to their recruitment efforts.

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SL guerrillas have begun to claim credit for their attacks in propaganda. A three-person hit squad left a note after killing an Army major on 16 March, claiming responsibility for the attack. SL also reportedly has threatened Lima newspapers and magazines with reprisals if they publish items that are unfavorable to SL, indicating that the insurgents have become more concerned with their public image.

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In the first known attack against a foreign business official, SL attempted to assassinate the manager of the Bank of Tokyo in Lima on 23 March, injuring the banker and his driver. The Japanese were targeted possibly because of their support for development projects in Peru. Banks may be increasingly at risk. SL exploded a bomb outside the Bank of London office in Lima on 20 March, critically injuring four people and causing structural damage. Insurgents bombed six other banks, including US Citibank, on 31 March.

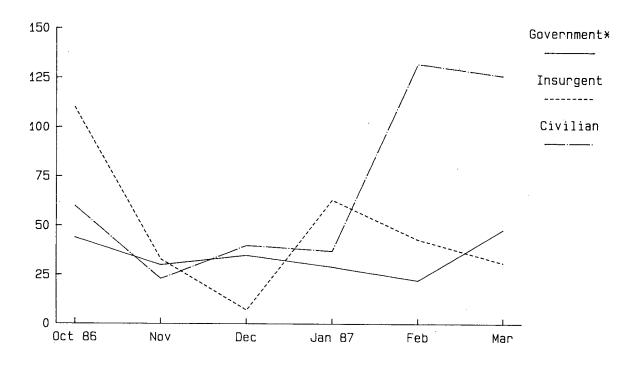
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Another new strategy has been SL's increasing attacks on the economic infrastructure, particularly the railroads, which have been attacked twice in the past month. In early April, terrorists dynamited a cargo train of Centromin-Peru Enterprise traveling from La Oroya to Cerro de Pasco, destroying 40 meters of track and causing \$2 million in damages. Two railroad workers were seriously injured. In a similar attack, terrorists damaged 50 meters of track



## Peru: Insurgency Casualties October 1986 - March 1987



\*Includes military and police

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and caused \$300,000 in damage to an Enafer-Peru (state railroad enterprise) locomotive pulling nine cars loaded with zinc. On 11 April terrorists destroyed the Antahuaro Bridge near La Oroya in Junin Department with powerful explosives detonated by remote control. The loss of the bridge will block traffic indefinitely on the Lima-Pucallpa road.

Attacks by the Lima-based Tupac Amaru Revolutionary Movement (MRTA) also have become increasingly lethal, resulting in higher government and civilian casualties. MRTA attempted simultaneous raids on three Lima shoe stores on 28 March, reportedly to steal shoes to distribute in poor neighborhoods. The attacks resulted in 12 injuries. MRTA has recently expanded its operations to Peru's northern coast and to Tacna Department on the border with Chile. In early April, MRTA

guerrillas armed with automatic weapons and explosives attacked the police station in the coastal town of Puerto Eten, outside Chiclayo, killing two policemen. A second attack on the same station on 8 April was repelled by police. On 1 April, MRTA guerrillas took over a radio station in the southern port city of Tacna to broadcast a propaganda message. This was the first time MRTA operations have been documented in this area.

