

A year before he became president of his party and Prime Minister of Sweden in 1968, Palme walked at the head of a march in Stockholm to protest the "dirty war" in Viet Nam. As Prime Minister he was one of the staunchest critics of apartheid, and Sweden's policy in the United Nations was belligerent in favor of measures that would isolate the Pretoria regime.

Palme was a severe critic of the military dictatorships that were prevalent in Latin America in the 70's: Lucas Garcia in Guatemala, Romero in El Salvador, Somoza in Nicaragua, Stroessner in Paraguay, Pinochet in Chile, Aparicio Mendez in Uruguay, Videla in Argentina, and so on. His country opened its doors to thousands of political refugees. In more recent years, Palme maintained his country's economic and political support for Nicaragua. More than any other world leader Palme supported the Nicaraguan elections and called them "absolutely honest". In fact, Swedish specialists served as advisors for the elections in which Daniel Ortega was elected president.

Just a year ago Palme spoke to Swedish youths and criticized the policy of support for Nicaraguan counter-revolutionaries: "The Somocista guards and the mercenary soldiers are neither freedom fighters nor democrats. The so-called crusade against communism in Nicaragua is no more than the unleashing of outlaws who attack poor peasants and brutally rape women who are really only young girls." He was one of the first and firmest European allies of the Contadora Group.

Palme always knew he was speaking from that privileged part of humanity that lives in the industrialized northern hemisphere. He was sensitive and conscious of that privilege and always spoke out on behalf of dialog with the South, for a New International Economic Order and even in favor of cancelling the underdeveloped countries' foreign debt.

In October of 1985, Palme joined five important Third World leaders in addressing a joint message to Soviet Premier Mijail Gorbachov and to President Reagan. Together with Mexican President Miguel de la Madrid, Argentina's Raul Alfonsin, Tanzanian President Julius Nyerere, Greek Prime Minister Andreas Papandreu and Rajiv Gandhi of India, Palme called on the leaders of "the superpowers to take

concrete steps" toward peace and disarmament and to agree on a one year moratorium on nuclear tests.

But perhaps the most important step in Palme's activity in international affairs was the creation of the Independent Commission on Disarmament and Security, which is named after him.

Just a few weeks before his death Palme delivered an important speech at Stockholm's Institute for Foreign Policy. He repeated some of the same ideas when he spoke at Indira Gandhi's tomb in New Delhi, during what was to be his last trip abroad. The emphasis he placed on the problem of the Third World's foreign debt still bears witness to his struggle for a different, better world. "The dialog between the developed and the underdeveloped countries during the 70's had as its central theme the New World Economic Order and long term evolution, in the broadest sense of the term. Today, for the most part, the central theme in that dialog is how to best collect the interest payments. The banks, the IMF and the governments of the developed countries are demanding harsh and rapid internal readjustments in debtor nations. This is meeting with increasing resistance on the part of the underdeveloped countries who regard this policy as further proof of the injustice of the international economic system."

Palme ended his speech with the following statement: "This (the foreign debt problem) may lead to direct confrontation between the industrialized and the developing countries. Such a contingency would serve nobody's economic interests. The political costs would be unpredictable. The threat to international stability and security would be even more direct."

In several of his last interviews Palme voiced his concern over the dangerous directions the world was moving in. "What most worries me is the development of violence and the influence of imported violence coming from the United States through television and movies."

In the eyes of Latin America Olof Palme stood for the best of the democratic West. Swedish democracy became a kind of ideal: public officials truly in the service of the people, and whose basis for prestige is intellectual honesty; officials who carry out a foreign policy devoid of boastful vanity, personality cults or cosmetic foolery. The seriousness of Palme's mes-

sage was the mature fruit of years of experience.

Olof Palme first visited Mexico as Prime Minister during the administration of President Luis Echeverria (1970-76). From then on our country sought dialog and exchange with European Social Democracy, and particularly with Palme and his party. Palme became a frequent guest of the Mexican government. But he had often visited Mexico since the 1940s; part of his family has lived in our country for over fifty years. A contemptible act of violence ended the life of a good man and a great statesman. It's possible that the killer was in some way conscious of the fact that he was eliminating the main model Latin America had of an

honest politician whose sense of purpose was to generously serve the people in the tasks they had entrusted to him.

