

REPORT OF THE NICARAGUA SOLIDARITY CAMPAIGN ACTION GROUP

TRADE UNION DELEGATION To NICARAGUA

13 to 24 NOVEMBER 2004

compiled by **Bernard Roome**
(CWU member of the delegation)

The report is written in the form of a diary to ensure that credit is given to all the time and effort the people we met put into ensuring that we were welcomed and supported in finding out what life is like for working people in Nicaragua. I would particularly like to thank Paul Hernandez Baker, who works for the NSC in Nicaragua, along with Domingo Perez the General Secretary of UNE for helping to ensure the success of our visit.

Saturday 13 November

Travelled from Gatwick to Nicaragua arriving in Managua at 19.00 local time met by NSC worker in Nicaragua Paul Baker Hernandez who transported the delegation that consisted of 3 members of UNISON, 1 from the RMT and me. Transport for the most of the trip was the back of Paul's pickup truck.

Sunday 14 November 0900

Visit to the headquarters of the Frente Nacional de Trabajadoras (FNT) Sandinista equivalent of the TUC at the Casa de Los Mejia Godoy, which was originally built by Samoja as a club, but had belonged to the unions since 1980.

Meeting with the General Secretary, Domingo Perez, of the National Public Service Union (UNE), who is also an executive member of the Frente Sandinista de Liberacion Nacional (FSLN) along with Andreas¹, the General Secretary of the Women's (FNT) and Ismael Ramirez the FNT International Officer.

Domingo brought us up to date with the general issues with regard to the development of unions within Nicaragua. He said that we would have the opportunity to meet many of the Unions in Nicaragua and would be meeting the newest public sector union on Friday, which would include a visit to the Managua rubbish site.

He then went on to highlight the main aspects of Nicaragua a small country of 130,000 square kilometres, around the size of England & Wales, with a total population of 5.5m of which 2.1m are economically active. 56% of the population are women and 55% are less than 20yrs. There are around 80% (4.4m) of the population living below the poverty line and of this 40% are classed as living in dire poverty.

The primary product that is exported is migrant labour, which provides \$6m income per year and if expatriates sending money home is included this rises to \$1b. This is being used to keep the country passive and damp down social movements. They have a neo-liberal government who rather than concern themselves with health, education and productivity, have a President who is more concerned with protocol and foreign visits than addressing the problems of Nicaragua. The government's so-called social and economic reality places the people in a precarious position.

¹ Throughout the report due to the need to concentrate on translation it was not possible to take down all the names of the people we met

The Trade Union Movement is setting out to change the position, seven days before our visit in the municipal elections the FSLN won a majority of the councils including Managua. Out of 153 municipalities the Frente won 92, a 79% increase from the previous elections.² Almost all the regional governments fell to the Sandinistas. With the national elections due in 2006 there was a need to ensure that the right remained divided which would be difficult with the re-election of Bush as in all of Latin America the USA policy was to unify the right³

The FSLN was to carry on building its organisational strength, though even if they are successful in the Presidential elections many of the trade union leaders are concerned that business interests are controlling the party. Many of the present FSLN deputies will be looking to their own advantage because if there is a permanent revolution they will have difficulty progressing their business so many would prefer to be in opposition. Many of them are happy with the status quo because if they came to power they would have to try and deal with the level of poverty with very few resources.

Although no decision has yet been made the Major of Managua may be put forward as an alternative FSLN Presidential candidate to Daniel Ortega who still has influence within the people of poverty, but is seen by many as the person who gave the people rationing and war for nearly a decade⁴. It was hoped that due to adverse publicity that Daniel would decline the nomination but he decided to stand, there are many other competent people within the party.

The FSLN has managed to get a law introduced that would mean that 4% of the national budget would be given to the municipalities in 2004, which would rise to 5% in 2005 and would allow the FSLN mayors some opportunity to improve conditions. The top 10 most efficient municipalities are all FSLN controlled. People in Nicaragua can vote at 16, but are not allowed to work in the public sector until they are 18. The unions are working to strengthen their youth sections and are organising events to attract young people. They had 75 young people at a youth school at the end of October and were considering other initiatives including providing university scholarships. Also in trying to improve youth employment prospects the whole congress priority was to strengthen the youth structure, in the last elections the observers were made up of 65% young FSLN members. The law requires people to be members of a registered political party to be able to stand in elections. It is the Government who decides which political parties can be registered.

The average educational achievement in Nicaragua is the 3rd year of primary school the level of illiteracy is 40% close to the level before the revolution, when it was 52% but was lowered to 12% through the literacy campaigns⁵. This year 1m children of school age are not in school, in Costa Rica the average child attains 9th grade and therefore the standard of living is higher, it is imperative that education is given a priority as it is vital for the future for the country.

The process of unionisation in Nicaragua is based on two distinct eras, the first between 1930-79 and the second between 1979-2004; the turning point was the destruction of the Samoza dynasty in 1979. The two different epochs are characterised by the different ways of organising which is still in place in the Permanent Council of Workers, which includes all the unions that developed up to 1979, these were primarily influenced by European socialist and communist parties and played a significant role in the development of unions in Nicaragua. They managed to get collective bargaining to be part of the civil code and in 1945 the first Labour Code was passed and under that code labour rights were given the same standing as human rights, this established rights both for workers and employers. In 1952 the first Social Security Law was passed.

There was a tremendous struggle amongst factory and construction workers, during the period of military dictatorship, the most brutal and repressive in Latin America, a region even more brutal than Pinochet. This government while killing many trade unionists during the 40's and 50's, was also buying off some of the trade union leaders. From the early 50's the trade unions became more and more in league with the

² Throughout our visit it was clear how important the election victory was to all the unions and social society organisations believing they would give the opportunity to gain reforms within local authorities and could lead the way to a FSLN victory in the 2006 Presidential Elections

³ At present there is a so-called Liberal Party in government, the former conservative President Aleman had been imprisoned for a series of offences. During our stay, Dan Fisk, Assistant Deputy Secretary of State visited Nicaragua telling the government they should forget about Aleman and concentrate on uniting the right otherwise the FSLN could win the next national election. Two days later it was announced that Aleman was to be released and all charges dropped.

⁴ This refers to the Contra war between 1981-90 funding by the USA, which led to a total of 300,000 deaths. In 1986 the world court ruled that the US war against Nicaragua was in violation of international law, but the US refused to accept the jurisdiction or pay for the £12 billion worth of damage to the country's infrastructure.

⁵ After the revolution in 1980 teachers and students volunteered to become part of literacy brigades who toured the countryside almost eradicating illiteracy, this is despite many of them being killed by Contra terrorists

employers. The employers bought off the main unions and there were around 200 unions nationally⁶. The unions that were formed in the 30's now support the right wing government

After the destruction of the dictatorship new opportunities arose, young people and women were in the forefront and new unions were organised, growing from 200 to 2200, in every factory and hospital there was a union affiliated to the National Workers Front (FNT), which was called the Fundamental Forces during the revolution. National trade union bodies were formed out of the revolution including those representing health workers, teachers and general workers.

They were so involved in defending the revolution that when the election was lost in 1990 the union movement could have destroyed the government and UNE organised the largest ever strike, which in itself could have seriously destabilised the government.⁷

The new governments rolled back all of the social gains of the revolution, for example at the time of the revolution there 280,000 public sector workers there are now only 80,000 which reflects cuts in health and education. After the revolution the professional unions left the alliance, but the university teachers joined and informal sector union was formed. The FNT was formed on 15 April 1990 and represents 285,000 workers. The block of unions are a significant influence in the National Assembly as there are union leaders who are also Deputies.

The new unions lobby for the introduction of progressive laws, for example they promoted the law that gives money to the municipalities, which means that that 485 m Cordoba's (\$30m) were transferred to local government. In the year before only 80m Cordoba's (\$5M) were transferred and that was at the discretion of the national government. Another new law that the unions have promoted is to allow for city council career structure that ensures that the majority of local government employees are not political appointees. At present whenever a new mayor is elected all the staff would change⁸, causing major problems with maintaining skilled workers and experience which has a huge budgetary consideration with costly training every time the mayor changes. The new law gives the potential to have a professional administration.

During the negotiations there has been unity with the PCT, including campaigning around the minimum wage, none of the unions signed for the minimum wage put forward by the government as it wasn't high enough, the government then fell foul of the WTO by failing to introduce a minimum wage. The unions are mounting a legal challenge and are working together on a new job security law and forums are taking place with the object of strengthening links. Both union bodies supported a recent construction workers strike.

The Unions are the main bodies that are challenging corruption in the government; the UK government is supporting the Bolaños's neo-liberal policies, which is one of the reasons why the trade unions are having difficulty in organising.

It was requested that twinning took place between unions and the UK, similar to those between UNE & UNISON to allow for an exchange of ideas and to support the Nicaraguan unions in their continual struggle to organise workers in an extremely hostile environment.

Sunday 14 November pm

Went on cultural tour of Managua visiting the National Palace and the Palace built by Aleman, despite massive damage by an earthquake and including his own personal escalator. We also saw the old cathedral, which was destroyed by a massive earthquake in 1972. We then visited the monument to Sandino, in the form of a huge silhouette that is built on a hill overlooking the city; Samozá's Palace was also on the same hill and was used as a prison where political opponents were tortured.

Monday 15 November am

RESEARCH INSTITUTE Meeting with Carlos Pacheco the Executive Director to discuss the Central American Free Trade Agreement (CAFTA). The role of the institute was to try and demystify topics for normal people, by running workshops on the global process

New mechanisms were put in place in Nicaragua at the end of the cold war that are being used by Transnational corporations to control the national economy. Development since then has been by promoting the idea that the free market economy is the answer to all problems. In reality free market economic measures connected to monetary controls along with the proposed new free trade agreement increases the Transnationals to control the national resources. The first North American Free Trade Agreement (NAFTA) came into effect in 1994, in Mexico conditions have not improved, they have not become part of the first

⁶ Due to the law in Nicaragua in most cases each different workplace is seen as a different, therefore they are not all national unions, many being more in line with our branch structures

⁷ In the end they honoured the democratic decision

⁸ With the major success of the FSLN, it will be next Jan when they take over the mayors positions when the new law is enacted and they have committed to keeping all existing staff

world and the living standards of the people have not, as promised, improved. There was supposed to be more external investment and with greater investment Mexico would have access to new technology, none of these promises have come to fruition and in fact poverty as any growth in wealth has been kept within a tiny proportion of the population. This growth is due to two factors - the Free Trade Zones and growth in the financial sector via speculation. The agricultural sector is in extreme crisis because they cannot compete with large USA agro companies, which receive massive subsidies. The corn industry has almost disappeared.