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		<u>25</u> <i>X</i>
Developments To Watch For		
We expect that the Peruvian insurgent groups may	The trend toward greater political and operational	•,
attempt the following actions:	unity among Colombian insurgents continues. FARC,	
• Additional SL attacks on foreign business interests.	the only group still participating in peace talks with	
<ul> <li>More SL attacks against the economic</li> </ul>	the government, appears to be increasing its political	v
infrastructure.	cooperation with members of the National Guerrilla	
• Increasingly violent attacks by MRTA resulting in	Coordinator alliance, which includes the National	
higher government and civilian casualties.	Liberation Army (ELN), the 19th of April Movement	
• Continued expansion of guerrilla activities into the	(M-19), and the People's Liberation Army (EPL).	
northern coast area and the extreme south.	FARC and EPL leaders recently issued a joint	25 <b>X</b> 1
Colombian Insurgent Developments	communique calling for national guerrilla unity—a goal shared by both M-19 and ELN, the dominant	
Colombia's largest insurgent group is preparing for a	group in the alliance. One benefit of such cooperation	
major confrontation with the government, while an	for FARC may be greater freedom to carry out	
alliance of other guerrillas continues to attack the	antigovernment attacks without breaking the truce:	
nation's major oil facilities. Guerrillas have increased		25 <b>X</b>
attacks on military and police patrols, political		
leaders, and civilians.		25 <b>X</b> 1
Growing tension between the government and the	Coordination among the insurgent groups is also	
Revolutionary Armed Forces of Colombia (FARC)	having an impact on guerrilla operations. The ELN is	
has raised the odds of a return to full-scale guerrilla war. The group's failing three-year-old truce with	exerting increasing influence over the Coordinator alliance. It is attempting to organize a strong guerrilla	
Bogota remains in place	force in the area around Bogota, and probably had a	25 <b>X</b>
Dogota Temanis in piace	hand in M-19's recent decision to organize a unit in	25 <b>X</b>
	the same region. Another indication of ELN's	207
	growing power is the M-19's decision to form joint	
President Barco continues to	military units with it.	25X1
parry intensified political and military attacks by	shared propaganda tactics within the alliance: as part	
FARC as he speeds efforts to strengthen Bogota's	of the ELN's efforts to build popular support for its	
limited counterinsurgency capabilities.	central guerrilla unit, the group is distributing food,	25 <b>X</b> 1
EADO's start and incomment of	clothing, tools, and money to residents of poor	
FARC's strategy incorporates a range of	neighborhoods in and around the capital—an	
antigovernment activities. The rebels are emphasizing political efforts to build public support and discredit	approach very similar to that used by M-19 in Bogota.	25 <b>X</b> 1
government programs and personnel, channeling		23/1
propaganda through their legal political front, the	In other developments, a wave of murders in early	¥.,
Patriotic Union. FARC continues to demand that	April left 73 dead throughout Colombia, including at	
Bogota order the military out of its territory	least eight political leaders, according to press reports.	25 <b>X</b>
	ELN insurgents continue to attack the Cano Limon-	25X
	Covenas pipeline in the northeastern oil region and to	

harry security forces on both sides of the Colombian-Venezuelan border. In late March, the guerrillas attacked units of the Venezuelan Naval Forces in an attempt to dynamite dredges on the Arauca River. Counterguerrilla efforts by security forces from the two countries are often complicated by the guerrillas' practice of wearing military uniforms—a factor that has caused military casualties in at least one incident,

Guerrillas alliance.

also continue to hinder counternarcotics efforts: EPL recently ambushed an antinarcotics patrol in western Colombia, killing 11 police troops.

 More violent tactics by Colombian insurgents, particularly ELN. The group killed a civilian in northeastern Colombia recently when it strafed a small plane on a runway—a departure from its usual tactics aimed at inflicting economic damage.