The world has lost a citizen dedicated to the noble task of peace. Shortly after the shooting, rustic signs in Spanish began to appear in Stockholm, bearing witness to the gratitude of the thousands of Latin Americans who found refuge in Sweden thanks to Palme's policies. Olof Palme left a universal legacy to all people of good faith on how to stem the plans and instruments of barbarity.★

Compiled by **Arturo Arias** based on articles by Juan Jose Hinojosa, Miguel Bonasso, Tomas Gerardo Allaz and Anne Marie Mergier.

NICARAGUA'S SEVEN YEARS OF REVOLUTION: WHAT'S REALLY HAPPENING?

Passions often prevent an objective view of Nicaragua. South of the Rio Grande, most analyses differ from traditionally-held views in the U.S.

On July 19 the Sandinista Revolution will celebrate its seventh anniversary. Pressured on all sides, caught in a costly war with the contra, victimized by a severe economic crisis and opposed by the top hierarchy of the Catholic Church, the Sandinista leadership is getting ready to evaluate their government's achievements and failures. Their program of mixed economy, political pluralism and non-alignment has been put to severe tests. The eyes of the international community are fixed on the events that unfold in the country. Nicaragua, against its will, has been converted into one of the hottest spots on the globe.

The Reagan administration's disproportionate aggression against the Sandinista govern-

ment has been the most important external factor in determining the course of the revolution. Washington has used military pressure, an economic boycott and political confrontation against the Nicaraguan government. Until now, the Sandinistas have been able to resist the assault, but the social costs have been high.

By the beginning of 1986, the Sandinistas had been able to turn back the armed counter-revolutionary forces. According to Western press reports, the contras have now retreated to their Honduran base camps. U.S. military analysts and European diplomats assigned to Central America believe that the contras have already been defeated in strategic terms and that even with U.S. aid, they would need at least two years before they could represent a real threat to the Managua government.

Sandinista troops have been successful thanks to their implementation of irregular warfare tactics and the use of air support from some 24 Soviet-made helicopters. But even more important than these factors, no doubt, has been the fact that the contras have not been able to gain massive support from the population or to create the supply networks they need to be able to develop their forces. One important indication of the setbacks suffered by the anti-

Sandinista forces was their inability to interfere with the country's most recent coffee harvest (coffee is Nicaragua's principal export crop), after having been successful in such an effort in 1984.

While in military matters the Sandinistas may have reason to be optimistic, in economic affairs things look pretty bleak. According to official figures Nicaragua's 1985 inflation rate was 213% (independent estimates put the rate at about 400%) and the balance of pay-

ments deficit was \$400 million. At the same time, industrial production was down 6% in relation to the previous year, and the value of manufactured export goods fell by 30%. Only agricultural production held to 1984 levels, which was extremely important since agricultural products bring in 80% of all of the country's foreign exchange.

Without a doubt, the war is the single-most important factor in Nicaragua's negative economic growth. According to govern-

