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COSTA RICA

Arias Wins Presidential Election

At the close of a 14-day recount process and another two-week wait while votes for legislative representatives were being counted, the Supreme Electoral Tribunal (TSE) declared presidential candidate Oscar Arias of the National Liberation Party (PLN) the winner on 7 Mar over Ottón Solís of the Citizens Action Party (PAC). Solís had given his concession speech on Friday night, 3 Mar on national television.

According to TSE statistics, of the 1,623,992 valid votes cast, 40.92% were in favor of Arias and 39.80% in favor of Solís—a mere 18,169-vote difference. Solís carried the Central Valley, which includes San Jose, Alajuela, Heredia and Cartago provinces, noted for having a predominantly more urbanized and educated population. Arias won the provinces of Guanacaste in the northwest, Limón in the east and Puntarenas on the west coast, which are predominantly rural areas.

The TSE waited to officially declare a winner until after TSE magistrates resolved 699 complaints of invalidity—all but 15 of which were submitted by the PAC, and most of which were rejected. In the last election, there were only such 10 complaints.

The majority of the complaints were that some of the nation's 6,163 polling stations lacked an official registry of the tabulated ballots that must be signed by local election officials. Though the TSE admitted that this did occur in 73 of the 156 polling stations that PAC called into question, it denied the request for a recount. According to PAC president Epsy Campell, this could affect more than 24,000 votes.

Another complaint, by PAC legislator Rodrigo Alberto Carazo, claimed that 3,908 presidential ballots disappeared. According to TSE magistrate Luis Antonio Sobrado, nearly half of these later appeared in the sacks of ballots for legislators, mistakenly placed there by local election officials, including those of PAC. Of these rediscovered ballots, only 31 were valid—five for Arias, four for Solís, and the remainder for minority party candidates—and the rest were either unused, void or blank.

Despite skepticism, congressional president Gerardo González expressed confidence in the TSE. “There needs to be recognition of the TSE’s work, an organization believed to be honorable.”

Samuel Yankelewitz, president of the Costa Rican Chamber of Commerce, said that he, too, has “complete confidence” in the TSE.

Throughout the recount process, TSE magistrates, together with other officials and lawyers of various parties, manually reviewed the ballots one by one. An election this close has not occurred since '66 with the 4,220-vote victory of National Unity Party candidate José Joaquín Trejos Fernández over PLN candidate Daniel Oduber Quirós.

ICE Privatization on the Horizon

With the victory of PLN presidential candidate Arias and the imminent ratification of DR-CAFTA by the legislative assembly, a number of changes are on the horizon for the country's 56-year-old government-owned Costa Rican Electricity Institute (ICE) that provides the nation with all of its telecommunication and electrical services.

Discussions took place on 27 Feb regarding the creation of a Telecommunications Regulatory Commission (CRT) that would dictate telecommunications policies, emit operational regulations and sanction violations. It would also grant concessions and fix the tariff margins charged by operators, which ICE currently manages.

DR-CAFTA dictates that certain areas of the telecommunications sector must be open to competition, such as cellular phone and Internet service. An entity such as the CRT is necessary to meet privatization requirements established by DR-CAFTA and must be created before the agreement can be ratified. Negotiations regarding the CRT will continue in mid-Mar.

Promoters of the privatization of ICE maintain that the change will allow private companies to acquire governmental concessions, therefore competing with the state in the sale of telecommunications and energy services. Increased competition between various companies, some argue, would lower consumer costs, improve efficiency in areas such as customer service and technical support, and give consumers a larger variety of options, including better technology.

Opponents, however, fear that ICE would not be able to handle competition in an open market and that one private company would eventually dominate the telecommunications sector, thereby creating a new monopoly.

In a mid-Feb assembly of the Inter-American Telecommunications Commission (CITEL), ICE executive president Pablo Cob remarked on the success of Costa Rica's telecommunications system due to the state monopoly, noting its quality and low tariffs.

