A year of some hope and much change

The revisionist view of 1984 is that it was simply a disguised 'en de coeur' against the
activities of 1948, and that one should now excise the 'orwellian vision of the future' from
our thinking.

It would be hard to argue that 1984 was the worst of years, as it turned out. A year full
of pain, icy tension in international relations, starvation death and decay, war and
famine, and hypocrisy at the highest levels. But that doesn't distinguish it from its
predecessors in the eighties.

But as the year drew to a close it was possible to see that maybe the world was turning
after all. Reagan's reelection campaign rhetoric may have convinced even him that he
should play peacemaker and budget balancer. The world's conscience was finally
pricked indeed by the horrific suffering of the children of Ethiopia and a belated but
massive relief operation seems to be underway. The world economy continues to
shudder and jitter, mostly forward, at least for those who aren't unemployed or whose
life isn't balanced on a daily knife edge in the Sahel.

It remains to be seen whether the new rhetoric of the industrialised economies about
levels of assistance in debt relief is sincere. The long-awaited superpower negotiations
have yet to prove they can achieve anything like a 'new detente' in substance. The
inactive shift in attitudes and, maybe even partners, in the Middle East may yet
evaporate in a haze of accosting rhetoric - again. The tragedy of another Vietnam may
yet curse the people of Central America ... and the United States.

But 1985 looks much better from the vantage point of the last of the year than this
Orwellian year did twelve months ago.

On a more partisan level, the view from Maritime House seems less clouded as well.
We relaunched our journal four years ago, hoping you would welcome the new start.
All we can say is thank you for the overwhelming support and assistance. Even the
somewhat sarcastic letters from those of you asked to repay a subscription several times
in succession were usually tempered by a drool sympathy.

This issue is largely devoted to the implications of the Reagan victory in the United
States. As has often been observed in the outcome of an American presidential election
is so important to the lives of the rest of us that we really should be given some say.

Failing that, we have been lucky to be able to draw together experts from a variety of
US institutions to explain what the decision of the elections will mean over the next four
years.

It was a dramatically successful period for the Socialist International as well. In
October, the organisation hit headlines everywhere with its continuing efforts to
ameliorate tensions in Central America and especially Nicaragua. Coverage of these
and other events appears in expanded SI News - with a new Documents section
In 1985, we will devote FOCUS sections to the world of disarmament, the new
environmental commission of gro Harlem Brundtland and the new growth and importation
of the Pacific Basin.

Thanks for all your help and guidance.

Best Wishes for a Successful Socialist '85

Robin V. Sears

Editor
and the Caribbean’, debated in three parts: the struggle for democracy, Central America and the debt crisis.

In its final resolution the Bureau hailed the significant advance towards democracy in the region, and said that was only through this drive that ‘the aspirations of a majority of the people will be realised’.

And on the threat that the debt burden represents for many of the region’s reborn democracies, the Bureau called for ‘the adoption of a number of just and viable measures ... in which both debtor and creditor nations shoulder responsibility’.

The Bureau also heard reports on the work of the Middle East Committee, on the mission of General Secretary Pentti Väänänen to Cyprus, on the progress of the Committee on Economic Policy in drafting its report for the next Bureau and on the successful conference on Southern Africa held in Arusha, Tanzania, in September.

Resolution, page 11

**SI Nicaragua representative reports**

The former defence minister of Norway, Thorvald Stoltenberg, an internationally known development and security expert, has just completed an extensive programme of visits to Nicaragua on behalf of the Socialist International.

Stoltenberg, a leading member of the Norwegian Labour Party, spent several weeks in the war-torn country, at different times throughout the period of the elections in Nicaragua.

His views on the controversial campaign contrast sharply with that of the Reagan administration.

Following meetings with representatives of all political forces and church, business and trade union leaders, and careful field observation of the process itself, Stoltenberg said that the campaign was fair and the outcome legitimate, given that it took place in circumstances of war, in a country which had never known a free election, and serious efforts to disrupt the process went unabated throughout. He called on the international community and the Reagan administration to now turn attention to resolving the conflicts in the region peacefully.

Stoltenberg had made a preliminary report to the meeting of the Presidium on the eve of the Rio Bureau meeting at the end of September following an initial visit, and an interim report to the President Willy Brandt in Bonn two days after the November 4 elections. Stoltenberg also conducted talks with US officials in Washington the following week, meeting with Central America policy makers at the White House and the National Security Council. He will make a final report to a closed session of the Socialist International Party Leaders Conference in Brussels in April 1985.