The USA government is using the NAFTA model to expand its influence to Central America to such a degree that they are now proposing a free trade agreement, which would cover the whole of America. The USA is developing a defence for its traditional markets in Latin America and to ensure a continuing supply of cheap resources. Development in China is speeding up this process. The USA has a negative trade balance and wish to trade this off against a positive balance in Latin America, although the USA is having difficulty in enforcing the agreement, because Argentina and Brazil have opposed it and now Venezuela has joined the opposition. Brazil and Venezuela are trying to organise an alternative trading system. There are not just economic but political differences, the USA is trying to sustain hegemony in the area while at the same time trying to strengthen the power of the transnationals both economically and politically. The USA wishes to control the bio-diversity of the South, especially resources for the bio-tech industries and also the fresh water supplies - at the frontiers of Brazil, Paraguay and Venezuela is one of the largest underground water supplies in the world. The USA also wants to control the oil reserves in Venezuela. Columbia has the largest reserves of oil in Latin America hence the military control of Columbia.

The USA has not been able to force through CAFTA as fast as they wanted, they have changed tactics from multilateral to bi-lateral agreements in the case of Central America. The USA perspective before 9/11 peddled CAFTA as a way out of poverty, the focus now is as a weapon in the struggle against terrorism. They have a monolithic view of free trade, and any kind of resistance is being seen as terrorism, in fact there is a criminalisation of resistance groups. No coincidence the USA commander of the south troops, General Hill, is now saying that radical populists are putting in danger the economic future of the south and therefore threatening the future of the USA. The US Defence Secretary recently visited Nicaragua, Panama, Brazil and Mexico prior to a meeting of defence minister, which is to take place in Ecuador lobbying for support for the US position for one reciprocal agreement within Latin America and another for the whole of the Americas. They want defence bodies to be reformed in line with free trade agreements; the US is saying that the changes are needed to update treaties in light of terrorist threats.

An alternative position is being put forward by Brazil, Argentina, Venezuela and Chile that states that economic, political and social defence cannot exist without social justice or without the redistribution of wealth.

CAFTA is an agreement without asymmetry between one country and another most with less than 1% of the economy of the US, there is no strategic economic influence, and the main reason for the agreement is to gain political control of the region. In May 2002 the US Trade Secretary said that continuing trade with the USA was a privilege and not a right, and that with privileges come duties. These duties are to support US foreign policy, anti-terrorist policy and to support the US on its position with regard to the World Criminal Court. In May 2002 Central America was in the process of negotiating CAFTA, and the only countries to send troops to Iraq were from Nicaragua, Dominican Republic & El Salvador.

Although the USA says that Nicaragua will gain from the treaty, article 10.9 states that whilst companies are obliged to extend process technology to Nicaragua, they are not obliged to use local resources or invest in the local economy. The state cannot force any regulations on the companies, as this would militate against competitiveness and therefore affect companies' future profits which would allow them to take a legal claim against any government that it wishes.

Within the treaty dangerous precedents will be set, governments will take action against companies over environmental or labour conditions and as the treaty is binding only on countries, no multinational company will be tied by it. National laws will have to go to international bodies for agreement and this is against Nicaraguan Law. There is no oversight by civil society in the countries. The treaty also violates 17 articles of the Nicaraguan constitution. It is now ready for ratification by the Presidents of all the Central American countries.

It will also seriously affect Nicaragua's self sufficiency as local producers cannot compete against the massive subsidies given to US producers. Although Nicaragua is being given the opportunity to export peanuts to the US, they will get a quota of 10,000 metric tons; they are only grown in one region with just 120 producers. It is a very technical form of mechanised production and therefore will not produce many jobs, and with only two companies exporting peanuts this great success will provide very little benefit. In contrast Nicaragua is being given a quota of 22,000 metric tons of sugar despite producing 340,000 tons per year, their quota equates to 6% of total production. The wealthiest Nicaraguan family, Pelias, has a processing plant, which will get the majority of this quota. The US also allows Nicaraguan rum to be sold in the US, although this isn't surprising as the same family has a monopoly in rum production, this family is also involved in three of the Free Trade Zones.

The family producers of rice will not be able to compete and 50,000 workers employed in rice production will lose their jobs, owing to subsidised rice from the US where 80% of costs are covered by subsidies. Another 75,000 workers working on bean production, 75,000 in corn and 5,000 in saw gum jobs will also be at risk. In theory a large proportion of these workers could find employment in the FTZ's but Nicaragua will absolutely lose the ability to be self-sufficient and therefore be open to pressure from price rises.

There has also been major corruption involved in the treaty, the President of the largest Nicaraguan Finance group UNO was nominated to the negotiating committee by the President and the largest investor in the company has a brother in the pro-government party in parliament.

The President of Group BANFRO's brother was the minister who negotiated the Free Trade Zone Agreement. Group BANFRO also has investments in the FTZ's, pension funds and also has the franchise on Pricemark and Payless shoes. This agreement will benefit the group by lowering if not completely removing their liability to pay tax. Group LAFISE owns Banc Centro and the head of the group is the secretary of the President who was at one time CEO of Group LAFISE.

CAFTA will in no way solve the poverty and unemployment in Nicaragua.

MONDAY 15 November pm

Meeting with the Network for the Defence of Consumers who are leading the anti- privatisation campaign.

The Network is made up of a group of individuals who were concerned about what was happening to the impoverished people; the team is made up of a training officer, two lawyers and a technical organiser in Managua, the Network replicated the same organisation throughout the country. There is also a strategic planning and publicity team. They give individual advice and also organise public events, which are normally better supported outside of Managua

Funding comes from a Norwegian NGO this year, which provides for basics plus salaries for the 5 paid staff, the rest of the funds come from personal donations.

After the revolution most of the utilities passed back into the control of the state when the neo-liberal government was elected the re-privatisation of the utilities was again raised at the behest of the IMF. It was not until 1 January 1997 that privatisation actually started to take place.

ELECTRICITY

Electricity lines and poles were privatised with the generators staying within public control, in October 2000 (55 of the generators were sold to PENOSA a Spanish company. The Government consulted with an outside body, but unfortunately it was the one that bought the company.)

After privatisation electricity prices went up from 20 Cordoba's a month to \$200 so people were formally cut off and have not paid bills for the last 6 years. The Electricity Company is now to provide meters to ensure an income

43% of the population live in poverty of which 17% live in extreme poverty; only 40% live in acceptable conditions. In reality this means 3m people are living without the basic needs of life. Of a population of 5.5m, of the 54% that live in cities 60% have electricity and for the rest who live in rural areas the level is 40%

In 1994 the provision of mobile phones was sold to Bell South, in 2001 9% of the A band was sold to Megatel corporation and in December 2003 49% to American Mobile, and they also sold the B band. In June 2004 Telcor State Telephone Company authorised America Mobile to buy Megatel, which gave them 98% ownership.

The fixed line telephone system, which is still a monopoly, is owned by INETEL a Mexican company.

In education both primary and secondary 50% is privatised, and 55% of teachers work in the autonomous sector.

Although health is still under state control, in practice there is privatisation due to the separation of Social Security from health, which has allowed private clinics to be built for those with private insurance.

Under the FRENTE government all transport was nationalised, now back under the control of private groupings, some are co-operatives and some family run businesses. There are 6000 buses of which 3000 operate in towns. The service is good, but the bad condition of buses causes many accidents⁹

⁹ Most of the buses used in Nicaragua are former US school buses, which is ironic when there do not seem to be any for Nicaraguan children

The government promised that privatisation would bring better services through investment and wider supply with cheaper prices. The Government has been unable to form any sort of regulatory control or have visibility of the markets. They have totally failed to ensure privatisation benefited the people.

WATER

ENCAL, the Water Company, has two functions - the production of drinking water and the distribution. They are now saying they want to privatise distribution; the extraction will still be in state hands. Although the proposals for privatisation at present only affect the provision of tap water, there is a chance that rivers and lakes will also be privatised.

The IMF & World Bank say there are 3 ways of privatisation, one; the complete sale to a private corporation, two; several long term concessions to take over supply and the income and three, their preferred option in Nicaragua, to contract out the administration of water for an admin fee.

In 2002 there was an attempt to privatise ENCAL, via the Internet, but thanks to a campaign by the Network for the Defence of Consumers the attempt was defeated. National Assembly Law 440 passed as a consequence suspends any kind of concessions with regard to water. The network has set out a new water bill, which is before the assembly. This proposed law is based on the concept that water is a human right. In Sept 2004 the water company tried to start privatisation by forming a consultancy based on the need to modernise water and sewage. The bidding process should have started in October, but due to lobbying of the assembly it was blocked. There are nine companies in the bidding centre including Aqua Barcelona.

At present there are two laws being debated in the assembly, the one being promoted by the network and one by the Government. The Environmental Committee are at present in the process of carrying out a national consultation to assess which law the people would prefer, they are not likely to approve a new law before the end of the year. The Government has been running down investment in the water company to set it up for privatisation. International finance houses are putting pressure on the Government to privatise, to overcome this, the IMF have stated that full privatisation would be via privatisation.

The unionised workers have accepted the inevitability of privatisation, they are afraid that they will lose their jobs and if they organise resistance they will be locked out. It is very difficult for the unions to oppose privatisation owing to the massive levels of unemployment.

There are double standards in the Assembly, while public figures publicly condemn privatisation, they are at the same time accepting pay offs, and there also seems to have been a deal between Aleman and Ortega. In addition the promised fight by the current President within the Assembly against the present Governments corruption has failed to materialise and people are disillusioned with the process and politics.

At present it is difficult to organise radical action, as there is no link between the consumers and the unions, although the Network is at present giving legal support to the new construction workers union that are opposing privatisation. Currently their main task is trying to build solidarity action and to awaken the union movement. Every day the cost of living goes up, almost every day bus fares go up, as does the cost of power and telecommunications.