CITEL is the principal forum for telecommunications in the entire American continent where governments and private sectors coordinate efforts to develop the industry as a whole. In the Feb assembly, the organization celebrated recent telecommunication policy changes in the region, such as Argentina's plans to return to a state-run service, and gave a vote of confidence to the Costa Rican model.

ICE labor leader Fabio Chávez told *Informa-tico* on 27 Feb that there would be a “fight to the death” by ICE employees if the government insists on imposing a new telecommunications law that would dissolve the state monopoly.

Other groups, such as the National Association of Public and Private Employees (ANEP), have expressed opposition to DR-CAFTA, particularly due to the impact it would have on ICE. ANEP General Secretary Albino Vargas sent a message to President-elect Arias on 27 Feb, requesting that he reject the DR-CAFTA to avoid “unsuspected consequences.” Vargas also stated that if he does not, there will be a social movement “20 or 30 times” that of the “combo” uproar, a reference to the March ’00 public protest against an energy reform bill feared to be the first step toward the privatization of ICE. Though the bill failed, “Combo ICE” called for the “modernization” of the institution through a gradual opening of the telecommunication and energy production markets to private capital (Vol. 19, Nos. 4, 5).

According to Chávez, it is no secret that certain foreign companies have already made their mark in Costa Rica. ICE currently outsources certain services such as the telephone directory and mobile phone service providers. Chávez maintains, however, that allowing outside companies too much business could be harmful. “Their purpose is to make a profit, to exploit services in favor of the large transnationals, unlike that of ICE that favors society.”

Studies Reflect Problems in Public Education

Several recent studies have revealed a number of growing problems in the education system, particularly emphasizing an ever-widening gap between public and private education that reflects the poor conditions and lack of financial resources of many public schools.

According to a ’05 study included in the *State of the Nation* report, only 56.1% of would-be public high school graduates received a diploma in ’04, compared to 83.7% of private school students. Nearly 30% of public high school students were held back in ’04 compared to 7.7% in private schools. Drop-out rates for grade school children remained low throughout the country—3.3% for public school and 1% for private—but the difference notably increased for high school students, at 12.8% and 1.8% respectively.

CONARE, the National Council of Rectors that is in charge of coordinating public higher education, estimates that 33% of public school classrooms—compared to 0.9% in private schools—are in poor condition, an issue that greatly affects school attendance. In Mar, the daily *La Nación* reported that more than 6,000 public school students only receive five lessons a day out of the standard nine and, due to lack of space during the week, must attend school on Saturdays to make up for the lost hours. According to ’05 Ministry of Public Education (MEP) statistics, the public school system is in need of 17 more high schools, 52 primary schools, 2,104 classrooms and 25,771 desks (Vol. 24, No. 1). Furthermore, 362 (10%) of the country’s public schools have no electricity and 44 do not have potable water, according to another *La Nación* article in Mar.

The estimated budget for MEP this year is \$1.072 billion, of which \$37.25 million will be used to pay teachers’ salaries. Minister of Education Manuel Antonio Bolaños maintains that economic resources are most needed to improve infrastructure, acquire educational materials and open new schools.

Hundreds of students who need educational opportunities come from extremely poor families, most notably from the northwestern province of Guanacaste. This year the National Scholarship Fund (FONABE) has available 140,939 monthly scholarships, which range from \$12-20. The scholarship money helps with expenses such as uniforms, transportation and school supplies. FONABE maintains that the economic aid helps to avoid desertion in elementary and high school. More than 95,000 of would-be recipients, however, nearly lost their Feb payment because public school committees allegedly failed to file the necessary paperwork, although they had been aware that they needed to do so since Oct.

“Costa Ricans have a bad habit of leaving everything to the last minute,” FONABE board president Rocío Solís told *The Tico Times*.

The committees’ deadline was extended two extra weeks, and 90% of the Feb scholarships were approved. FONABE is currently discussing changes in the system to prevent the paperwork rush from recurring in next year’s scholarship application process.

Bolaños stated that recent information about the current state of education in the country “is a profound diagnostic to improve education.” He emphasized, however, that despite problems in the system—particularly of infrastructure—“there is one thing that excels, and that is that there is education throughout the country.”

—Ashley Blake