## **Developments To Watch For**

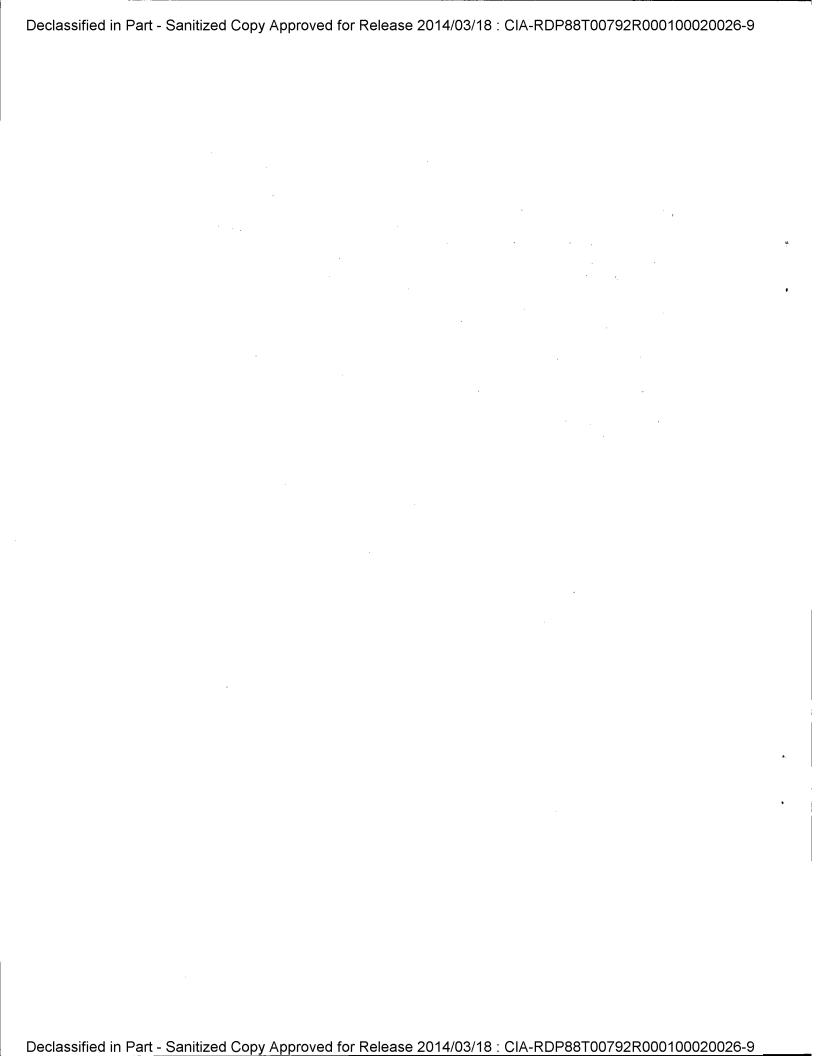
In the coming months, we expect the Colombian insurgent groups to attempt the following actions:

- Effective organization of FARC commando forces in Bogota, and of ELN and M-19 forces in the capital and throughout the central region.
- Continued targeting of government troops by FARC, especially attacks on unarmed civic action crews or antinarcotics police.

- A possible decision by FARC to end the truce as a result of government reprisals causing the death of important FARC leaders that also provide the rebels with propaganda.
- Greater political and military cooperation among the insurgents, particularly formal or informal agreements between FARC and the Coordinator

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## Latin America Briefs

ruguay	Effort To Overturn Military Amensty	25 <b>X</b> 1
	The Uruguayan left has launched a petition drive to call a referendum on a proposal to nullify the amnesty declared by Congress last December for officers accused of human rights abuses under the previous military government. The Uruguayan Communist Party and the far-left Tupamaro movement are sponsoring the effort, which began in February. Under Uruguayan law, the canvassers have until 21 December to gather the support of at least 25 percent of the country's registered voters—about 600,000 signatures—in order to hold a plebiscite. They have so far collected between 260,000 and 300,000 signatures, according to the US Embassy.	25X1
	Although the proreferendum committee is claiming success, we believe the left will be hard pressed to convoke a referendum.  Uruguayans no longer consider human rights violations to be a burning issue and are wary of the political uncertainty that would ensue if the amnesty were repealed. The signature collection effort is beginning to lag because of squabbling	25X1
	between the Communists and the Tupamaros for control of the campaign.  Moreover, sporadic incidents of rightwing and leftwing violence surrounding the drive may have alienated potential supporters.	25X 25X
caragua	New Human Rights Campaign	 25X
		25X1

Managua's concern about the erosion of support for the regime in the West also was reflected earlier this year in the creation of a committee, chaired by National Directorate member Jaime Wheelock, to publicize insurgent abuses against peasants and attacks on economic targets. According to press reports, the committee will present its case later this year at the United Nations and the Organization of American States.