Following his briefing of Willy Brandt, Stoltenberg and Brandt issued an extensive commentary on the election outcome. *(The Report is reprinted in the Documents section, page 13.)*

**Brandt honours Indira Gandhi**

The following is the message sent by Willy Brandt in his capacity as president of the Socialist International to Rajiv Gandhi on November 1 on the occasion of the tragic death of Indira Gandhi. Brandt met for several hours with the late...
The hundreds of foreign visitors, local children, TV crews, and dogs clam­bered over each other, and the muddy ground, perched on the edge of a steep precipice, jostling throughout Brazil's largest and most gorgeous city. The favela, and its citizens, albeit less desperate and densely packed than most, gave an impression of determination, resilience and pride in the face of this invasion of media and politicians.

Governor Brizola was showing off his pet project, one of the several attempts to 'urbanise' the shanty towns, home to millions of Brazil's citizens, rather than tear them down. In a panorama behind the curious crowd swept the apartment towers of Ipanema beach and some of the most expensive real estate in the world.

The schizophrenic vision en­capsulated the dilemma of facing progressive Brazilian politicians after fourteen years of military rule – enormous wealth and great poverty and a growing chasm between. The favela ex­pedition was a fitting antidote to the isolation of thirteen hotel­bound days of meetings of the Bureau in Rio de Janeiro, highlighting starkly the challenges faced by the country's renascent democracy.

Governor Leonel Brizola and the Democratic Labour Party (PDT) were the gracious hosts, on October 1-2, of the largest meeting of the Bureau of the Socialist International ever held, as well as the biggest gathering of Latin American and Caribbean political parties ever convened.

The Bureau, chaired by President Willy Brandt, focused on the theme of 'Peace and Democracy in Latin America and the Caribbean'. It hit headlines around the world with the efforts made by the Socialist International to bring together forces opposing the Sandinista government of Nicaragua and the FSLN leadership.

The negotiations, ultimately unsuccessful, were a fascinating chapter in the history of Socialist International's work towards negotiated solutions in the region. Their conduct, and the reasons for the collapse in­evitably became the subject of much distorted speculation.

Some of the actual circum­stances surrounding the events are set out below. But it will no doubt be some years before the role played by others, not present in Rio during the discussions themselves, is placed in its proper perspective.

**List of participants**

**Socialist International**
- Willy Brandt
- Periti Väinänen
- Robin Sears
- Luis Ayala

**Brazil**
- Democratic Labour Party, PDT

**List of Participants**

Brazil
- Leonel Brizola
- Workers' Party, PT

**List of Participants**

Belgium
- Socialist Party, SP

**List of Participants**

El Salvador
- National Revolutionary Movement, MNR

**List of Participants**

Finland
- Social Democratic Party, SDP

**List of Participants**

France
- Socialist Party, PS

**List of Participants**

Germany
- Federal Republic

**List of Participants**

Italy
- Italian Socialist Party, PSI

**List of Participants**

Japan
- Democratic Social Party, DSP

**List of Participants**

Netherlands
- Labour Party, PvdA

**List of Participants**

Norway
- Norwegian Labour Party, DN

**List of Participants**

Paraguay
- Revolutionary Federalista Party, PRF

**List of Participants**

Ireland
- Labour Party

**List of Participants**

Israel
- Labour Party

**List of Participants**

United Kingdom
- Social Democratic Party, DSP

**List of Participants**

U.S.
- Democratic Party

**List of Participants**


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T he Bureau debated the main theme in three parts: The Struggle for Democracy, Central America, and the Debt Crisis. As the meeting was taking place in Brazil at an important turning point in the country's slow return to democracy, discussion opened with a report from each of the largest Brazilian political parties on the developing political situation in Latin America's economic powerhouse – the economy of Rio itself is larger than that of a majority of nations on the continent.

Governor Brizola, chairman of PDT, Ulysses Guimarães, chairman of the Party of the Brazilian Democratic Move­ment, PMDB, and Jaco Bittar for the Worker's Party of Brazil, PT, introduced the theme for the more than three hundred delegates.

There were some eighteen parties from the region invited to the Bureau in addition to the SI's eighteen member parties. Absent by the express inter­vention of the military govern-
ment were the presidential candidates from Uruguay. Alberto Zumarán, the National Party's candidate, had been stopped at the airport as he attempted to leave Montevideo for the meeting, and the other candidates had refused to travel in solidarity. This crude manoeuvre was the subject of a sharp protest by the meeting to the Uruguayan military authorities.