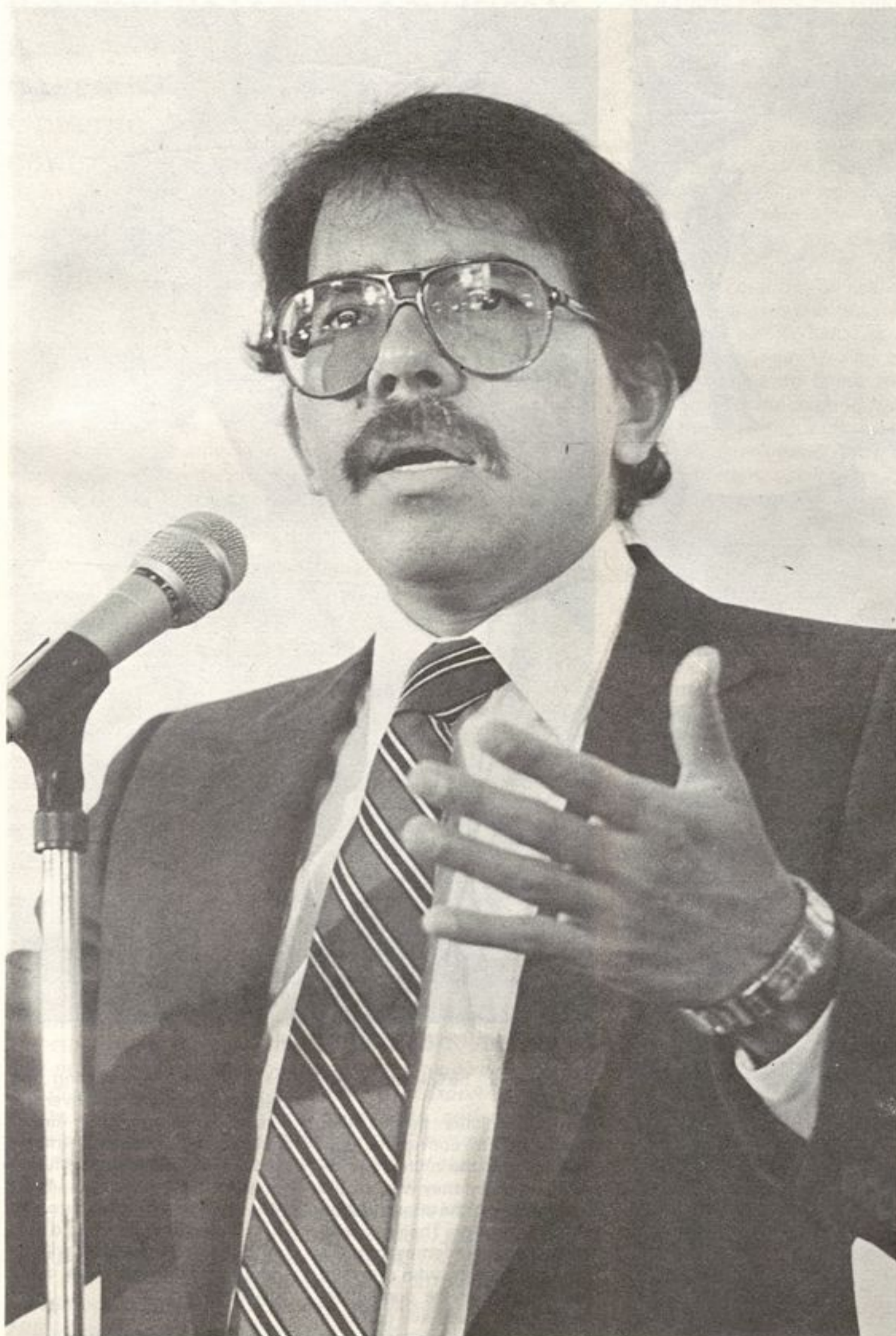
ment statistics, 38% of the national budget is devoted to defense-although other sources insist that it is really more than 50%-and losses due to contra attacks each year represent one-half of the value of all exports (in 1985 Nicaragua exported \$350 million worth of goods). Last May the Reagan administration also declared a trade embargo that affects 95% of the country's productive infrastructure and 15% of its foreign commerce. Currently, 30% of Nicaragua's trade is with Western European countries, 25% with the Soviet block, 21% with Latin America, 12% with Japan and the rest with other countries.

A financial blockade promoted by the United States meant that in 1985 Nicaragua did not receive a single loan from the World Bank or the Interamerican Development Bank (IDB). In early March of this year, the situation changed slightly when the IDB approved a \$50 million loan thanks to mediating efforts on Managua's behalf by Brazil.

At the same time, President Daniel Ortega acknowledged that part of the responsibility for the country's economic crisis lies with the government. Excessive bureaucracy and inadequate planning have worsened economic problems. All of these factors together make it harder and harder for the Sandinista government to maintain the achievements of the revolution, especially in the areas of nutrition, health and education.

In this context the Sandinistas can have no illusions about the future and what they call a survival economy. President Ortega clearly stated that his government cannot aspire to economic growth in 1986, but rather must adapt to the limitations imposed by the war and the blockade.

In the political arena, the Sandinista government has its weakest flank in its relationship with the Catholic hierarchy, led by Cardinal Miguel Ovando y Bravo. Relations between the Church and the State are extremely polarized. Government officials accuse Ovando y Bravo of following CIA orders and of being the political head of the counter-revolution in Managua. The Catholic hierarchy, in turn, denounces alleged human rights violations by the Sandinistas and shares the Reagan administration's accusations that the Nicaraguan government is following the path to totalitarianism, under orders from Moscow and Cuba.