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Argentina

## Argentina's New Labor Minister: A Peace Offering?

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President Alfonsin has named Carlos Alderete, a Peronist labor leader, Minister of Labor and Social Security. The government is portraying the appointment as an effort to give labor a voice in policy decisions, according to the US Embassy. The General Confederation of Labor (CGT), a union umbrella organization, has tentatively accepted the peace offering and begun "social pact" negotiations with the government. Press reports indicate the administration and the CGT have

Carlos Elbid Alderete Minister of Labor (since 27 March 1987)



Carlos Alderete has been secretary general of Federation of Light and Power Worker's union, affiliated with orthodox Peronist "15 Organizations" (large industrial unions seeking accord with government)...lone Peronist at ministerial level...champions wage bargaining talks, repeal of restrictive labor legislation instituted by military government...likely to collaborate closely with CGT...48 years old.

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agreed to work together to adjust wages for past price increases and to combat future inflation. Moreover, labor's cooperation assures at least a temporary end to disruptive strike activity and has reduced the influence of antigovernment hardliners in the unions.	25 <b>X</b> 1
We believe the President's move will aid his party's prospects in the congressional election scheduled for 6 September by reducing the credibility of the already disorganized Peronist opposition. The presence of a Peronist labor leader in the Cabinet, in our view, undermines the opposition's argument that the government is not concerned about workers' issues. The social pact effort, however, entails serious risks for Alfonsin. If the talks do not rapidly generate wage increases for organized labor, militant labor leaders who favor confrontation with the government could quickly seize control of the CGT. On the other hand, if the wage increases are too great, the resulting high inflation would be likely to fan domestic discontent and lose votes for the President's party in September.	
Labor Strife Intensifies (C NF)  Worker unrest is spreading, particularly in La Paz, where labor leaders and the government remain deadlocked in negotiations. This month, the Bolivian Workers Central rejected the government's offer of wage concessions, and a generally peaceful protest on 14 April was marred when a homemade bomb thrown at the US Chancery bounced into the crowd and injured several people, including the Embassy's security officer. The government reportedly has stationed tanks in front of the residence of President Paz, and the Embassy reports that Paz may impose martial law.	25 <b>X</b> 1
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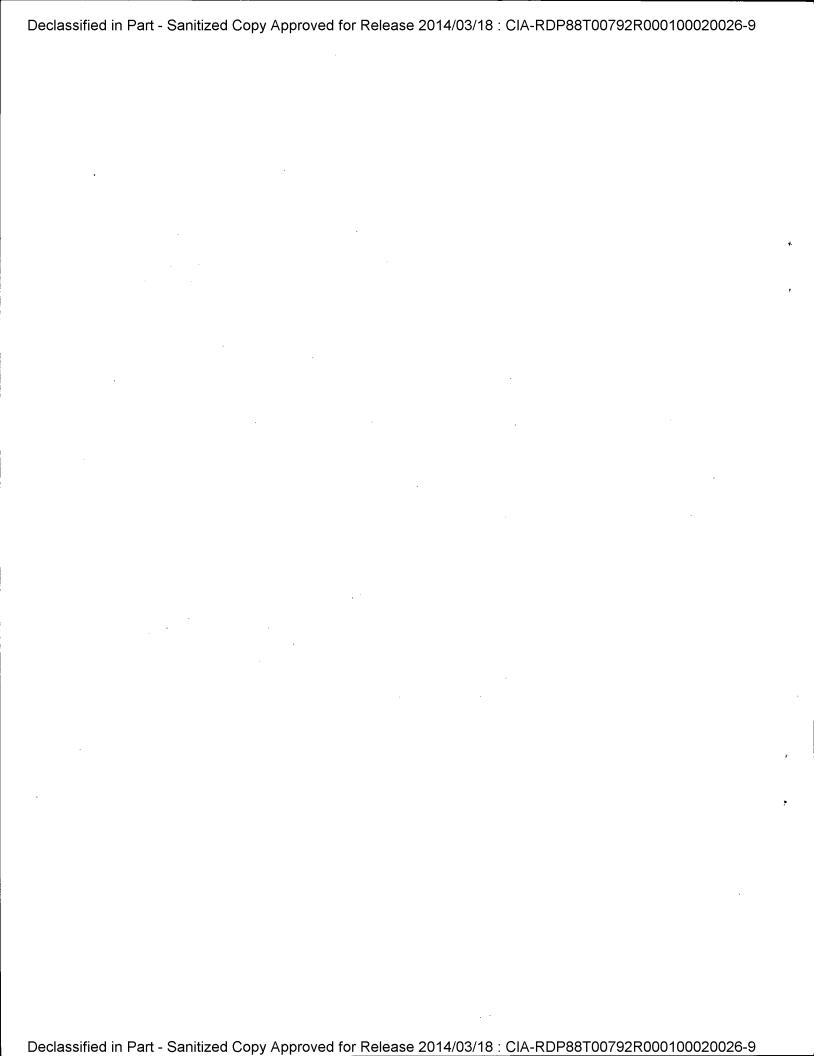
Turmoil has been building in Bolivia's embittered work force for more than a year due to poor pay and unemployment—officially estimated at 20 percent but probably much higher. Neither the government, which is straining under a tight budget, nor labor leaders, who are preparing for a national congress, are likely to make acceptable concessions. More general strikes are planned for later this month, but they reflect desperation tactics. Paz is seeking to end the monthlong spate of protests without recourse to a state of siege, but he may be forced to impose one if more violence occurs.