The majority of people who take part in demonstrations are women.

TUESDAY 16 November am

Visit to Head Office of ANDEN the Teachers Union.

Welcomed by Jose Angel Zepeda the General Secretary of the Union confederation of 19 affiliates, with a total of 15000 members in 120 branches covering both primary and secondary education. About 50% of teachers are in the Union, although there is an investigation into the actual number of teachers employed as the Government is exaggerating the number of teachers. The investigation has already been completed in Esteli where it has been found there are only 2000 teachers against an official Government figure of 2800. Therefore the actual percentage membership is much higher.

The Unions Head office was given to ANDEN during the war and is sustained by the profits from a café and a bus that is hired out to local groups, the fact that unions do not have to pay taxes also helps.

In the 1995 census 800,00 people were recorded as being outside the school system, that figure has increased to around 1m today.

Officially class sizes are 1 teacher per 50 pupils, but in effect although classes are built to hold a maximum of 40, there are 70-80 children in a class. Schools have been closed due to a lack of pupils, although young

people still live in the villages. The Government manipulates the figures to try and give a good impression, this is despite the fact that it was reported at a recent UNESCO conference in Brazil that Nicaragua had the second worst schools in Latin America.

With the introduction of CAFTA resources will be harder to come by and along with agreements with Europe what chance will an illiterate workforce have to compete, it is therefore vital that they move up the skills ladder.

In 1991 primary school teachers earned C411 (\$82) month, against \$120 the official basic living wage to maintain a family of six, now in 2004 they earn C1140 (\$70) against a basic living wage of \$220, secondary teachers earn about \$110 more.

These are Government figures and the unions believe that a basic minimum wage is the only wage to deal with the problem of poverty wages. The unions believe that to be able to provide the basic living needs it would require a minimum wage of around \$300 per month. The present minimum level was based on the war years so does not really take account of the real decency level, this basic survival wage does not include rent or power. The present situation seriously affects the quality of education.

The average salary in Central America is \$330 per month; only Haiti has a lower standard of living. In Honduras a teacher receives a salary on graduation of \$220 and therefore can afford to take holidays in Nicaragua. In Costa Rica, which is supported by the USA, Nicaraguan teachers supply 45% of household help. During Oct, Nov & Dec teachers go to work in Costa Rica for the XMAS business period, this has a direct impact on the education of Nicaraguan children as classes end in Nov. Classes do not start again until Feb so those teachers can earn enough money to teach for rest of the year.

ANDEN highlighted the need for support for Nicaragua, in the last 14 years life had been difficult not just for unions but for all the people, there are now possibilities for change with the election of the Frente.

There was now a clear opportunity for the Frente by focusing on citizen participation, this is particularly important if there is another Frente Government when both the World Bank and the IMF would pull out. They must prioritise the strengthening of their local bases with options comes strength. Even in the Frente there is substantial business influence which has to be matched. ANDEN is to have relationships of a horizontal nature with the Frente, but to have no formal links with the party and to do work on their own. Have been campaigning to change the make up of the party by encouraging more working people to have the confidence to stand for election to the Assembly. One of the wives of the leaders of the union is working in Costa Rica as a domestic help

The FNT now organise local committees to gain influence in formulating Frente programs, to assist in gaining local influence ANDEN has members who are local councillors, with some being mayors. It is hoped that these positions will help in advancing members working conditions.

Since 1996 the union has concentrated in working in large towns to strengthen influence and in organising training for members of other FNT Unions.

ANDEN are part of the committee to celebrate the 25th anniversary of the literacy Campaign. The committee is intending bringing back together all the organisations that were part of the original campaign, and all but one of the old members are now involved. They intend that the celebration will take the form of action by work to renew the campaign against illiteracy. They are hoping to use unemployed professionals to form brigades so that they can pass on their skills. Resources are key, but they are determined that it will not just be a solemn celebration but a period of concrete action. They are also hoping to reform links with the NUT.

ANDEN have also put forward proposals for a literacy campaign within the FNT membership, so workers better understand their rights. There are more than 1m illiterate people in Nicaragua. There is a tremendous potential to use teachers and students to improve illiteracy, not by formal education but by specific education projects.

It will be a political as well as educational campaign, there will be demonstrations and other mass events as part of the celebration, a small part of the north of the country has been declared an illiteracy free zone. The Government has not yet accepted the declaration and the local people were reading in newspapers that the Government still believed they were illiterate!

The main aim of the campaign is to rescue people from the claws of illiteracy, and there is now a much better chance of success due the success of the FSLN in the recent local elections. There will be an ongoing campaign during the next two years of the new mayors term of office and if there is a change of government in 2006 it is hoped that the campaign will be carried on into the future. During the recent local elections there was a debate as to whether or not candidates' photos would be included on ballot papers, if they had been removed illiterate people would not have known who to vote for.

TUESDAY 16 November 16 pm

Visited Nicaragua Solidarity Campaign office, and then on to Paul's house in one of the poorest barrios. An American woman, Justine Hanson, who was doing research into investment in Nicaragua, joined us. With the lowest labour costs in Central America, which was being used by the US to provide their market with cheap goods, it is also being promoted as an offshoring base. Along with the introduction of FTZ's, where pay rates are as little as 40 US cents per hour, tax breaks are making it increasingly easier for outside companies to do business. Nicaragua now has to compete with China and therefore the Government believes there is a need to maintain a low wage economy

Visit to a medical centre that supports at least 20,00 people in the local barrio and those in the surrounding area. It provides free examinations but because drugs are paid for - some antibiotics are sold by the tablet - most people do not bother attending. At present the clinic is running a campaign to try and get mothers to use breast milk for the first six months of their babies life.

Visited a local school where part of the roof is falling in and the toilets desperately need replacing, and the playground for the nursery is in a very poor state. A brigade from the US replaced one of the roofs. The school is autonomous and although teachers are paid by the state everything else has to be supplied by parents, it owed \$2000 in water rates. Gave over all the CWU pens to be distributed to the children.

WEDNESDAY 17 November am

Visit to communications workers union Federation Enrique Schmidt (FESC)

The union represents both telecoms and postal workers at national level. On the telecoms side the main employer is ENITEL, who have 17 depots, of which the union organises in 11. On the postal side, where the postal service is still 100% state owned, but it must be said at best chaotic and in many places non-existent, there is one national union. The federation was set up in 1990 and brought together all the depot unions; the telephone system was privatised in 2004. The Union affiliates to UNE and to UNI.

At present the union is negotiating a new collective bargaining agreement¹⁰ with ENTITEL, which is Mexican owned, who are trying to reduce terms and conditions. The union is in a strong position in ENITEL with a 60% membership level¹¹ and if the union cannot negotiate a new agreement they will try all the legal ways possible to reach a settlement, but take industrial action if necessary, although this is a long-winded process.

Before the collective agreement can be implemented 3 of 4 unions have to sign, the other three unions represent about 205 workers each. Enrique Schmidt came out of the revolution and is part of the radical left; when the right wing government came to power they organised new political right unions, who are opposed to using the normal democratic union processes. These right wing unions are called yellow unions.

ENITEL has a monopoly in the fixed line network. The salary of a basic engineer is \$90 per month, but the average is around \$400, which makes telephone engineers some of the highest paid workers in Nicaragua, but of course this is relative.

50% the workers in the telecoms sector are women, although during the privatisation campaign they had a set back when four of the female union leaders were sacked along with many of the best woman members. There is an emphasis in training new women activists.

Some of the workers who were sacked have been reinstated but there have been both ILO and Human Rights violations and there are still 23 left waiting to be re-employed. Although they are receiving some support from the Union and a small amount of outside support, many of them have to work in the informal sector to survive¹².

In the Postal Service conditions are far worse, the Minister of Labour is refusing to negotiate a new collective bargaining agreement and the management are looking to reduce workers benefits. At present postal workers earn around \$100 a month.

Although the postal service is state controlled, much of the best work has been siphoned off to private courier firms. The Union has campaigned for more women to be employed in the Postal Service; they have so far been unsuccessful as the work is seen as too hard for women.

WEDNESDAY 17 NOV pm

¹⁰ In Nicaragua they use the same system as in the US where the whole collective agreement is re-negotiated

¹¹ Owing to the problems of organising this is an extremely high membership percentage for Nicaragua

¹² The informal sector includes street vendors, money changers and the people who trade at the traffic lights

Visit to Women's & Children's Hospital Managua

The hospital was originally built as a private cancer hospital but was taken over by the Government after the revolution. The hospital serves 500,000 people for maternity, paediatrics and children's dentistry; it also contains the national children's burns unit.

The hospital has no budget for repairs, there is a lift that is 40yrs old but cannot be used as it has broken down and they cannot afford to repair it. The only way that any changes can be made is by having the hospital declared unfit for use.

The hospital is 60 years old and survived the earthquake but was damaged in an earthquake, which registered 6.3, in September 2004. The first floor was seriously affected and the children's wards have had to be evacuated. The initial inspection, at a cost of \$30,000, has declared the floor unsafe and further more detailed inspection is to take place in the near future. They hope to redevelop the hospital with part of the roof being used to provide new wards, but at present no budget has been agreed.

The staff has to cope with having all 500 beds on the ground floor, which only has a capacity for 240 beds. The admin offices, with the exception of the finance dept have also been evacuated. The administrator explained that they had no choice but to carry on using the ground floor as there was no alternative and it would be easier to evacuate patients from there. Since the earthquake the Health Ministry has had difficulty maintaining health services, as they do not have any funds to deal with an emergency.

At one point one of the members of a local wealthy family had a child in the burns unit and gave money to improve the ward. That same family is now funding the building of a private hospital to ensure that they do not have to use the public hospital in future. Because of the earthquake the burns unit has to be used for general nursing.

We met a nurse who had been at the hospital for 35 years, she said that although the hospital provided basic food, the families had to provide sheets and blankets. All services are free including medicines. The burns unit normally has around 25 patients, but due to it being the season for religious festivals when fireworks are used continuously for two months, the number of patients can double.

We then met the director of the hospital who stated that Taiwan may help with funding the repairs and that the Spanish Government may help fund the building of a new 250-bed hospital in the future, but at present they are in limbo.

