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NICARAGUA

Protests Mark World Water Day

On World Water Day, 22 Mar, 500 Nicaraguans marched in Managua to protest poor service and possible privatization of the state water company, ENACAL (Aqueduct and Sewer Company of Nicaragua).

The National Union of Nicaraguan Consumers (UNACUN), which organized the march, joined representatives from the National Assembly and civil society organizations in claiming that ENACAL has intentionally mismanaged the water system—rationing water, allowing wells to fall into disrepair, and billing incorrectly—so that consumers would demand the privatization of the company.

ENACAL representatives argue that low water rates and high energy costs have forced them to neglect maintenance of infrastructure and to ration water. While the water supply is sufficient, operating water pumps 24 hours a day is prohibitively expensive.

ENACAL has been sending mixed messages to the public. On 6 May, its president, Luis Henry Debayle Solis, stated that if the water company was not allowed to raise its rates by 13% by 1 May, it would begin an extensive program of water rationing. Just three days later, however, he announced to the Commission of Infrastructure and Transportation of the National Assembly that there would be no rate increases, no water rationing, and no plans for privatization.

Police Take Over Hospitals in Month Five of Medical Strike

Police officials took over the control of two hospitals in Managua on Tuesday, 21 Mar, after the Ministry of Health received reports that doctors were removing patients from hospitals and threatening health workers who continued to attend to patients. The two groups leading the health sector strike, the Pro-Salary Doctors and the Federation of Health Care Workers (FETSALUD), denied the claims.

Frustrated by the police presence, some of the doctors who had not stopped working during the five months of the health sector strike left their posts to join their striking colleagues (see Vol. 25, No. 3). Emergency services in the two hospitals—Bertha Calderón and Fernando Velez—were halted.

On Friday, 24 Mar, Vice Minister of Health Israel Kontrovsky ordered police to leave the hospitals so that doctors would begin staffing emergency rooms again.

Talks between the Ministry of Health, the Pro-Salary Doctors and FETSALUD continued but led to no resolution.

FETSALUD and the Pro-Salary Doctors set aside the differences that had complicated negotiations in Feb, announcing on 11 Mar that they would unify their demands and petition the government for a 30% salary increase. “Things have been smoothed over, we are united, the friction has ended; the only demand is against the government,” said Elio Artola, a representative of the Pro-Salary Doctors.

President Enrique Bolaños maintained that the government does not have the funds to increase health sector workers’ salaries by 30%.

Nicaragua Joins DR-CAFTA on 1 Apr

On 22 Mar, the National Assembly approved the last legal reforms needed to pave the way for the Dominican Republic-Central American Free Trade Agreement (DR-CAFTA), just in time for the agreement to enter into effect on 1 Apr.

Four existing laws were reformed in order to comply with the requirements of DR-CAFTA: the Patent Law, the Law of Brands and Trademarks, the Authors’ Rights Law, and the Satellite Signal Control Law. In addition, penalties were stiffened for bribery and violations of intellectual property rights.

The reforms to the Authors’ Rights Law of ’99—which Nicaraguan daily *El Nuevo Diario* called “the principal requirement for the application of DR-CAFTA” —provoked controversy within the National Assembly. Representatives from the Sandinista National Liberation Front (FSLN) walked out in protest during debate of the reforms, arguing that the changes would leave writers, painters and singer-songwriters without protection from the companies that reproduce their work. Furthermore, added the FSLN representatives, the law was changed too hastily and without consulting artists or seeking consensus among interested parties. Despite the FSLN exit, the quorum remained unbroken and the parliamentary session continued.

Nicaragua, along with Honduras, was able to implement DR-CAFTA only one month after it took effect in El Salvador due to an amendment to the trade agreement made by the National Assembly of El Salvador and signed by US government representatives on 10 Mar. The amendment eliminated a requirement that a nation wait 90 days to implement DR-CAFTA after its implementation in another country.

The Nicaraguan government threw a party on 25 Mar to celebrate the completion of the reforms necessary to comply with DR-CAFTA. As Liliam Morales, a representative from the Liberal Constitutionalist Party, had explained earlier, the government expects DR-CAFTA to increase

exportation of Nicaraguan sugar, meat, dairy products and peanuts, all of which will enter the US without tariffs. “As exports increase, jobs will increase,” stated Morales.

Others, however, were skeptical—small producers in particular. “It’s easy for the government to sign a free trade agreement that could provide some opportunities for Nicaragua, but with the conditions under which we’re producing, there’s no way for us to be competitive,” stated Álvaro Fiallos, president of the National Union of Farmers and Ranchers.

Fiallos expects that the export quotas imposed by DR-CAFTA will benefit only large producers. He assured reporters from *El Nuevo Diario* that small producers have done much to become more competitive but have received little support from the government.

While initiatives to increase the competitiveness of small producers are currently being organized, Fiallos foresees that DR-CAFTA will already have run the small producers out of business by the time such programs are ready.

Bus Drivers Strike Again

Managua bus drivers are at it again—restarting their “torture of the public,” as one newspaper put it.

Beginning at midnight on 3 Apr, bus drivers stopped running all routes in the capital city of Managua, parking the 950 buses that normally circulate in the city along the sides of highways and leaving residents to scramble for transportation.

The bus strike—the third in the past two months—is in response to the government’s failure to give bus drivers the fuel subsidy they were promised in the 14 Feb agreement that ended the last full strike (see Vol. 25, No. 3).

“We ask a thousand pardons from the public, but we have been too tolerant with the government and they have not complied,” explained Miguel Álvarez, president of one of the 41 cooperatives that compose the Regional Union of Collective Transport Cooperatives (URECOOTRACO).

—*Emily Heinlein*