The Bureau received a report from Carlos Andrés Pérez, of Democratic Action, AD, Venezuela, on the mission to Uruguay in August, which also included former presidential candidate and leader of the Party of the Democratic Left, PID, Rodrigo Borja of Ecuador, and Luis Ayala, the Socialist International's secretary for the Latin America and the Caribbean. The mission delivered the clear message on behalf of the Socialist International that a return to fair and open democracy was urgent, Pérez reported. The Bureau adopted a programme of work for the period leading up to the next Congress in a number of areas, as well as an administrative budget for 1985. The unusually large gathering heard reports on the work of the Middle East Committee, and the mission of the General Secretary Pentti Vaananen to Cyprus, as well as the progress of the Committee on Economic Policy in drafting its comprehensive report for the next Bureau.

The Bureau heard a report of the successful conference on Southern Africa held in Arusha, Tanzania, on September 4-5, and endorsed the communiques agreed by that meeting. It also approved further work in the region to be carried out by the SI Southern Africa Committee. But it was the discussion of the social and economic crisis in Latin America which occupied the time and emotion of most speakers. President Willy Brandt in his opening address to the meeting said that it was clear that some international political leaders were neither willing nor able to comprehend the gravity of the debt crisis facing the world.

Singing out the inadequacy of the IMF and World Bank proposals in September, Brandt said...
'Some believe in the myth that one can treat this great common crisis ... country by country. The reality is that there is a global crisis and it threatens the future of countries and continents and the world's entire financial system'.

Leonel Brizola described how 'in the present Brazilian scenario, the transition to democracy is taking place during an international crisis of the capitalist system and during a national recession worsened by errors, distortions, complications, discriminations and injustices inflicted during our long darkness of despoticism and authoritarianism'.

José Francisco Pena Gómez, who as mayor of Santo Domingo in the Dominican Republic, as well as leader of the governing Dominican Revolutionary Party (PRD), experienced the massive civil disorders in his own city fomented by the country's desperate attempts to deal with its own debt crisis, opened that debate. He pointed out that 'For the payment of interest on, and in profits generated by, the debts alone, Latin America has transferred more than $30 billion in 1983. Interest on the debt -- and only the interest -- is absorbing more than 35 percent of Latin America's export earnings'.

Detailed reports on the progress to democracy in a number of countries were presented by several prominent Latin American political personalities including: Liber Seregni on Uruguay, Anselmo Sule on Chile and Euclides Acevedo on Paraguay.

Lionel Jospin of the French Socialist Party, PS, eloquently drew together the intertwined themes of debt, democracy and social change, observing that democracy can provide a more balanced model of development than authoritarian systems and that 'it was an accident that the industrial revolution in Western Europe happened at the same time as the conquest of democracy'.

The Bureau took place at a time of great tension in Central America, with the Nicaraguan election only weeks away, the Contadora process reaching a plateau, and the war in El Salvador having regained intensity. Although the discussion of the Central American conflicts presented little that was startling in the development of the Socialist International's views, the final resolution was exceedingly direct in its call for negotiated solutions.

El Salvador's president was exerted to make a genuine effort to launch real negotiations with the opposition forces in that country. (To this appeal, from the SI and others over several years, Duarte responded less than three weeks later at the United Nations General Assembly).

On Nicaragua, the resolution openly declared that 'the people of Nicaragua must be given the right to determine their own destiny in an atmosphere of peace and calm' and demanded 'an end to the hostilities launched from neighbouring countries'.

Nils Castro, international secretary of the Partido Revolucionario Demócratico of Panama, reported on the progress of the Contadora process. Jorge Arturo Reina, the leader of MOLIDER in Honduras, inveighed against the continuing americanisation of his country. And Mario Solórzano of the Democratic Socialist Party (PSD) described the distortions of Guatemala's recent elections'.

Bayardo Arce reported on behalf of the FSLN of Nicaragua, giving special attention to the electoral process then underway.

But it was the dramatic developments taking place several floors above the Bureau meeting hall on the subject of Nicaragua and its elections which captivated the attention of the more than two hundred journalists gathered for the meetings.

Although the now famous negotiations between Arce and Arturo Cruz, representing the ill-fated Coordinadora Democrática, were not any formal part of the Bureau's proceedings, the talks inevitably received a great deal of whispered attention nevertheless. Theconciliation efforts, a continuation of a process launched some weeks previously by the Colombian president Belisario Betancur, attempted to create the conditions which would permit the Coordinadora to give up its opposition to the elections and register its candidates.