They hope to have a decision on the future of the hospital by January or February 2005. If a new hospital is built it would be for general use and not just for women and children, so they would not only have 250 beds, but would have to cover a much higher patient base. The current one would be used for day surgery.

While we were at the hospital the local branch of FETSALUD, the health workers union, was holding a meeting to discuss wages and the fact that workers were having deductions taken from their pay without notice. One local businesswoman who sells goods to the staff had claimed that they owed her money and it was deducted without any notice.

WEDNESDAY 17 NOVEMBER 6pm

We should have met the Journalists Union (UPN) to discuss the murder of one of their members, Jose Maria Bravo Sanchez, who was killed during the elections for writing in support of the FSLN. There were issues about the way in which the police had investigated the murder, and also in the way the right wing newspaper La Prensa had reported it.

We attended a mass at the journalists' roundabout¹³, to celebrate the life of Jose Maria where I spoke on behalf of the delegation offering greetings and solidarity to the journalists union and wishing them well in their struggle to gain justice for Jose Maria.

THURSDAY 18 NOVEMBER am

Visit to the union that organises within the Free Trade Zones

The FTZ's have existed since 1970 and at the time of the revolution in 1979 when they were privatised, there were 3000 people employed in them. In 1990 after the loss of the election the number of factories started to rise in the private sector, there are now 85 factories employing 75,000 directly, plus 200,000 indirectly, including office, security and transport workers. In total they export around \$5.5 worth of goods per year.

¹³ The journalist have a memorial in the centre of one on the roundabouts where all the journalists who were killed during the revolution and contra war are commemorated

The factories are owned by businesses from the following countries, Taiwan 17, USA 19, Mexico 4, Italy 2, Hong Kong 2 and Nicaragua 7. The Taiwanese factories employ 20,000 and the USA 19,000. All production goes to the USA, the companies pay no tax and although there are ILO and national conventions they do not abide by them.

There are 20 unions within the FTZ's but only 4 have legal status, there is a lot of union repression with a lack of compliance to agreed working hours, canteen facilities and poorly maintained equipment along with a total disregard to environmental health. There is a lack of worker protection as the Labour Ministry sides with the companies. The workers have no freedom of collective organisation and the WTO and IMF continue to place more stringent conditions on the economy that further erode workers rights.

The wage rates are around \$65 per month, 38c per hour and are the lowest wages in Central America. Alcoa have plants in both Mexico where the workers earn \$1-68 per hour as against 38c in the Nicaragua plant, this is the reason for the massive increase in FTZ's in Nicaragua.

The union is developing a campaign along with the human rights groups internationally to highlight the conditions Nicaraguan workers have to endure. The General Secretary of the union within the factory that makes parts for Wal-Mart has been out of work for two years and has five outstanding discipline cases against him, they are continuing the fight through the World Organisation of Trade Unions. The women's sweatshop organisation and the main human rights organisation in Nicaragua are mounting an international campaign to highlight conditions and taking out legal cases to defend sacked workers. There is a need for financial and technical support to fight the multinationals. There will need to be international support if they are going to achieve their aim of organising a union in every factory. There are 1500 workers in the active unions, but between 4000-5000 members have been sacked. As soon as you join a union you are a marked person and are likely to be sacked at any time. There are no organising rights within the FTZ's so they have to organise outside the entrances.

When Union branches try to gain legal registration they have to give a list of members to the Labour Ministry, which then passes the list on to the employer. There are 28 former functionaries from the Ministry of Labour now working in HR departments of the factories.

We met five union activists, including the General Secretary, from the union who organise in the Nicotex factory who had been sacked on the Monday morning that week. They told us that 40 union members had been fired from the factory, which is Korean owned and produces goods exclusively for Gildan, a major USA tee-shirt producer. Although all the goods produced go to the USA they get no assistance from the AFL-CIO, who failed to support the Nicaraguan Unions even during the Contra war.

Roger, the General Secretary of the unions where the workers were sacked explained the conditions under which they worked. The factory had what is called a 4 by 4 system; they work from 6.30 to 6.30 for 4 days and then have 4 days off. In the factory they make shirts and have to make 1600 dozen a week, and since Monday when they were sacked the quota has risen to 2000 dozen per week, if you do not make your quota you have to work additional hours.

One of the other leaders had to sew 2000 dozen shoulders a week to achieve a bonus, which nobody does, there are always spare machines, so even a breakage gives no respite. In the quality control area they could never achieve their bonus, as there is not enough staff to check all the production. The basic pay is 1128 Cordoba's (\$65) a month.

There is no sick pay and if you cut your finger a manager will run over and put a bandage on it so that you can continue to work.

The union has bi-lateral contact with one union in the US, but their contacts are weak. They do a lot of work with NGO's in Washington and New York, where they have a representative. To be able to brief the NGO's takes a lot of work as they require information on the products and labels, which change on an almost monthly basis, and labels are moved between factories. When workers are fired there is need to pressurise the stores in which the labelled products are sold. To get round the labelling some companies do the stitching in Nicaragua, but the products are packed in the US and sold as US goods.

The union is campaigning to ensure that the labels on all products reflect the country in which they were manufactured. We were shown a catalogue for Wal-Mart, including George label goods that are also sold in ASDA, which the unions use to try and recognise the products that are made in Nicaragua. This research is very time consuming and it is important that they lobby the correct store.

There is a substantial amount of corruption in the factories, particularly the Taiwanese. For instance the Taiwanese gave \$10m to build the Presidential Palace, \$8m to the Finance Minister and \$4m to build the Parliament. They also support the Government's election campaign. When the union won a case to get workers at Presetec re-instated the company told the Government that they had to get rid of the union from the factory or they would close it. The Government revised its judgement and the workers were sacked.

The union had recently met with two Republican and two Democratic US Congress people to highlight the conditions in the FTZ's, but they were more interested in CAFTA. They wished to modify the free trade agreements, but as they are in a minority, this will not be successful. The union is clear on what is needed to try and defend workers and is trying to put amendments to CAFTA, as the situation could be even worse if the agreement goes through as it is.

Miguel is the General Secretary of Lydia Mar Diego in Presetec, which is named after a union leader, who was assassinated by Samoza. They had a collective agreement, and asked the Ministry Of Labour to inspect the factory to ensure the company was complying with the agreement and at the time the majority of the terms of the agreement were not being carried out. Mothers should have had a place to breast-feed and the policy to provide subsidised rice and beans had never been implemented. On 17/01/03 the union met managers to discuss pat rates for production workers, instead the company increased production rates and therefore cut wages and a few days after the meeting the union leaders were banned from the site.

A worker from the King John factory stated that all the workers in the factory were having their human rights violated, when they went to the toilet they were hand searched, both men and women, by the male guards. On an assembly line with 46 there is only one toilet pass, there have been cases where workers have had to do their toilet where they sat. There are only 11 toilet passes in all for 800 workers. The air-conditioning is only on from 9.30-11.00 and from 2.00-3.30, even though their hours of work are from 06.30 until 17.30 or later if they are forced to work extra hours. The only reason why people work in these factories is because of the 42% unemployment level in Nicaragua. Many of the workers in the factories have given up studying in university and technical colleges to earn enough money to survive.

When FTZ's are set up in rural areas they draw in agricultural workers, due to there being no financial assistance to buy seeds. There is now only 23% of the population working on the land and most of it has been abandoned.

Visit to New Life Clothing Co-Op

This is situated in a centre that also works towards sustainable communities which is run by an American church. The women's' sewing co-op is part of the project, it is the first worker-owned FTZ¹⁴.

The factory took 18 months to build and was funded with a loan of \$100,000 from the church run Jubilee House Community, which has to be paid back at 6% interest; they used their own labour as social capital. During the building the workers received no wages and out of the initial 50 members of the co-op all but 12 had to give up, as they were unable to survive without wages.

There are now nearly 40 people involved some who have only part ownership. If you want to become an owning member you are put on trial for a year and if successful you have to pay \$350, which can be taken out of your wages.

The co-op was started in 1998 after hurricane Mitch, many of the people living next to Lake Nicaragua had to be evacuated when the lake overflowed and their houses were destroyed. They were relocated to an area about 5Km away and started a community sewing club. It uses any profits it makes (2003 was the first year it broke even) towards supporting the local community instead of paying the 30% tax that it would normally pay to the Government. In 2004 they hope to make between \$30,000-40,000 and the sales for the first ¼ were 40% higher than for the whole of 2003.

They produce both fairly traded and organic goods, originally it was going to produce all organic goods, but customers wanted conventional products so they only use already coloured cloths so that no dyeing is needed, to prevent the local environment being polluted. When they first started the customer had to provide their own cloth as the co-op did not have enough capital, now they can fund the purchase of the cloth themselves. They have been provided with funding by DiFED to write up their experiences, and have also been asked to travel as far as Sri Lanka to share their experiences.

The workers are paid on their production, with each operator having a target of 100 tee-shirts per day, there is a minimum pay rate of 54 Cordoba's, plus a price per 100 depending on the work being carried out. If they are sick they receive their basic pay and also receive holiday pay plus an additional months pay at Xmas¹⁵. Although there is no air-conditioning, louvered windows half way down the walls of the factory help to reduce the heat levels.

THURSDAY 18 NOVEMBER pm

Visit to Free Trade Zone.

¹⁴ See conclusions

¹⁵ The 13 months pay is not unusual in Nicaragua, but is difficult to calculate for workers on piece work

Before we could get into the FTZ, which is surrounded by a high fence we had to wait at two separate gates for about 30-45 minutes. Every day the thousands of workers who are employed in the factories have to walk ¼ mile from where the busses drop them off to go through the gates with a barrier system that reminds you of a cattle market. When they eventually get through the gates they may have to walk up to ½ mile to the factory that they work in, which once again will be protected by a high fence and security guards.

The factory we visited was union organised, and therefore the conditions were far better than in most of the factories in the zone. The lowest paid workers get C400 (\$25), and the best about C1500 (\$94) per week

The company was in the process of moving to a new and better building just outside Managua, and the process will be completed in July 2005. The union has negotiated excess travel costs for those workers who wish to move, and redundancy pay for those people who cannot move owing to excessive travelling time, up to 5 hours in some cases. The new factory will provide better working conditions and therefore will be able to provide a better quality product. They will start producing for GAP when they move to the new factory, which will employ 25000 people with room for growth.