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**Bolivia** 



## **Cuba Chronology**

February 1987

## 3 February

East German official Georg Stizlack signs a protocol following talks with Atomic Energy chief Fidel Castro Diaz-Balart on Cuba's nuclear development, the results of scientific-technical cooperation, and cooperation in nuclear safety.

Havana TV announces that a Cuban delegation headed by Justice Minister Juan Escalona Reguera participated in the seventh session of the joint Cuba-Guinea-Bissau Commission on Economic, Scientific, and Technical Cooperation on 25-30 January.

The 11th National Education Seminar begins in Havana with some 3,700 participants. The seminar is being held as a result of proposals made by Fidel Castro. The students' learning process and the evaluation system are discussed.

## 4 February

Havana Radio reports the discovery of copper deposits in Pinar del Rio near the Matahambre mine.

Fidel Castro Diaz-Balart says strict controls will guarantee safety at Cuba's Soviet-built nuclear power plant, scheduled to go into operation in 1990. Technicians from the USSR and East Germany have inspected the plant.

The National Institute of Tourism fulfilled its income plan by 103 percent in 1986. This represents an \$8 million increase in convertible currency compared to 1985.

## 5 February

Nicosia press announces that President Spiros Kiprianou will pay an official visit to Cuba 24-27 February at the invitation of Fidel Castro.

The second session of the Cuban-Burkinabe Joint Cooperation Commission, under the chairmanship of Minister of External Relations and Cooperation Leandre Bassolet, begins in Burkina. Minister of Justice Juan Reguera Escalona represents Cuba.

Lima TV reports that three Cuban refugees seeking asylum at the Peruvian Embassy in Havana have begun a fast.

## 6 February

Fidel Castro speaks at the closing session of the 11th National Education Seminar, underscoring the great working spirit of teachers and professors and stressing the fundamental role they play in the effort to improve quality in teaching.

7 February

The 12th session of the bilateral commission of Cuban-Angolan cooperation is held in Havana. Politburo member Antonio dos Santos heads the Angolan delegation.