The discussions chaired by Carlos Andrés Pérez, AD, Venezuela and Hans-Jürgen Wischniewski, SPD, Germany, took place over two days. Although they were detailed and positive until the final hours, it was always clear to the participants that agreement in the end would be difficult. The absence of trust between the parties, built up over several months of verbal sparring, combined with the need to ensure the agreement of others not present at the table, particularly in the case of the Coordinadora, imposed further difficulties on the fragile process.

The discussions came tantalisingly close to agreement, based on a highly specific set of guarantees for the conduct of the elections drafted by all those involved. At the eleventh hour, agreement slipped out of the grasp of the negotiators for reasons which are still a matter of conjecture.

Although efforts have been made to name the FSLN as being uniquely responsible for the collapse, it is clear that the history of the Coordinadora's relations with the Sandinistas, the tensions and lack of faith on both sides about the ability or willingness of the other to carry out commitments made and the absence of any third party with the ability to ensure observance all contributed to the collapse.

And although it was outside the frame of reference of the discussions, the continuing hostilities against the people of Nicaragua by the US-backed 'contras' cast a shadow over the discussions. Cruz said that he was unable to make any commitments on behalf of the 'contras', but offered to make a public appeal for a ceasefire to them. Arce wondered aloud later what point there was in an agreement, if Cruz 'appeal' had in the end no effect on the continuing death and destruction being inflicted on Nicaragua.

The discussion process was not a complete failure however, since it opened the door for more face-to-face dialogue, an opportunity which had been non-existent throughout 1984. 'A national dialogue', hopefully to include the parties which participated in the elections, as well as those which did not, was launched following the Rio negotiations and is planned to continue in 1985.

In its final resolution the Bureau hailed the significant advances towards democracy in the region, and said that it was only through this drive 'that the aspirations of a majority of the people in the various nations will be realised'. And on the threat that the debt burden represents for many of the region's reborn democracies the Bureau called for 'the adoption of a number of just and viable measures ... in which both debtor and creditor nations should bear responsibility'.

(The resolution is reprinted in full on page 11.)

The Bureau ended with a commitment by many of the participants to continue and expand the SI's work in the region, and to help mobilise support for Brazilian democracy. The next meeting of the Bureau will take place in Bommersvik, Sweden, on June 18-19, 1985.
debtor countries. It threatens their economic, social and political stability, challenging the democratic governments of the region, while at the same time endangering the stability of the international monetary system and the world economic recovery. At the same time, the lack of understanding displayed by many governments, financial institutions and multilateral organisations with regard to the urgency and range of the crisis affecting the world economy is a threat to the peoples of creditor and debtor nations alike. The prerequisite for world economic recovery is the revival of the economies of the industrialised countries, but this will be insufficient unless accompanied by economic growth in the developing countries.

Therefore, the utilisation of part of the resources of these developing countries currently devoted to servicing the debt, and the channeling of capital flows with appropriate conditions, would permit the economic development of these countries.

Equally, the abolition of protectionist barriers would establish better conditions in international markets for the products of developing countries and would establish favourable conditions for international trade.

The Socialist International notes positively the points of the Cartagena agreement and of the recent meeting in Mar del Plata of the ministers of foreign relations and finance. As called for by the Mar del Plata agreement, it is important that high-level governmental meetings take place between debtors and creditors in 1985, in an effort to find adequate and permanent solutions to the problems of foreign debts as a whole within the spirit of the Cartagena agreement.

In order to achieve a solution to this serious problem, there must be a balance of action and sacrifice establishing the joint responsibility of creditors and debtors.

The Socialist International will therefore establish a committee to consider the specific as well as the general solutions essential for a dialogue between governments.

This committee is to report its recommendations and conclusions to the party leaders’ conference to be held in Brussels on April 17-18, 1985.

Millions of people today die of starvation. Many millions more cannot lead a fulfilled life because they are terrorised of a present threat of war.

The link between the mounting arms race and starvation and underdevelopment is well known. The representatives of the military blocs, and especially of the two superpowers, seem unable, even unwilling, to begin serious negotiations.

In the conviction that the arms race does not enhance anyone’s security but leads to greater insecurity and increases the threat of war, and that humanity should use its resources to combat hunger rather than in preparation for war, we appeal to the superpowers to commence purposeful negotiations on both nuclear and conventional disarmament.

The public commitment of the newly elected administration in the United States to efforts toward early meetings at a high level between the superpowers provides an important new opportunity.

This, combined with the expressed willingness of the Soviet Union to participate in serious negotiations, makes it urgent that in 1985 there be decisive talks. Humanity cannot afford another lost year like 1984.

This is a crucial moment in human history. New arms systems are on the verge of development, famine threatens millions, just as arms expenditure has reached dangerous new levels. All members of the international community must make every effort to launch negotiations.