FRIDAY 19 NOVEMBER am

Visit to UNE the Public Sector Workers Union

The union was formed on 23 March 1978, and started as a banking union. At the time of its foundation there was great deal of repression towards trade unionists so they organised in a clandestine manner, being formed in secret and working through the national universities. While some members worked to build the union others joined the revolution, including the first General Secretary who was killed in October 1978 in the north of the country, they were in continuous confrontation with Samoza.

When the revolution came in July 1979 there was a great opportunity opened up for organising and UNE started to organise in every state organisation. They organised within every ministry, department and municipality, around 200,000 workers in total. During the 80's the public sector grew, with the employment of more teachers and with a credit bank in every village and so many more bank workers. For UNE the primary job after the revolution was to unite all the public sector workers.

The Union dedicated itself to defending the revolution, they provided worker battalions, there was a direct war against imperialism and coffee production was at risk. UNE had two battalions, one for picking coffee and the other for defending the fields. They also organised a military battalion with between 300-400 members. The membership of the battalions rotated on a yearly basis and people spent between 6-8 months in the field. They lost many men and women.

They did make the error of forgetting to enact laws that would protect workers, including giving land titles to workers. They did not develop union work or gain legal rights for organising; their cadres were working mainly on the political work. They were not prepared or ready to work in a hostile environment. The union had the capacity to overthrow the government within the first 3 months but they decided they should not overthrow what in theory was a democratically elected Government; the President had been elected so it would have been difficult to use the force of arms. Consequently 180,000 workers were sacked in those first few months.

The unions then had to take up an industrial role, for which they soon discovered they were ill prepared. They may have had military power; in the union office they had 1500 rifles stored, but did not have the tools to work in a hostile environment. The process started of transferring wealth away from workers and at the same time cutting their benefits.

By 1996 UNE had only 13,000 members, they had been almost extinguished and, faced with continuing problems, decided to change their strategy and began to focus on organising in the municipalities. There were hardly any organised unions in the major offices, now out of 153 there are 55 that are organised and in every one of those there is a collective bargaining agreement. Now there are around 30% of the workers organised, with the most growth being in the organised municipalities. With the Frente now winning more municipalities there is more chance of gaining even greater membership. At present they have 8,000 members in the municipalities plus 10,000 in the national organisations, they organise in very ministry except for health and education, which have their own unions.

They now have a membership that is properly prepared on an industrial basis and an organisation that can be used to counter legal challenges and fight for trade union rights. UNE only gets involved in collective bargaining when a new organisation is formed, in all other municipalities the local union does their own bargaining agreements.

UNE's primary strength is the capacity to both negotiate and to campaign to improve workers rights. They have two methods of education, one is the general education provided by the FNT, the other is to bring together the leaders of all the sectors and provide training workshops. The union provides training and

education on organising, admin, finance and collective bargaining skills for activists in the municipalities. They also provide courses on women's rights using a course developed by the FNT.

Members pay 1% of their wages as union dues, but finance is always a problem as wages are so low. The basic wage in the public sector is \$50 a month and the average is \$100. The minimum salary is not enough to buy 15% of the basic basket of food and the average does not cover 25% of it. In the pulperos (local shops) where the prices are highest the basic basket of food costs around \$400 a month. Pensioners receive C90 a month, but since the pensions have been paid through banks, they often have to pay up to C10 to get their pensions. The union organisations are running at a deficit and depend on international support, although this can also cause problems as donors often place strings on their contributions, and therefore the unions are not always fully autonomous and this is a weakness they have to overcome.

The total yearly income for UNE is \$300,000, which has to cover wages, rents and administration. There are two full time workers who receive \$200 per month, so the General Secretary Domingo Perez, who is a trained accountant, has to work in the evenings when he can get work and this may bring in about another \$100 a month. At the same time he has been studying law at the weekends for the last four years¹⁶

There are 13 people in the national leadership of the Union of which only the General Secretary and General Treasurer are full time, the other 11 are in the branch structure, who get paid their salary through their job and do their union work in the evenings and at weekends. At present there are disputes both in Esteli and a small town just outside Managua.

Visit to UNE affiliated branch at the Ministry of Transport & Infrastructure (UNE-MTI)

There are 800 workers employed by the ministry of which 55% are members of the Union and a large percentage of the members are women. The General Secretary is Murian Rejos, who is also the National Women's Secretary and co-ordinates the women's work within the FNT. We also met the Women's Officer, Drivers Rep, Culture & Sport Rep, Publicity & Education Officer, Finance Secretary and finance workers and NEC members. In December of 2004 the union will be 25 years old and during those years they have had many struggles, which have cost the jobs of many workers, in the process of defending their rights.

They have a collective bargaining agreement with the ministry which covers not only pay but uniforms and certain health provisions, the union office is also part of the agreement, but all work to maintain the office must be carried out and paid for by the union. They have also been provided with another room, which is called the "Gallery of the Heroes & Martyrs", here there is a memorial to all the Brothers and Sisters who struggled to build the union and lost their lives during the revolution. They also provide culture and sport for members, with a dance troop and a softball team, which were the ministry champions in 2002. They provide education and training in organising and computing.

The Ministry have tried to sack the General Secretary on several occasions due to her stance against the anti-worker policies of the Ministry; there was a whole period when any violation of workers rights was met with a legal challenge by the Union. Very recently 3 of their leaders were illegally sacked and left without any means of support, the union closed ranks around the leaders and challenged the Labour Commission and National Assembly using the Bolanos, the Presidents, slogan "nobody is above the law" (except probably himself) to get the leaders reinstated. Now there is a relatively stable period of industrial relations, but this has come directly from their challenge to the Governments position.

They are at present engaged in wage negotiations and are making some process. There is an Economic & Social Commission on which the Union has two members, who are pushing for an increase of C36m in salaries and a further C2m to improve health benefits. Whenever there is a change of Minister there is a tensioning of relationships, as the union has taken up the issue of corruption head on. The Transport Ministry budget is about 65% of the total national budget, therefore the opportunities for corruption are at their greatest. The Union strives to ensure that the national budget is used for the benefit of the people and some of the officials have lost their jobs through union pressure, for example the director of the public weighing department was sacked owing to constant complaints by the union for corruption, he was a friend of the minister.

The Unions reputation is built on their willingness to fight for the proper distribution of resources and also they have a strong leadership who are willing to stand up for their members. The unions motto is "To be the best leaders they have to be the best workers"- they have the strength of the workers so do not need the patronage of the Minister unlike the two yellow unions that also organise in the Ministry whose leaders seem to be more interested in getting their snouts in the trough than representing workers interests.

They are assisting in building a construction workers union, a group of workers whose human rights are continually being violated and they hope to have it fully functioning within the next year.

¹⁶ The Universities in Nicaragua are open at the weekends

Visit to The Cultural Workers Union, which is affiliated to UNE

The Union was formed around 3 yrs ago with 140 members mostly in Managua and is at present organising a festival of Central America.

We met the Cultural Workers Union in the National Palace that was damaged in the earthquake and includes the National Museum, which we were shown around, including the old National Assembly room. The Taiwanese, who were trying to buy off small countries seats in the UN, paid for the new palace. We were introduced to Donna Maria who is the acting deputy director of culture. The Culture Ministry has a budget of \$1.2m per year and is one of the least funded of all the ministries.

The General Secretary of the Union works in the institute where he is a cultural promoter of dance, music and handicrafts and combines this work with that of the Union. We also met the Youth Secretary, an archivist, who does a lot of work organising young workers through sport; the Women's Secretary, who has a degree in history, is also a member of the archivist service and explained that one of her priorities is to cultivate women's self worth within the work place; the unions Education Officer who is an analyst; and the International Officer who is an economist and also a museum specialist.

During the time of the revolution they had cultural promotions throughout Nicaragua and a far larger budget. There was a much more developed understanding of culture and today they are at present trying to decentralise cultural work. They have been given a slight increase in their budget for 2005 and are to join with an NGO to promote culture in the regions to link themes based on local needs. They form alliances with other ministries to work together, for example with the children's and women's ministry to get funding from the World Bank to help set up a network of museums.

They are also working to prevent the illegal sale of ancient artefacts and with other Central American Countries to help co-ordinate cultural events. Nicaragua takes the lead role in the network of cultural centres that have already been developed. There is a standing conference that has now taken culture as part of its remit and covers from Mexico to Panama. Workers are badly paid, with so much of the budget needed to ensure the future of culture everybody who works for the culture ministry does so because of their love of art.

UNE is calling for a 50% rise in the low paid ministries, as there is no overall public sector pay agreement. The Union believes there is a need to maintain the culture of the country and will continue to struggle to improve funding; this may improve with the 6% being given to the municipalities. Despite the low budget the administration has signed a collective agreement within the financial constraints of the department, which has helped to improve conditions. There are 380 workers at national level and they are all covered by the agreement. The law requires the agreement to reflect the economic realities of the body in which the union is organised. The agreement gives the union the right of assembly, to organise, and to give protection for the unions leaders to organise without repression within the institute. The agreements are for periods of two years, and although there is no overall agreement they continuing to campaign for one.

After lunch, which was provided by cultural workers union, we visited, and were presented with gifts from, the Central American craft market that the Union had organised.

FRIDAY 19 NOVEMBER pm

Visit to Managua Mayors office to meet Municipal Workers Union of Managua

We met the President of Federation of Workers in Managua along with the Secretary of District 4, which represent the technical and professional members, The Head of Training, The Women's Secretary, The Union Organiser, The Industrial Relations Secretary, The Secretary and Treasurer of the Sanitary workers and the Federation Secretary. They organise at all levels of local government, except for Head Of Department level.

The average wage of a council worker is C3000 (\$185) a month and they work an 8hr, six-day week. A rubbish collector gets C2600 plus 20% dirt money, managers earn up to C42000 per month, but the new mayor is trying to cut this to C26000, although the wages are bad they are better than many workers receive. The minimum any council worker can earn is C2100 against a state minimum of C860. The Union continues to campaign for a national minimum wage of C5850 which would allow workers to have a decent standard of living.

