

# *MESOAMERICA*

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## **NICARAGUA**

### **Public Hospitals Keep Their Doors Closed**

Public hospitals remained closed to all but the sickest of patients as the healthcare workers' strike, led by the Pro-Salary Doctors and the Federation of Health Care Workers (FETSALUD), dragged into its fourth month. The Pro-Salary Doctors continue to demand a 30% pay raise, with a scaled increase to 140% in '08. FETSALUD is asking for a 100% raise for its workers, who include nurses and other health sector employees.

The hope for a resolution offered by the "accord of good intentions" signed on 17 Feb by representatives of the Pro-Salary Doctors and the Ministry of Health (MINSa) was short-lived. The accord stated that doctors would reestablish normal emergency services—which had been irregular since mid-Jan—and that MINSa would pay the Feb salaries it had withheld from 600 of the 3,000 striking physicians. Within days, however, the doctors stated that they would not normalize emergency services until MINSa responded satisfactorily to their salary demands. Emergency rooms remained understaffed or closed at press time.

While FETSALUD has not yet reached an agreement with MINSa on salaries, its representatives were able to convince MINSa on 1 Mar to eliminate all charges in public hospitals. The union had forced the private service sections of public hospitals to close on 20 Feb to pressure MINSa into getting rid of private services and charges for public services. Gustavo Porras, director of FETSALUD, explained that "the benefit of all is what FETSALUD is proposing. We're looking for economic benefit for the [health] workers, but also the benefit of access to free healthcare and medicine for the population, which is a constitutional right that has been denied for decades."

The Pro-Salary Doctors state that they will not resume negotiations until MINSa has come to a resolution with FETSALUD.

Meanwhile, mounting tensions between the Pro-Salary Doctors and FETSALUD complicated negotiations. The doctors' organization suspended talks with the government on 21 Feb, explaining that the doctors did not want FETSALUD involved in their negotiations, likely because of FETSALUD's ties to the Sandinistas. Director Gustavo Porras is a FSLN representative in the national assembly, while Pro-Salary Doctors is purportedly a non-partisan organization.

Doctors used increasingly aggressive tactics in Feb, including occupying Minister of Health Margarita Gúrdian's office from 10 to 13 Feb and looting a hospital director's office on 16 Feb.

Physicians also attempted to take over the headquarters of the Foreign Ministry on 14 Feb, reportedly to attract international attention. Explained a frustrated doctor: “The bus drivers got a response to their demands through vandalism, but we’ve been protesting peacefully for three months and they haven’t resolved ours. I want to announce that although it’s not our preferred mechanism ... the last step that remains is vandalism.”

MINSA has not offered a pay raise above 13.75%, citing International Monetary Fund (IMF) rules that place caps on salary increases. IMF representative Humberto Arbulú, however, stated on 17 Feb that the government could raise health workers’ salaries by a higher percentage, provided that the overall increase in government salaries remained under the IMF cap.

The government announced on 25 Feb that it would offer a voluntary retirement plan to government employees in order to free up funds to raise physicians’ salaries.

### **Bus Strike, Once Resolved, Resumes**

Residents of Managua were forced to hit the streets on foot or pack into trucks when bus drivers shut down public transportation from 6 to 14 Feb, demanding government subsidies to counter rising gas prices. The strike ended at midnight on 14 Feb, when government and bus driver union representatives signed a controversial accord to create a temporary three percent tax on petroleum as a subsidy to bus companies.

When the National Assembly had still not approved the tax on 6 Mar, however, the bus drivers resumed their strike, taking 50% of the buses off the streets. Drivers threatened to mount a total strike on 13 Mar if the tax law had still not been passed.

The strikes bring economic, environmental and educational costs to Managuans. Not only are pirate taxi drivers charging twice the normal rate for transportation, but the bus drivers have blocked streets and burned tires, causing dangerous fumes. Absentee rates in public schools have risen as high as 30%, despite the Ministry of Education’s insistence that classes not be cancelled unless violent protests make it unsafe for children to get to school.

The bus drivers’ union threatened to raise bus fares by nearly 50% if the government refuses to give them subsidies. Despite rising gas prices, bus fares have not been raised since ’03. The National Union of Nicaraguan Students stood in strong opposition to a fare increase, promising to take to the streets in protest if fares go up.

### **Sixty Percent Abstention in Caribbean Coast Elections**

A crisis in the Supreme Electoral Council (CSE) and allegations of electoral fraud discouraged residents of the Caribbean Coast from voting in the regional elections held on 5 Mar, charged former President of the National Assembly Luis Humberto Guzman. The CSE controversy has created fear that similar problems will arise in the Nov ’05 presidential elections.

“The Liberal Constitutionalist Party [PLC] ... was claiming fraud before the elections, in case it lost,” explained Guzman. “This campaign, in part, was successful in promoting abstention, because those who went to vote were the hard, militant voters of the PLC and the Sandinista National Liberation Front. Weak, mild voters ... were dissuaded by a campaign that said the elections were disorganized and that voters wouldn’t receive attention at the polls.”

The seven-member CSE has been in a deadlock since three PLC magistrates began to boycott its meetings in Dec '05, claiming that their four Sandinista colleagues were planning electoral fraud and using the CSE—a supposedly non-partisan institution—as a command post for Sandinista campaigns.

PLC magistrates claimed that the four Sandinista magistrates were conspiring to throw out a law that would allow voters to cast ballots even if their names were not on the voters' list for a given precinct, provided that they showed their voter identification cards and gave some proof of living in the area. The law was created by the CSE in '04 after a report by the electoral observation group Ethics and Transparency showed that 40,000 voters were turned away at the polls in the regional elections because their names did not appear on voter lists.

The law in question was upheld in the 5 Mar elections and no major problems were reported at the polls.

### **G-8 Forgives \$700 Million in Debt**

The industrialized countries in the Group of Eight (G8) will cancel \$700 million of Nicaragua's foreign debt in Mar, announced Pamela Cox, World Bank vice president for Latin America, in a Managua press conference on 24 Feb.

According to Cox, the money that would have gone towards debt payments should be used for programs to reduce Nicaragua's alarming poverty rate. Eighty percent of the population is classified as "poor"—living on two dollars or less per day—and 45% of the population is "extremely poor," living on only a dollar a day.

Cox emphasized the importance of economic growth for poverty reduction, but acknowledged that economic growth alone cannot lift a population out of poverty—resources must be redistributed through programs that invest in people over the long term. The idea that a rising tide may not lift all boats—that is, that improvements in the general economy may not benefit all people in a nation—is a relatively new one for the World Bank.

The G8 member countries—Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the US—had announced on 11 July '05 that they would include Nicaragua in their debt relief program. They had not, however, previously announced the dollar amount of the debt cancellation.

—*Emily Heinlein*