Therefore, in behalf of the Socialist International, the Socialist International Disarmament Advisory Council (SIDAC) intends to make direct contact with the superpowers to deliver once more our urgent appeal.

A failure in negotiations would inevitably lead to frustration and alienation around the world, and especially among the young.

A failure to resume serious negotiations would also contribute to further regional instability in the Third World, as it has in the past. We believe it is in the interest of every country and every organisation which brings together groups of countries, such as the Non-Aligned Movement, to make every effort to ensure that productive disarmament negotiations are launched urgently.

The future of humanity is at stake. The choice is between armament, and hence a growing danger of armed conflict, or a reduction in armament and the use of our resources for peace and human development, for a future free of hunger and fear.

### Report of the visit to eleven Latin American countries by President Willy Brandt and General Secretary Pentti Väänänen, September 28-October 19, 1984.

From September 28 to October 19, 1984, President Willy Brandt and General Secretary Pentti Väänänen visited eleven Latin American countries. They were accompanied by Klaus Lindenberg and Gerhard Thiebach, advisers to the president, and met heads of state, governors, cabinet ministers, leaders of different parties, representatives of the Catholic Church, trade union leaders and other personalities.

The main purpose of the trip, which followed the Rio Bureau meeting on October 1-2, was to gather more detailed information on the political situation in general and, more specifically, on the processes of democratisation in South America; the impact of the debt crisis on the different countries; and the outlook for peaceful solutions to the conflicts in Central America.

Talks were therefore held with SI member and consultative parties and many other political forces.

Advances towards democratisation were clearly visible in all countries of South America, although in different degrees. The democratic renewal in Argentina is a sign of great hope. Brazil is determinedly advancing in the transition process towards democracy. In Uruguay a process of political liberalisation has begun. In Chile, where the restoration of democracy is inevitable, the leaders of the Democratic Alliance (AD) met Willy Brandt and Pentti Väänänen at the airport. In Peru, for the first time in many years there might be a democratic transfer of power: APRA, a consultative member party of the SI, has a real chance to assume governmental responsibilities for the first time in its history.

Progress towards democratisation is threatened, however, by economic difficulties, especially by the external debt burden. Although there are differences from one country to another, the overall Latin American external debt of 350 billion US dollars absorbs over 50 percent of the region’s average annual export earnings. Debt-service payments are much too high and the most heavily indebted countries must be assisted in their efforts to reduce their burden.

In this context four main proposals for a short-term action were discussed. For the countries least able to bear these burdens there should be a moratorium on all debt-service payments. Interest rates should be reduced and should not be allowed to exceed a specific level (‘a cap’ on interest rates), and the debt-service ratio (the share of export earnings used for interest and amortisation) should not exceed the level of 20-25 percent, traditionally considered to be the maximum sustainable. Finally, it should be agreed that adjustment programmes must not include conditions which would reduce the minimum standard of living below acceptable levels.

Agreement on these principles, called for in the resolution of the SI Bureau meeting in Rio de Janeiro, would require an understanding between governments on a political rather than on a technical level. This is in line with the proposals formulated by eleven Latin American governments at the Mar del Plata meeting in September.

Apart from these immediate measures, it was generally accepted that a fundamental reform of the international financial, monetary and trade system is necessary.

The conflict in Central America and the outlook for peaceful solutions took some dramatic turns during the three-week visit. The Contadora process entered into a decisive phase when Nicaragua became the first country to accept the treaty proposals. This in turn led to a change in the position of other Central American countries as well as that of the USA. Still at issue is the question of ‘verification and control’ which some consider to be a matter of substance, but which others see as only a question of implementation of the proposed revised Contadora Act. Cuba has indicated that it is ready to comply with the Contadora propositions.

On the occasion of the SI Bureau meeting in Rio, serious talks were held under the aegis of the Socialist International between representatives of the Sandinista Front (FSLN) and the Democratic Coordinating Committee, in which Carlos Andrés Pérez, an SI vice-president, and Hans-Jürgen Wischnewski, vice-chair of the Social Democratic Party of Germany, were involved. These talks offered a chance for wider participation in the electoral process in Nicaragua. In the event, no formal agreement was reached because of procedural problems. At this point Willy Brandt appealed to both parties involved to make every effort to reconcile their positions. He did not, however, see himself as a mediator.

In Managua, Bracht and Väänänen met the leadership of the FSLN and with different representatives of the political oppositions as well as the leadership of the Catholic Church. It was apparent that the national dialogue which had been