Nicaraguan President Daniel Ortega. Photo by Renzo Gostoli.

latin american issues

What is certain is that with the restoration of the State of Emergency last October, the confrontation has intensified. Just in January, the government closed the Church's official radio station and accused Father Oswaldo Mondragon, director of Managua's Catholic Seminary, of belonging to a contra cell involved in planning sabotage actions. Mutual accusations between Ovando y Bravo and priests working with the government fly back and forth with ever greater frequen-

cy. People even speak of the existence of two Churches. Some bishops have been denounced because they are arbitrarily removing priests and nuns who sympathize with the revolution from their parishes. The situation has developed into a major political and ideological conflict in which the Catholic hierarchy has become the spearhead of the internal political opposition. In spite of these difficulties and the pressures on them to negotiate with the contras, the

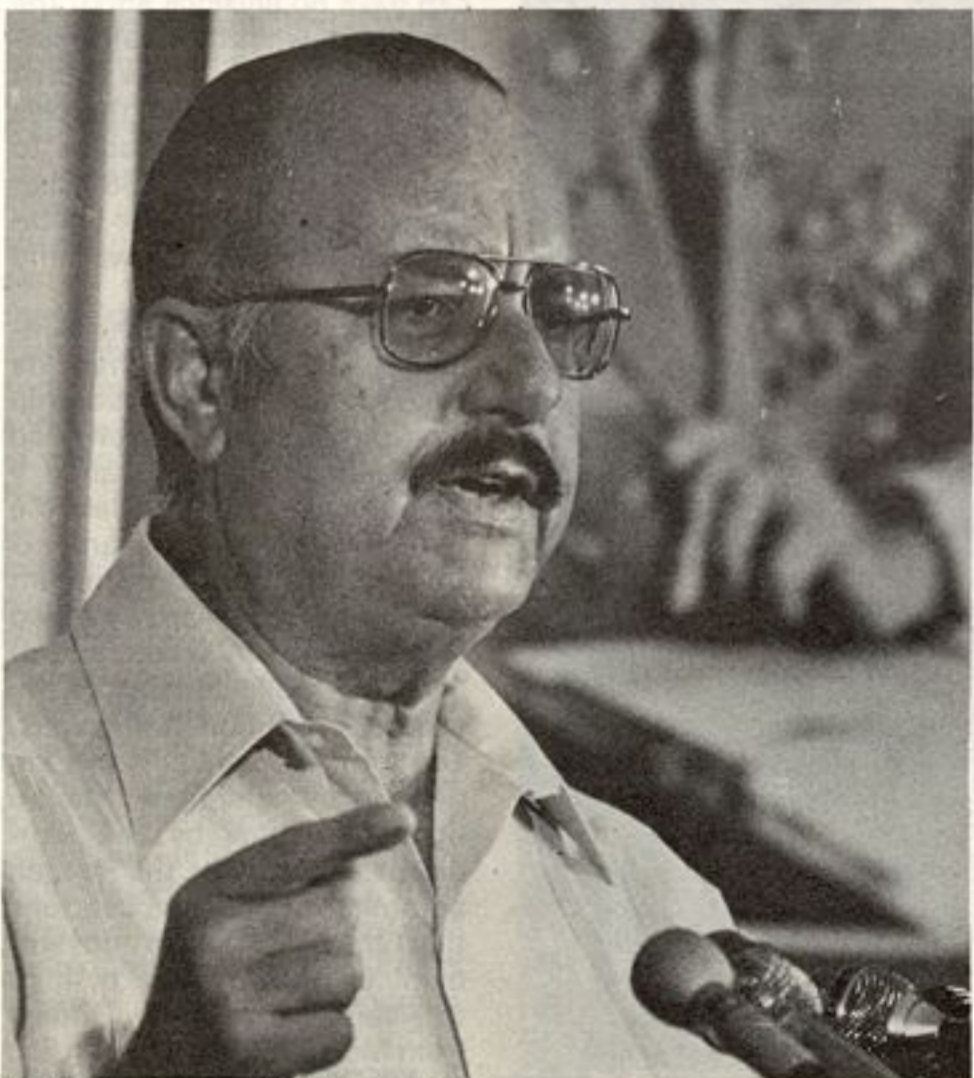
Sandinistas have moved forward with their project of mixed economy and political pluralism. A new constitution is being written by the National Assembly with the participation of opposition political parties, and *La Prensa*, a daily newspaper with ties to the counter-revolution, continues to publish, notwithstanding the permanent censure. While spaces for political activity have been reduced—because of foreign aggression according to government officials— they

government, and they have begun to institutionalize the revolutionary process. The question is how long can they hold firm with their commitment to a mixed economy, political pluralism and non-alignment, given that the position of the Reagan administration actually lends support to the arguments of the most radical sectors within the Sandinistas. Since it is clear that the counter-revolutionary groups, by themselves, will not be

