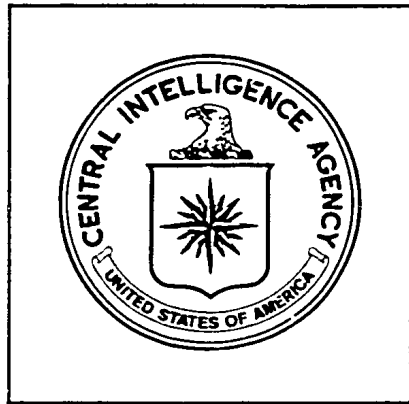


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Chile: Opposition To The Junta's Labor Code

The proposed amendments to the labor code drawn up by the military government have elicited widespread criticism from trade unions, which are fearful that the vague language of the statute will be employed to curtail existing rights and prevent the holding of free union elections and strikes.

The preliminary draft of the revised code is now awaiting suggestions and comments by the union organizations. Several major unions have requested a six-month delay to permit more detailed study of the changes, but the government is determined to push for promulgation by September 11, the second anniversary of the junta's takeover.

Among the specific objections of labor leaders are provisions that appear to allow the lengthening of the work week and the shortening of vacations. The loose wording of the article on collective bargaining states that strikes will be allowed "when economic conditions permit the free play of the interested parties but in no case before March 1, 1976." Among other sections which seem to give the government added leeway in interpreting the law to its own liking are two more dealing with strike approval--once that right is restored:

...Article 313 authorizing the labor and defense ministries to prohibit any strike that "affects strategic activities or the economic stability of the country."

...Article 335 stating that "in cases of strikes that affect the health, or (general) social or economic conditions, or prejudice all or a part of the community, or affect the security of the country, the government can decree a suspension."

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From all indications it would appear that the government has no intention of altering the limitations it wants to impose on labor. Union requests for an extension beyond July 8 on the deadline for comment on the official draft have already been rejected by the labor minister. Moreover, the government's handling of the recently enacted social statute of enterprise suggests that the final form of the labor document will not differ substantially from the current one. The government has not yet responded publicly to union appeals for the appointment of several prominent labor leaders to a "commission" that would review suggestions and complete the final law. But the most probable response to this is a flat no.

For the most part, organized labor probably will soft-pedal its reservations and offer only timid opposition to the eventual decree. The junta, on the other hand, evidently recognizes the sense of futility that pervades the labor establishment and will be less inclined than ever to concede anything to its critics in this area.

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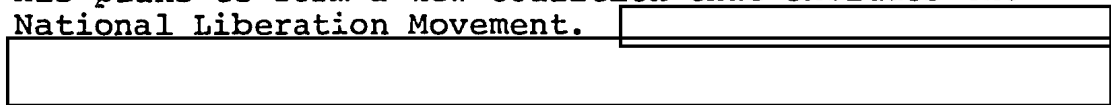
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Guatemala: Coalition Party Weakened

The National Liberation Movement, formerly the dominant member of the governing coalition, was further weakened and isolated last week when only two of its members were elected to head congressional committees. On the orders of President Laugerud, the remaining 11 seats were divided among the MLN's former allies, the Democratic Institutional Party and the Organized Aranista Central, and the two opposition parties. Laugerud's tight control of the elections strongly suggests that he intends to speed his plans to form a new coalition that excludes the National Liberation Movement.

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Eric Williams Visits Cuba

The visit to Cuba of Trinidad and Tobago Prime Minister Eric Williams from June 18 to 22 was apparently only a partial success. The Cuban leadership proved unwilling to give full support to several of Williams' proposals.

Williams sought Cuban backing for a special Law of the Sea arrangement for the Caribbean. Havana's response was vague and stopped short of full endorsement. Castro and Williams agreed only that "arrangements for the use and management of the marine resources should be examined."

The two prime ministers agreed to propose Havana as the site and September 1-4 as the dates for the first meeting of the Caribbean Committee of the UN Economic Commission for Latin America. The suggested agenda includes discussions of education and public health, but not the Law of the Sea as it affects the Caribbean.

A major reason for Havana's limited cooperation is probably the competitive personal relationship between Castro and Williams. As one of the major leaders of Caribbean independence, Williams has apparently viewed Castro as a young upstart and potential rival. Castro's coolness toward Williams' proposals can be seen as a response to Williams' own earlier stand-offishness and lack of response to past Cuban initiatives.

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Castro also reportedly wanted to avoid too close an embrace of Williams at a time when the Trinidadian has antagonized Jamaica, Venezuela, Guyana, and Mexico--countries with which Havana maintains good relations. In fact, Guyana's Prime Minister Burnham visited Cuba in April and Jamaican Prime Minister Manley will arrive this week for a lengthy visit.

In attempting to expand its influence in the Caribbean, the Cuban leadership has greater expectations for an enhanced Cuban role in Jamaica and Guyana than in Trinidad and Tobago. Castro will be careful, however, to remain on good terms with Williams because of his desire for Port-of-Spain's support in international forums.

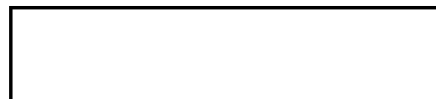
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Uruguay: Bordaberry Attacks Personalities, Not Issues

President Bordaberry has attempted to eliminate a major source of friction within his Ministry of Agriculture by dismissing both the civilian minister and his military subordinate.

For the past several weeks the two officials had sought to undermine each other by resorting to rumor mongering and attacks of diatribe. The quarrel appears to have been largely personal, but it served to focus high-level attention on agriculture, which only last month was the subject of a major policy dispute between Bordaberry and the generals over the regulation of beef sales.


Because this issue--which also involves a conflict of interests between small and large ranchers--has not been resolved, Bordaberry's shuffling of personnel is only likely to prolong the dispute. In fact, the latest reports indicate that military leaders are attempting to replace the recently fired officer with someone who will continue to represent their views. 

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Colombia: Carlos Lleras Throws in the Monkey Wrench

Liberal Party elder statesman and former president Carlos Lleras Restrepo, despite his trumpeted retirement from politics last year, is now behaving very much like a presidential candidate. Although the election is not until April 1978, Lleras' resumption of political activity stands an excellent chance of seriously dividing--and weakening--the Liberal Party.

Lleras has abandoned his post on the National Liberal Directorate, at least for the moment, and established a shadow leadership in the form of a separate national party headquarters. The new group, still in the process of organizing, has set up committees on finance and the economy--as well as sports and folk dancing. Regional directorates are also being organized, presumably in such Lleras strongholds as Santander and Boyaca departments.

To assert himself significantly, Lleras needs wider support than he seems likely to get, particularly from the party's majority roster of national congressmen. Most of them support Ambassador to the United States Julio Cesar Turbay, who is currently toying with the idea of resigning his post and returning home to take on Lleras. President Lopez, who recently was moved by growing public disorder to declare a nationwide state of siege, is trying to preserve the Liberals' overall image and is remaining aloof from the intra-party squabble.

Meanwhile, the Conservative Party, numerically smaller and markedly less dynamic than the Liberals, is quietly keeping the lid on its own internal problems and hoping that the Liberals will eventually fall apart. 

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