They explained that the problems for council workers were similar to those encountered by workers nationally, problems that were a consequence of national politics managed from a US perspective, which causes most of the social and economic problems of the country. The Union needs to try and work within the system to resolve the problems people face with the priority being human and labour rights. There are 13 unions in the federation covering 3300 workers of which 1600 are union members; the federation was formed two years ago to strengthen their organisation with the growth of membership, though there are always organisational problems due to the lack of work stability. Sometimes they work together with the 3 right-wing unions, who each have less than 500 members.

They struggle to improve salaries, working hours, health and safety, overtime rates and travelling expenses and also to improve job security as every time the mayor changes they can get sacked. It is also vital both at municipal and national level that the unions campaign for the election of left-wing candidates to maintain job security. At present there is a leftist mayor in Managua and with the recent passing of the municipal workers administration carrier law to prevent workers being sacked every time the mayor changes, job security should improve.

There is a commission that covers all municipal, regional, national and institutional workers, and with the largest union in each workplace having the right to representation there is a need to ensure they consolidate their membership. There is a commission at all levels and in all councils. The Union is at present involved in pre-budget discussions in each council area. They compare the proposed budget with that of the previous year and they have already come across problems as the proposed budget for social benefits and collective bargaining is smaller. They are trying to improve the workers benefits during the discussions and will be presenting their agenda to the new mayor and at the moment they believe they are winning the battle. All the union leaders are also FSLN leaders in their barrios.

Their campaigns at present include the need to improve public transport, to avoid accidents at work and to improve the conditions of council workers especially those who work on the refuse tips. They are trying to build solidarity with other workers and their primary issue is to try and improve employment stability and then move on to working conditions.

They also fight against corruption within the municipalities and national government, are taking part in the campaign against water privatisation and have been involved in all the demonstrations.

Visit to La Churecca Managua City Dump, which is positioned on the edge of Lake Managua

On arrival at the dump the Supervisor addressed us stating that the disposal of rubbish is now a world problem and, he said, there was an urgent need to find new methods of disposing of rubbish. They are responsible for collection and disposal on the tip which 44 hectares in area and 20mtrs above normal ground level is divided between six crews. They work in a pyramid formation - for every 3 metres of rubbish there is one metre of soil. There are 44 workers employed on the dump, it is a very unsafe environment because it is an open dump. All the workers face serious problems with skin, breathing, eyesight and digestive problems. Most of the problems are caused by the gasses, which occur when the rubbish decomposes and although the workers are provided with masks they are inadequate. They work on the dump for six hours, in the dry season they become very dehydrated because of the sun, spontaneous fires and dust. They also dump toxic waste, as there are no laws for proper disposal.

They deal with 2400 tons of rubbish a day and of that 30% is recycled officially including wood, plastic and glass. The tip has been in operation for 44yrs and in one area is a lagoon that in the Samoza period was used to dump all the abattoir waste. There is around 1.65kg of waste per person per day within Managua, and this increases in the Xmas period. With Nicaragua having the highest population growth they think the tip will only last for another 2-4 years.

We were then provided with masks and went on to the dump, where between 700-800 people exist living off the rubbish, when you see these scenes on television it is hard to believe that people could live in such conditions, when you actual experience them it becomes even harder to believe. As each rubbish lorry arrives and begins to tip its load dozens of people swarm round the rubbish raking through it and putting anything of use in sacks which they carry over their shoulders, this was not just adults but children who could not have been more that 4-5 years old. The tip is also used by local farmers to graze cattle - there must have been over a hundred on the tip when we were there and waiting for the rubbish lorries to leave were around 30-40 vultures.

On the way out of the tip we stopped by the lagoon that was used for abattoir waste, it is by the side of this lagoon that the people live in so-called houses. While there, a young person came up to us and we gave him our masks for which he thanked each of us personally, when we asked how old he was he replied 15, it hit home what this young person had to look forward to in the future is a system that can allow young people to be treated in this way. The answer certainly isn't to do as one self-righteous US NGO is doing - taking them off the dump to take part in a computer course, showing them new skills but without the opportunities to use those skills, they are left with no alternative but to return to the dump.

SATURDAY 20 NOVEMBER am

Travel to Esteli, which is 31/2 hours north from Managua in the hills and has remained loyal to the FSLN since the revolution.

SATURDAY 20 NOVEMBER pm

Visit to the Museum of the Mothers of the Heroes and Martyrs

Esteli was destroyed during the war, they were dropping 500lb bombs on the town, throughout the whole of the day, and people were being killed in their workplaces and in churches.

We met with four mothers of the revolution, an organisation that was formed in 1984 by the mothers of those who had fallen in the wars, both the war of liberation and that with the Contra rebels. It was initially set up to give moral support and then to set up a museum to celebrate the lives of the heroes and martyrs. They also wanted to understand why their sons and daughters had supported the revolution. It was a relief to be able to share their problems with each other as some of the mothers had lost up to four children in the war. It had been very difficult to open up at the beginning as many of their children had been tortured, beheaded or buried alive by the Contras.

Before 1979 mothers allowed their children to go off to war as the National Guard was killing them in the streets, it was thought safer to fight in the revolution where they could at least defend themselves. If one son went up to the mountains then the rest soon followed, as the National Guard would also have killed them. One mother we spoke to lost her 14-year-old son who had joined up in 1964 when they were still fighting a guerrilla war. She said that most of the revolutionaries at that time were students and they used to meet in her house before going up to the mountains. That is when the mother started to get involved providing medical help and ensuring supplies of food and arms got through. They suffered through lack of sleep until people from other countries came to help. The CONDELA was an international brigade made up of people from Cuba, Honduras and El Salvador. She was imprisoned as a messenger for one month and under house arrest for a further 3 months and then questioned on a regular basis in 1979; she is now 85 years old and lost all three of her sons in the war.

Another mother's house was used as the communications centre during the Contra war, they received messages and attempted to get supplies to the Sandinistas, her son became part of the military at 15 and joined the FSLN. The Contras would often come into her house, which was in the country; they never risked entering the towns.

The house of another mother, who is now 79 years old and whose husband was a gunrunner, was used as the armoury and she said that at time of the final insurrection the head of the FSLN battalion in Esteli was a woman. When they made the final push to take Esteli on the 16 July 1979¹⁷ the National Guard were arresting anyone they came across and her husband was caught. Pretending to be Sandinistas they captured 49 people of which only 3, including her husband, survived. The mothers also took part in the literacy campaign in which a number of young students participated but when they were in some of the more isolated villages, the Contras killed those students.

The son of the last mother we spoke to joined up at the age of 13 ½, he was a messenger for 18 months before the victory in 1979. Her house was used as a safe house for the FSLN, and because she was aware that the National Guard would eventually discover her house she was happy for her son to go into the mountains, they had no concept of what the reality of war was or the horror of it.

At the time of the final insurrection she was carrying food and supplies to the FSLN, but did not see her son on any of her trips. On one trip she was stopped by a group of National Guardsmen, but after questioning was freed. On arrival back at the time she left her other children with family members, including a girl who was only 12 months old and joined the FSLN in the mountains. It is at this time that she found out that her son had been killed 3 months earlier. She took up arms and joined in the final push on Esteli. On the way down to Esteli they found the bodies of four young women who had been tortured by the National Guard, to try and find out where the FSLN was camped,¹⁸

We then visited the museum, which the mothers have to support without any government funding. It not only had on display weapons and equipment used during the war, but also along the walls were photographs of those who had died in the war. Many of the soldiers, both girls and boys, were quite clearly teenagers including the one that a mother pointed out as her son.

SUNDAY 21 NOVEMBER am

Visit to a Co-Op just outside Esteli that had been set up to provide educational opportunities for workers who had not had the opportunity to finish their secondary education. It also provided computer skills courses and English classes. Stephen Sefton, a very committed volunteer, who helps run the Co-op helped with the interpretation and spoke fluent Spanish with a perfect English accent!

We met with two of the students, Juana and Orella, who work in local cigar factories, they were at first reluctant to answer our questions as they were wary of all gringos, but when Eric a local full time official for the farm workers association joined us they relaxed. They spoke to us despite the fact that Sunday is their

¹⁷ Esteli was taken one day before Managua on the 17th July, which is celebrated as the official day of freedom.

¹⁸ The mother did give details of the actual injuries suffered, but Liz who was interpreting for us along with Nikki, who also spoke Spanish, were both too upset to relay what were quite clearly horrendous injuries.

only day off, and after speaking to us they had to return to the school to finish their Maths exam. We later realised the full extent of their sacrifice when we found out they have to lose the opportunity to work overtime to attend the school.

In Juana's factory they work in pairs with a man in production, but in packing and distribution all the workers are women. Working conditions are poor with no proper union representation, under Nicaraguan law you need at least 20 workers to set up a union so the cigar factories require workers to sign up to the company union when they are employed. With the owners living in Florida it is the so-called union that runs the factory on a day-to-day basis, and acts like a HR department in the UK. A proper union was organised 7 years ago but the leaders were sacked. They set the police on the activists; one of the leaders was dragged off a bus and questioned as a terrorist

There are no first aid facilities so if a worker becomes ill they have to pay C20 to go to a local clinic, this is when the flat rate is C35 per 8 hr day, they are entitled to a 1 hour lunch break and a 15 minute paid break in the morning, but on piece work you can have your lunch break cut to 30mins and you are expected to work overtime to suit the management. The working week is 48 hours over six days, but if you are more than 15mins late for work you are sent home and lose a whole days pay, and because to qualify for Sunday overtime, which because of the low pay you must work, you have to have been in work for the complete week, so in reality you lose two days pay. If you are on piecework you have to make your quota every day to qualify to work on a Sunday.

Orella's factory is owned by Cuban Americans, there are approximately 1800 employees in total as the factory owns their own plantations in Nicaragua, though most of the workers are employed in the rolling area. Eric said that there are health problems in the factories owing to the chemicals they use in the stripping room, and workers quite often faint.

They get 15 days holiday per year but they do not always get paid, plus an additional months pay at Xmas, those on piecework should get paid their highest months earnings, but the company quite often makes deductions. They have still not been paid for their summer holidays. Although they do not have a union they have taken action in the past, including on one occasion clocking off 2 hrs early when they had not been paid.