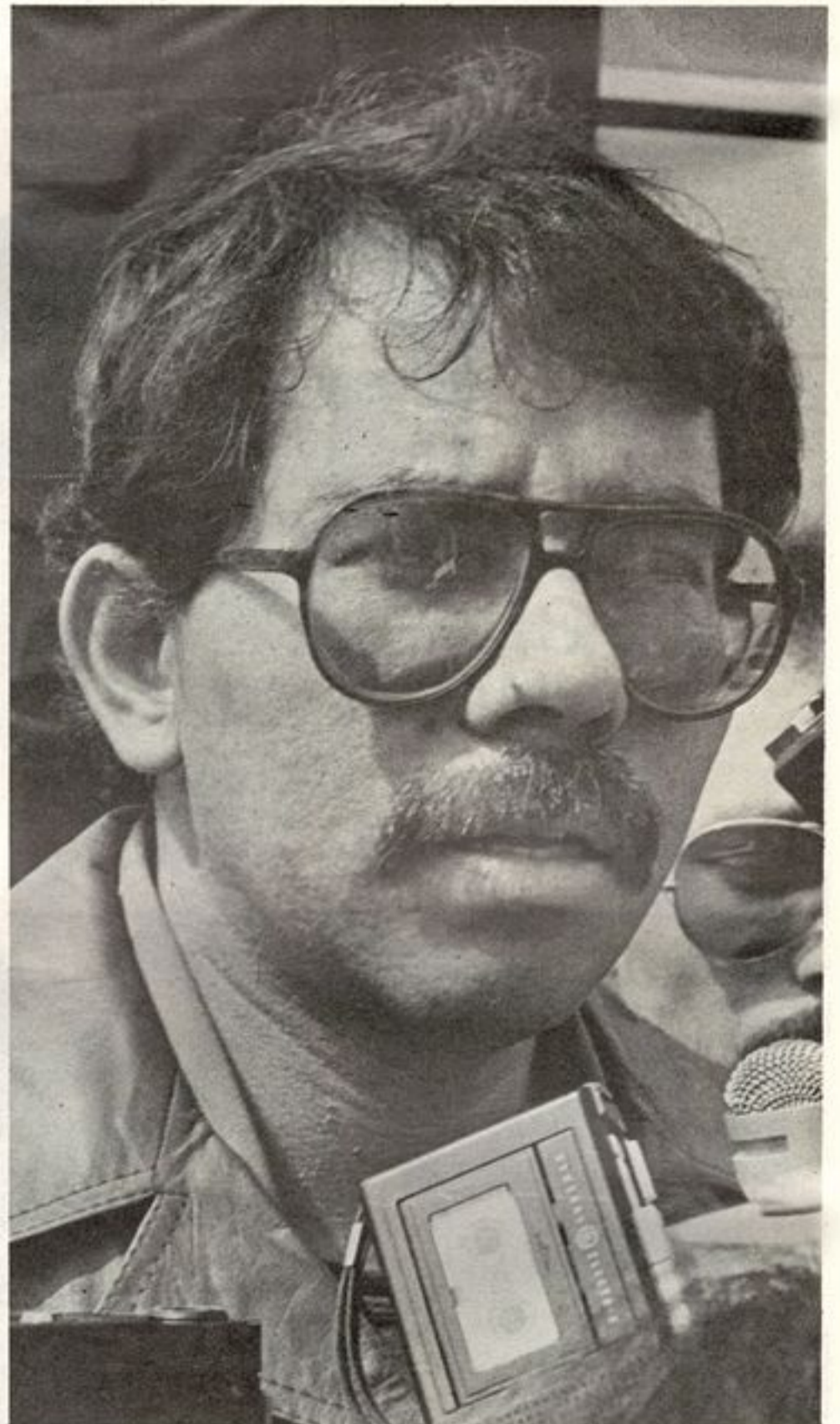
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Picking coffee with arms at hand. Photo by Agencia Nueva Nicaragua.



The Somoza Dynasty. Photo by Pedro Valtierra.



President Daniel Ortega. Photo by Renzo Gostoli.

have yet to be closed down completely. The Sandinistas believe that despite the economic difficulties and the multiple pressures on them, they will be able to continue in the consolidation of the revolution. Their principal base of support comes from the peasant masses, who make up the majority of the population. In addition, they have gained a great deal of experience in their seven years of leading the

capable of overthrowing the Managua government over the next several years, a further question of fundamental importance for Nicaragua's future must be raised. Will Washington choose to acknowledge the need to dialog with the Sandinistas, or will the administration opt for a direct military invasion?★

Horacio Castellanos Moya