

# *MESOAMERICA*

*Volume 24, Number 3, March 2005*

---



## **GUATEMALA**

### **More Drama Surrounding Ex-PAC Payments**

Controversy continues to surround the payments to former members of the Civil Self-Defense Patrols (PAC) as the Constitutional Court (CC) ruled again that the legislation mandating their compensation is unconstitutional. According to the CC, the previous legislation neglected to include the financial resources for the PAC payments, and, therefore, was in violation of Article 240 of the Constitution, which stipulates that all laws that involve government expenditures must indicate their financial sources.

Since former President Alfonso Portillo ('00-'04) first authorized a \$87.5 million payment package to 250,000 ex-PACs in '03, controversy and contention have plagued the agreement. The CC has now ruled three times that the payments are unconstitutional, pleasing human-rights activists who denounce compensating the groups that participated in many of the atrocities committed during the civil war. However, after each CC ruling to block the payments, the ex-PACs have protested with enough pressure to force lawmakers to reauthorize the payments. Meanwhile, ambiguity surrounds the list of ex-PAC members eligible for compensation, and it is estimated that more than 400,000 ex-PACs received the first of three scheduled compensation payments—150,000 more than Portillo originally purposed.

In a compromising effort, the CC stated that, instead of direct payments, the ex-PAC could be compensated by educational scholarships, funds to carry out public works projects, or the payment of medical expenses. Some ex-PAC groups accepted the government's offer of payments in kind, while others vowed to continue the dramatic protests that have marred the bitter financial conflict. Demonstrating the division in PAC ranks, on 16 Feb, while 57 ex-PAC representatives met with government officials to discuss possible projects, hundreds of other ex-PACs protested the CC ruling by blocking major highways and bringing important transportation routes to a standstill.

The saga surrounding the former paramilitary members took another controversial turn when President Oscar Berger announced that he would finance the ex-PAC payments by means of a trust fund created specifically for the victims of the civil war. In an attempt to conclude the fiasco that has surrounded the payments, Berger authorized drawing almost \$40 million from the National Trust Fund for Peace, a fund dedicated to the uprooted populations and victims of the civil war, for ex-PAC payments. Berger justified this maneuver by classifying the ex-PACs as victims of the war too, noting that "they also

suffered and we should respond.” That assertion outraged many human-rights activists, including ’92 Nobel Peace Prize Laureate Rigoberta Menchú, who responded by saying that “to give this money to the ex-PACs takes away the dignity of the victims of the civil war.”

Regardless of the legitimacy of Berger’s newly designated funds for the ex-PACs, it is still unlikely that this will bring permanent closure to the conflict, because this allocation still will not cover the amount of payments originally agreed upon.

### **Bring Him Back: Romeo Lucas**

On 22 Feb, a Spanish Court requested the extradition from Venezuela of former President Romeo Lucas García (’78-’82) for his role in various crimes related to the 31 Jan ’80 fire at the Spanish Embassy in Guatemala, in which 37 people were trapped and burned to death during a confrontation with Guatemalan security forces. The request was made to Venezuelan authorities, the country where Lucas Garcia is believed to be residing currently; this comes on the footsteps of the successful extradition of former Minister of the Interior Donaldo Álvarez Ruiz from Mexico, who is charged with the same crime (Vol. 24, No. 1). At the time of the fire, the Spanish Embassy was occupied by numerous *campesinos* peacefully protesting the rampant violence that had accompanied the country’s 36-year civil war. The dead included the father of Rigoberta Menchú and three Spanish ambassadors. Lucas García is also tied to the murder of four Spanish priests during his regime.

The Venezuelan Minister of the Interior and Justice, Jesse Chacón, responded to the extradition request by saying, “if Lucas García is indeed in Venezuela, we will pass the information to the Judicial Power, and if they determine that all the requirements are fulfilled by the Spanish government we will proceed with the extradition.” Now 81 years old, Lucas García is thought to be suffering from the advanced stages of Alzheimer’s.

### **Assistant Attorney General against Corruption Murdered**

Estuardo Marroquín’s tenure as Assistant Attorney General against Corruption came to an abrupt end on 4 Mar. Marroquín, only 26-years old, was tragically gunned down in Guatemala City, receiving two bullet wounds that eventually proved fatal. The assailant was unidentified and has not been captured.

While authorities speculate that the murder was the result of an escalated skirmish between Marroquín and a thief, the notion of a conspiracy remains plausible; Marroquín had been involved with several high-profile corruption cases. On 14 Mar, Marroquín was scheduled to present evidence against two former ’03 presidential candidates, Leonel López and Álvaro Colom, for misappropriating funds from the General Accounting Office into the accounts of their respective political parties. Marroquín also was investigating a multi-million dollar bank scandal in Crédito Hipotecario Nacional, which has links to several military hard-liners, and charges of embezzlement from the Guatemalan Social Security Institute.

### **Protest Postpones CAFTA Ratification**

The government decided on 2 Mar to postpone the almost inevitable ratification of the Central American Free Trade Agreement (CAFTA) until at least 7 Mar after thousands of people—including teachers,

union leaders, farm workers, indigenous groups and students—protested against various issues, including the free trade agreement. This delay will give opposition group leaders time for legislators to listen to them in a formal manner. Civil group leaders also presented to the National Assembly a petition for a referendum, backed by 26,000 signatures, to allow the public to decide whether CAFTA should be ratified.

The protestors also managed to put on hold the Law of General Concession. The proposed law, sent to Congress by President Oscar Berger, would grant private businesses the right to construct certain types of infrastructures allowing for increased privatization in certain sectors of society, beginning with health and education. Other demands included the formation of a bilateral commission between legislators and social activists to discuss the 53 law proposals on the agenda for this year. Public school teachers also demanded pay raises and new textbooks during the protests.

### **Textile Industry Fleeing Guatemala**

During the first 45 days of '05, 14 *maquiladoras* (assembly plants) closed in Guatemala leaving 3,426 of the industry's 140,000 workers without jobs. This amounts to 41% of the total number of businesses that closed last year. The increase in closures is due at least in part to the end of worldwide quotas (imposed by the World Trade Organization) in the textile industry that began on 1 Jan. As part of a global trend, the companies tend to move to other countries such as China, where, among other variables, labor is cheaper.

One of the *maquila* owners, North American Brecquer Griffit, abandoned his plant overnight without warning, taking with him the best of his machines and computers. A dumbfounded and upset workforce of 300 showed up the next morning only to find that they were locked out of the vacated building.

Many plant owners have little or no respect for their workforce. Most recently, Guatemalan union leaders reported to Neil Kearney, secretary general of the International Federation of Textile Workers, about the mistreatment of workers in three *maquilas*. The union leaders demand an end to physical and verbal abuse, intimidation and threats to take away employment, and better worker salaries.

### **Economy Receives Good Rating by IMF**

After a two-week evaluation in Feb, the International Monetary Fund (IMF) classified Guatemala's economic situation as favorable and decided it was unnecessary to loan the country additional money for the time being. The IMF applauded the government's efforts to maintain a moderate deficit and to increase the efficiency of its banking system, both of which are key elements in attracting outside investment. In order to improve fiscal earnings, the government also proposes to combat corruption. The IMF and the government also see the need to reduce poverty by attracting outside investment in private enterprises; critics, however, maintain that this will create more poverty than wealth. The next IMF evaluation is scheduled for Aug.

—Paul Lubliner and Andrew Kraushaar