9 February

The Cuban Government suspends an offer to the three Cubans who have lived as refugees in the Peruvian Embassy since 1980, which would have allowed them to return to their homes without facing any charges.

10 February

Havana Radio Progreso reports that, according to the Transportation Administration of the National Revolutionary Police, state-owned vehicles were involved in 69 percent of the accidents occurring in 1986.

Brasilia press reports that Soviet leader Mikhail Gorbachev is expected to visit Brazil, Argentina, Uruguay, Mexico, Peru, Nicaragua, and Cuba in August.

11 February

Carlos Rafael Rodriguez meets with UNESCO General Deputy Director Henry Lopez to discuss relations between that international organization and Cuba and the activities of the regional UNESCO cultural office.

Fidel Castro tours the San Cristobal precooked rice plant, the only one of its kind in Cuba. The precooked rice will be sold on the parallel market.

The "Builders of the Future"—a contingent of youths discharged from military service or without jobs, and others preparing to serve laborers in CEMA member countries—begin training in Guantanamo.

12 February

At the closing session of the annual radiobroadcasting assessment meeting in Havana, Ismael Gonzalez, President of the Institute of Radio and Television, expresses the need for more efficient radio programming.

13 February

Havana radio reports that over 300 physicians from the Vladimir Il'ich Lenin Provincial Hospital will forgo collecting per diem payments that the state provides doctors on night duty in order to support economic measures.

14 February

A ceremony commemorating the 27th anniversary of the reestablishment of Soviet-Cuban economic relations is held in Havana. Vice President of the Cuban-Soviet Friendship Association Julio Chaviano says economic relations are unbreakable.

Fidel Castro receives Lt. Gen. Antonio dos Santos Franca, member of the Politburo of the ruling Popular Movement for the Liberation of Angola to discuss existing bilateral cooperation and the international situation.

The Cuban Government bestows the 30th Revolutionary Armed Forces Anniversary Medal on Mexico's Secretary of Defense, Gen. Juan Arevalo Gardoqui, and Secretary of the Navy Adm. Miguel Gomez Ortega.

15 February

Vice Foreign Minister Ricardo Alarcon arrives in Lima to coordinate the coming meeting of the Nonaligned Movement's Executive Council with Peruvian officials. The meeting will be held in Guyana 9-12 March.

18 February

Rosendo Canto, Director of the Casa de Cuba in Madrid, tells the press that the Cuban Government is planning to free some political prisoners whose release was requested by Spanish Prime Minister Gonzalez during his trip to Cuba last November.

Two former Cuban political prisoners, Arcadio Peguero Ceballos and Sixto Nicot Sosavila, arrive in Miami. They were released from prison last May. Havana Tele-Rebelde announces that the Fifth Congress of Union of Young Communists will be held in Havana from 1-4 April.

19 February

Foreign Trade Minister Ricardo Cabrizas and Mexican Commerce and Industrial Development Secretary Hector Hernandez sign documents to increase trade relations.

20 February

Radio Rebelde reports that general assembly meetings will be held throughout the country from 15 March to 15 April to announce the 1987 economic plan guideline figures.

23 February

In a report for Radio Cadena Nacional, Fidel Castro says the United States is solely responsible for drug trafficking, as it is the largest drug consumer in the world. He also says that Cuba's relations with Colombian guerrillas are eminently political.

24 February

Cypriot President Spiros Kiprianou arrives in Havana and is greeted by Fidel Castro, Jorge Risquet, Osmani Cienfuegos, Jose Ramon Machado, Isidoro Malmierca, and Jose Ramon Fernandez.

Fidel Castro tells President Kiprianou that Cuba will continue its firm support for Cyprus's struggle for freedom and vindication. Kiprianou briefs Fidel on developments in Cyprus.

### 25 February

National Coordinator of the Committees for the Defense of the Revolution Armando Acosta Cordero stops in East Germany en route to Libya. He meets with National Front President Lothar Kolditz to exchange views on domestic and foreign policy.