After Juana and Orella had left to complete their exams, Eric, who had recently been elected as a FSLN councillor in Esteli, explained the way in which the FSLN had campaigned during the recent elections. While we had lunch Eric outlined the general political position in Nicaragua and questioned us about the political situation in Britain, he was surprised with the UK having such a strong trade union movement that workers still supported Blair.

The local authorities have real problems in getting foreign companies to pay taxes, as they threaten to leave the area and take advantage of the FTZ's so the councils are left in a Catch 22 position – to try and collect the taxes or not collect the taxes and therefore be unable to provide the services the people desperately need. The council loses millions of Cordoba's in taxes. The massive profits of the companies can easily be seen when the best a worker can earn on piecework is C110 a day and a box of cigars sells for \$260. Even if the council were able to levy tax there would have to be a coordination of local and national government, which at present does not exist.

The tobacco plantations are already causing environmental problems; the water table is being depleted due to year round irrigation, plus the extensive use of pesticides. Already local vegetable producers have to use far more pesticides owing to their already intensive use on the tobacco plantations, which first moved the pests away from the tobacco but then raised their resistance levels. These are the same problems as occurred in Leon during the cotton boom of the 60-70,s which contributed to the desertification of the area, which in 10-15 years owing to monoculture, will cause the earth to become sterile and the agricultural ground around Esteli will become unusable.

There are serious health concerns for the workers employed in the tobacco industry, nicotine stays on their skin. The Agricultural Workers Union is to run a 6-month health survey early in 2005; typical problems that arise include bad migraines, skin infections, fungal infections in the fingers, loss of smell and throat infections. Because of the poor light and the chemicals they can become nauseous and they also suffer from kidney and back problems, along with RSI on the rolling process. The stem strippers, who work standing up all day, suffer from varicose veins and they dump all the leaves in a heap still covered in pesticide plus any fungus they have picked up during the curing process. The minimum shift is 8 hours and it is not unusual for workers to lose their voices owing to exposure to the chemicals.

In the fields the workers have no personal protective clothing when spraying pesticides. There are a number of children aged between 13-15 working in the fields and are favoured for planting the seedlings and for harvesting. Although in theory they are entitled to equal pay, they would have to work the same hours as the adult workers, which they cannot do because it is against the national law, so they never actually receive the same daily rate.

There are three main factors contributing to the rise in illiteracy; firstly, the Government ignores the right to education; the second problem is poverty - people are so desperate to have enough to eat that they will work for as little as C32 per day and there are many of the social affects of poverty - breakdowns in marriages, alcoholism and child prostitution. Illiteracy is one of the contributing factors to, and is also a result of, generalised poverty. The third contributing factor is the continuing influence of the USA and the IMF. Nicaragua has been invaded six times since gaining independence in 1821, their excuses may change from one period to the next, but US interference in Nicaragua is always to promote their own interests.

SUNDAY 21 NOVEMBER pm

Travel back to Managua

MONDAY 22 NOVEMBER am

Visit to the Maria Elena Cuadra Movement Women's Centre, where we were welcomed by the Director, Sandra Ramos. Maria Elena Cuadra was a militant activist, who was killed in a traffic accident only three months before the movement started in 1974. When the movement started all the founders were trade union leaders but they separated due to conflict in agendas. They are active in six of the seventeen regions of the country.

They work with women in the FTZ's, particularly the one in Matagalpa. On the day we visited there was a course in progress on organisation, with domestic workers, small business people, small producers in the Matagalpa region and also with young unemployed women.

Their entire funding comes from NGO's, including Oxfam in the UK, Canada & the Netherlands, a Canadian Church & several other NGO's in Europe, plus some money from the Canadian Government, which they get via the Nicaraguan Government.

With the funding they receive they have started a series of initiatives with small businesses, they also help with housing for unemployed women, run courses on gender self esteem, and organisation. They provide scholarships to unemployed women of \$40 a month to learn new skills including, carpentry, plumbing & mechanics. The funding for the scholarships is provided by the Canadian communication workers union.

They also have a human rights programme to train women to know their rights both at home and in the workplace. They have a legal aid office that is staffed by a team of full and part-time lawyers who represent the women both on industrial issues but also on domestic violence, up to now they have represented 1500 women.

The new generation know nothing of either their constitutional or labour rights, are poorly paid and because they do not understand the very complicated laws, their benefits are low. They quite often do not receive representation so fail to receive their correct payments. The judicial system is also very slow, they have to go through the Labour Minister and if there is an appeal the process can take up to 12 months, that is why they have to have a legal aid centre to counter the lawyers of the 60 companies in the FTZ.

At the present they are dealing with disputes in the FTZ's, 80% of the workforce in FTZ's are women, and are looking for legal support to deal with the issues involved with redundancies, including ensuring that people are paid redundancy money. People had been waiting up to six months for redundancy payments and they are progressing 60 legal claims to do with holidays and accidents They have already organised a sit-in in the Colores factory, when they found out that the company was removing machines without agreement; the factory came to a standstill and unemployed workers refused to cross the picket lines.

They are promoting a health campaign in the FTZ's along with a campaign on economic literacy and in the near future they hope to have a centre for the mediation and resolution of women's disputes. The private sector businesses have proposed a law in line with CAFTA on arbitration and if the law goes through it will be binding on workers based on the employers' agenda. There is also another law going through the assembly to allow for local mediation.

It is very difficult to organise women workers because they are scared of losing their jobs with no alternative employment available outside the FTZ's. Workers move between factories, so you can set up a union and within 3 months all the members would have moved to other factories, they are now trying to set up a federation of workers to overcome this problem. They have visited the FTZ's and give out thousands of books on the gates explaining their rights, the women picked up the books but not the men who seem to be more frightened of the bosses, even although when they are in the home they can be very violent.

In 2005 they will be working together with the teachers union to have a campaign in the third grade of secondary school, in which labour rights will become part of the curriculum. They at present have adverts both on TV and in the cinemas explaining workers rights, including their right to maternity pay of 4 weeks before the birth and 8 weeks afterwards, and the right to safety equipment. The slogan for the campaign is

"Jobs, yes, but with dignity". The adverts cost between \$3000-5,000 each on television and \$3,000 a month in the cinema. They got the five different adverts produced for \$19,000, because Oxfam insisted on a professional production company

MONDAY 22 NOVEMBER pm - after lunch in a workers café

Visit to a sustainable farm project in Managua University, which is also the centre for alternative technology. The centre specialises in animal husbandry and biotechnology.

They bring farmers to the centre and also do field visits to show farmers new techniques. The farm project was set up due to significant outside donations and it is easier to bring the farmers to the centre rather than have to travel around the countryside to provide training.

Most NGO's are not interested in small farms, this farm allows people with only ½ an acre to produce enough to survive and make a small surplus to pay for necessities. They have sheep, cows, pigs, edible lizards and rabbits on their farm and run 3-day basic courses, plus specialist courses in husbandry. There are also secondary training courses in the communities where technical advice is given by technicians from the project.

They also make links to donors; all the recipients are women, who can give up to \$2000 per family. The structure is co-operative and the ownership is with the women as they are the most stable partners. The basic package includes pigs, chickens all who are already pregnant when provided, along with seeds for both planting and feed, plus nails and tools. They are expected to pay back 40% of the money in cash, plus by passing on animals to other women in the community. There are ten farms and 600 co-operatives covering around 15,000 families of roughly 6 people each involved in the scheme at present. They provide bio-digesters that use waste, produce gas for cooking and powering equipment, and by doing so help to save forests and to prevent the steady desertification of Nicaragua.

There is a need to get farmers to accept new crops and new methods of production and technologies. 50% of Nicaraguans live on the land, which is a significant decrease from the 75% after the revolution. The neo-liberal government has closed down credit banks so although the farmers have good land, they have no money for seeds or fertiliser so sell the land cheaply to property speculators and move to the cities where they end up unemployed.

The reason the Government does not support the project is because it gives communities self sustainability, including developing their own veterinary services and organic fertilisers and medicinal plants, so the Government cannot gain tax thorough the importation of fertilisers and other chemical products.

Nicaragua, due to its evolution is one of the most bio diverse countries in the world, and has limitless opportunities for reusable energy - instead they are forced into an economic system requiring use of 89% oil. Nicaragua has some of the world's greatest reserves of fresh water, the US has already said that they will need to import 18% of their water by 2020.

TUESDAY 23 NOVEMBER am

Travel to Leon a colonial Spanish city near to the Pacific coast, which is 1½ hours north from Managua and even hotter.

Visit to a Fair Trade Co-operative where we met with Nick Hoskins who is from the UK, but has lived in Nicaragua for 13 years; his main role is in marketing the products. Also at the meeting were two people from Oxfam Belgium. The co-ops main produce is sesame seed, which they supply to Body Shop, but it also helps coffee marketing.

Fair Trade guarantees a minimum and also better price of \$1.26 per lb for ordinary coffee and \$1.41 for organic. The current market price is 90 cents but has gone as low as 50, which is 20 cents below survival level, higher quality coffee can be sold at a higher price. At present the farmers can not only sell their Fair Trade coffee, which at present is only a small proportion of that grown, but also sell the rest of their coffee at a price that allows them to survive. The current market price for sesame seed is \$55 per ton, though it can fall to as low as \$25, and has been as low as \$7, and when there is a glut of sesame there is no limit to how little the market will pay.

Fair Trade has allowed the small farmers to get involved in the marketing of their products their trade name being "Del Campo", this is important because since the end of revolution the state has stopped promoting their products. Fair Trade has empowered the farmers to take control of their own business and has been a joint learning event between the suppliers and the buyers. Co-ops not only produce fair trade products, but also compete with big multinationals and have recently won a major contract to supply sesame to Japan. In coffee the Co-Operatives are the third biggest producer group and are the most dynamic in their production and marketing, the old right-wing coffee producers are now saying that the co-operatives are the way forward.

The Co-ops also get involved in social programmes, providing grant systems and helping to set up women's groups. They have also been involved in setting up an illiteracy free zone, by ensuring that every child gets the equipment they need and milk everyday. They have declared their local area a national reserve and have an eco tourism programme in place. In one co-op the woman who did the cleaning was given charge of the credit union and is now in control of \$200,000.