Indian Deputy Prime Minister Y. S. Das and Vice Foreign Minister Giraldo Mazola sign a cooperation protocol for 1987-89 in Havana to include culture, education, science, radio, television, and sports.

#### 26 February

Politburo member Jorge Risquet meets in Havana with a delegation of the Soviet Committee for Solidarity With Latin American Peoples, headed by Deputy Chairman Peter Nikolayev, to discuss the Central American situation.

Cuba and the USSR sign a cooperation agreement on the solidarity between the two countries and the peoples of Latin America, pledging to defend peace and policies for disarmament, detente, condemnation of the arms race, and cold war policies.

Cuba and East Germany sign a cooperation agreement to develop the Cuban electronics industry, including electronic calculation techniques and the manufacture of microelectronic elements.

## 27 February

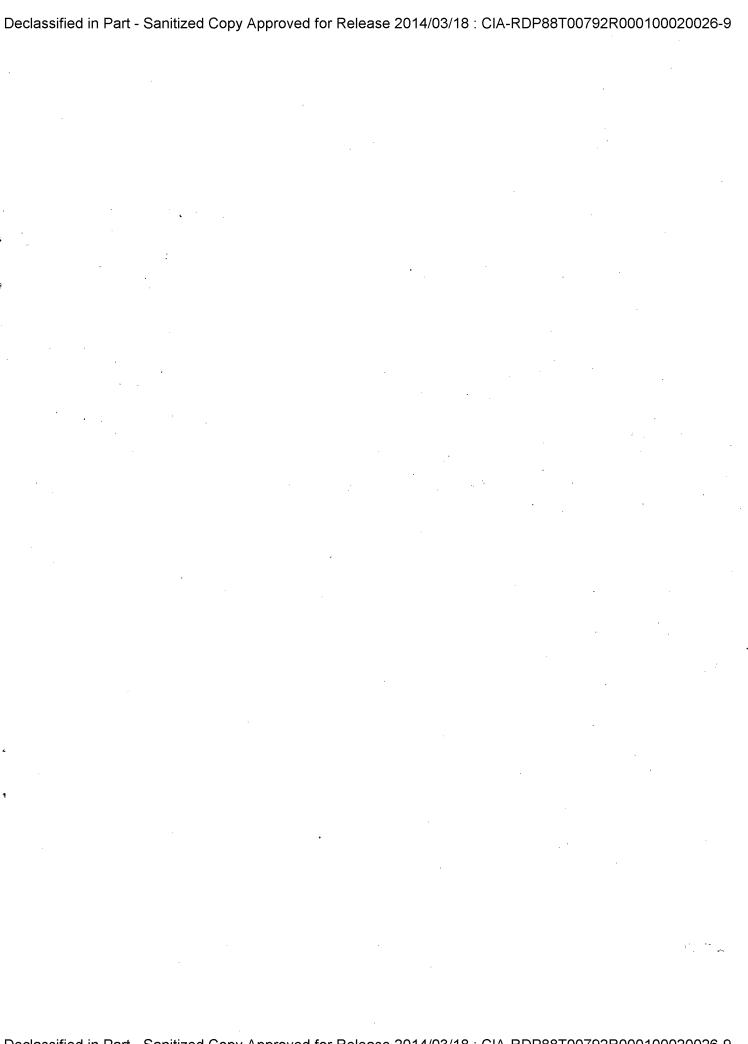
Foreign Minister Malmierca and his Cypriot counterpart, George Iacovou, sign a cooperation protocol laying the foundation for broadening trade and considering the exchange of 33 agricultural and industrial goods.

Havana Radio Reloj announces that the communications Ministry will establish greater demands and improve supervision over the quality of the scheduled maintenance programs of domestic and international service.

#### 28 February

Havana Radio Rebelde announces that Cuba has launched a coffee recovery program that includes the development of new areas and permanent incorporation of hundreds of agronomic engineers.

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