At present the co-ops have to sell their sesame oil to a refiner as they have the contract to supply the buyers, but they have no loyalty to Fair Trade production, so they are setting up their own refinery which will cost the same price as a 1 bedroom flat in London, but in Nicaragua, could change the lives of 200 families, who could use the additional income to invest in ethical banks.

Although Nestle and Kraft have announced that they now trade fairly, they have not been certified by the Rain Forest Alliance. This is part of an orchestrated corporate response to the outcry caused after landless and homeless coffee growers protested against their conditions, supported by the Co-ops, by blocking the roads including 3,500 blocking the Pan American Highway. They then won agreements from the Government on land and work, although they have to had to keep up the pressure to get them to honour the agreements and after two years had to go on strike again, after which they got agreement for 2000 workers to get 2 hectares of land and have been given money to buy tenanted farms. During the coffee crisis 6 banks went bust as many of the large farms went into liquidation.

The big multinationals are only interested in trying to control what they see as a growing market, their idea of Fair Trade is to place certain criteria on growers that meet their needs and do not allow the farmers to control their own lives, they are not interested in supporting the communities or ensuring a fair price for coffee.

After our meeting at the Co-op offices we went to a local hotel where representatives of all the Co-operatives who were meeting to discuss how much sesame they would be able to produce that year.

TUESDAY 23 NOVEMBER pm after a trip to the coast to see the Pacific Ocean we travelled back to Managua

WEDNESDAY 24 NOVEMBER am Leave Nicaragua

CONCLUSIONS

Nicaragua is not a poor country; it has large reserves of natural resources, including the second largest fresh water lake in the world, and is one of the most bio-diverse countries in the world. It has the capability and the land, if allowed, to produce enough food to sustain the whole of the population. Its people are willing to embrace change and take on new technologies, all they ask is that they are allowed to work with dignity. It is a country with a rich cultural heritage, of which the people are rightly proud.

For over thirty years the people in Nicaragua have been involved in a continuous struggle, during the 70's they were in an armed struggle against the Samoza region. In the 80's they were trying to defend the revolution and at the same time were engaged in confrontation with the Contra terrorists and from 1990 until now they have been struggling to survive under a neo-liberal government.

The struggle may have taken different forms over the years but the fundamental cause has remained the same, resisting the continuing attempts by the US Government to control both the country's economic and political life on behalf of their own interests.

There is now a growing opposition to US domination, Venezuela along with Brazil and Argentina have opposed CAFTA and there is an increasing move to elect left leaning governments within the region. This, along with the election results in Nicaragua, will be seen as a major threat to their dominance in what they see as their own back yard.

It is because of this trend that in one of the first speeches by Bush after his election he stated that the US had neglected their friends in Latin and Central America in recent years, owing to the need to concentrate on the Middle and Far East, but would be giving them more attention in the new term.

Despite some problems within the FSLN leadership, the principals of the revolution are still alive within the trade union movement who, despite sustained attacks since the election of the right wing government, have continued to strive to defend workers human and labour rights. They have maintained their democratic structures despite massive attacks by right wing forces on their organisations and also in many cases personal attacks on the leaders of the unions.

All the leaders of the Unions we met believed that the election of the FSLN Mayors would give them the opportunity to build the unions and improve conditions particularly for those working in the public sector. They are looking forward to the presidential elections in 2006 when they believe there will be a good chance of the FSLN winning.

That victory is more likely if the unions are given the resources to allow them to step up their activity within the next two years. It is inevitable that the US government will make millions of dollars available to the right wing and will also use all possible measures both legal and illegal to undermine the FSLN position.

There is an urgent need to organise within the Free Trade Zones. While the setting up of a workers co-operative free trade zone may seem at first to be the way forward, it is not the answer for the vast majority of workers. They would be unable to sustain their families while factories were built and any large scale move to Free Trade Zones would undermine the social structure of the country and would drain any future FSLN Government of vital tax income.

The women's movement also does valuable work both within the Free Trade Zones, particularly around promoting campaigns with regard to labour and health rights for workers, along with providing booklets informing workers of their rights and the provision of legal representation. The only difficulty is that because all their funding comes from NGO or government sources they are not able to take part in the same sort of activities as the unions.

It is in all our interests to ensure that there is a strong workers movement within Nicaragua, and the best way of ensuring that is by giving all possible support to the Nicaraguan Trade Unions, to ensure that they can make the most of the period before the next national elections, to build the Unions, and to work towards the election of a FSLN government.

Finally I would wish to thank the union both nationally and my own branch for sponsoring my trip to Nicaragua, it is only when you have the opportunity to see the conditions that that their trade unions have to operate in, even in a so called democracy, do you realise how lucky we are.

SUGGESTED ACTIONS

1. Work through UNI to support the Federation Enrique Schmidt (FESC) in their attempt to get their sacked members re-instated and to give financial support to those members working in the informal sector.
2. Campaign to change the policy of the UK Government's support for the USA's interference in Nicaragua, and their support for CAFTA.
3. Support the Nicaragua Solidarity Campaign Action Group to assist the Unions in the Free Trade Zones to be able to organise without intimidation.
4. To work through UNI to seek assistance from the AFL-CIO to support the Nicaraguan Trade Unions in their struggle to organise workers in the US owned companies within the Free Trade Zones.
5. Highlight the need for Branches and Regions to affiliate to NSCAG through: -
 - a An article in the Voice
 - b Presentation at Regional Committees
 - c Presentation at Union Courses

Nicaragua Chronology

- 1979** – Broad coalition of forces led by the Sandinistas (FSLN) overthrows the Somoza dictatorship that ruled Nicaragua for 43 years.
- 1980** – Sandinistas launch a UNESCO acclaimed literacy crusade.
- 1981** – In an attempt to overthrow the Sandinista government the Reagan administration begins financing and training the contras, a mercenary army based in Honduras.
- 1984** – First free and fair elections in Nicaragua's history won by the FSLN with 67% of the vote.
- 1985** – The Reagan administration declares that Nicaragua poses a threat to the national security of the US and uses this as a justification for imposing a trade embargo.
- 1986** – World Court rules that the US war against Nicaragua is in violation of international law and orders the US to pay reparations. The US refuses to accept the jurisdiction of the Court or to pay the estimated £12 billion damage to the country's infrastructure.
- 1987** – Contadora peace agreement signed by the presidents of the five Central American countries. This leads to the beginning of negotiations between the Sandinista government and the Contras.
- 1981 – 1990** – US backed contra war leads to the deaths of 30,000 on both sides.
- 1990** – Second free and fair elections won by the US backed 14-party UNO coalition led by Violeta Chamorro. FSLN becomes largest opposition party.
- 1990** – Demobilisation of 22,000 contras and 235,000 army personnel
- 1992** – The US temporarily suspends aid to Nicaragua demanding the return of property to former owners (now US citizens).
- 1991 - 2002** Imposition of IMF/World Bank 'free' market economy which stabilises the economy but results in cutbacks in public expenditure, privatisation and a flood of foreign products into the country which undermines local production. Unemployment reaches 70% and 40% of the population live in extreme poverty.
- 1996** – Presidential and National Assembly elections won by the right wing Liberal Alliance led by President Arnoldo Aleman.
- 1997** – Nicaragua's foreign debt stands at \$6.4 bn, one of the highest per capita debts of any country in the world.
- 1998** – Zoilamerica Narvaez accuses her stepfather Daniel Ortega of sexual abuse.
- 1998** – New 3 year Enhanced Structural Adjustment (ESAF) package signed between the Nicaraguan government and the IMF.
- 1998** – Liberal Alliance government implicated in the first of many corruption scandals involving a plane used for the transport of cocaine.
- 1999** - A controversial pact is signed between the FSLN and the Constitutional Liberal Party (PLC) to reform state institutions and the electoral law
- 2000** - Municipal elections result in considerable gains for the FSLN (Sandinista Party) in urban areas where they win the main towns in 11 of the 17 departments including Managua. However, the PLC (Constitutionalist Liberal Party) secures overwhelming victories in rural areas.
- 2000** - Nicaragua enters the Highly Indebted Poor Country (HIPC) initiative along with 22 other countries. Providing that Nicaragua complies with IMF/World Bank structural adjustment conditionality, the country's debts will be reduced from \$6.4bn to \$1.9bn over the next few years.
- 2001** - President Bush nominates Cold War warriors Otto Reich and John Negroponte to key foreign affairs posts. In the 1980s Reich ran a government office that engaged in covert propaganda activities to undermine the Sandinista government and Negroponte was US ambassador to Honduras. Negroponte's candidature was ratified by Congress immediately after September 11th. Otto Reich's candidature proved so

controversial that the Bush administration bypassed Congress and appointed Reich during a Congressional recess over Christmas 2001.

2001 - Convicted Iran-contra criminal Elliot Abrams is appointed by President Bush as National Security Council's senior director for democracy, human rights and international operations.

2001 - With the FSLN ahead in the polls the Bush administration sends an envoy to Nicaragua to undermine the position of the FSLN in the forthcoming elections and to help forge an anti Sandinista alliance. Post September 11th, the US intensified the campaign to undermine the position of the FSLN in general and Daniel Ortega in particular with the Bush administration labelling past, present and future opponents of US foreign policy as 'terrorists.'

November 2001 - Elections for the presidency, National Assembly and Central American Parliament. PLC candidate Enrique Bolaños wins the presidency with 56% of the vote. The second placed candidate was the FSLN - Convergence candidate Daniel Ortega with 42%.

2002 - President Enrique Bolaños attempts to bring corrupt members of the Aleman administration to trial. Arnaldo Aleman, ex-President and now President of National Assembly, uses his majority in the assembly to block anti-corruption legislation. Meanwhile, neo-liberal policy continues unchecked.

December 2003 - Aleman sentenced to 20 years in prison and fined \$17 million for money laundering, embezzlement of public funds, fraud and electoral crimes. The US looks at bringing yet more charges against him.

November 7 2004 - FSLN Alliance wins 90 of the 150 municipalities in the local elections including all the major cities

November 16 2004 - Dan Fisk, Assistant Deputy Secretary of State visited Nicaragua telling the government they should forget about Aleman

Dec 2 2004 - Aleman released from prison