

# new indicator

Published at UCSD  
By the n.i. collective

December 2003  
36th Year of Publication

## Teaching Assistants prepare to strike

Union protests the University's unfair labor and bargaining practices

As this publication goes to press, administrators, students, and instructors at all eight University of California campuses are preparing for a strike called by the union representing the UC system's teaching assistants, readers, and tutors. In a November 25 press release, the United Auto Workers Local 2865, which represents some 10,000 employees in the UC system, stated that its bargaining team had "voted unanimously to call for an unfair labor practice strike at all UC campuses." The strike, which is scheduled to begin during the week of December 1, is expected to impact the operations of hundreds of courses as the Fall term comes to a close.

The action may also impact other university operations as unions representing nurses, administrative staff, and clerical workers have encouraged their members to honor the UAW's picket line.

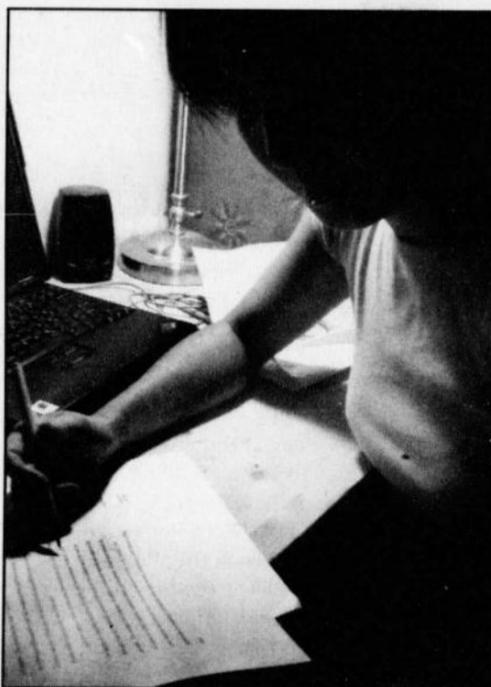
The expected strike follows a one-day strike carried out on October 3, when academic student employees walked out in protest of proposed contract changes and of the Uni-

versity's handling of the bargaining process.

Before the October strike, the union filed 64 grievances against the university, charging the UC with failing to honor basic requirements of the contract bargaining process. Chuong-Dai Vo, a member of the UAW bargaining team from UCSD, claims that the union has "tried repeatedly to get University negotiators to bargain in a productive, cooperative, and lawful manner without success. That's why we feel we have no alternative but to strike at this time--even though we realize that it will be disruptive to the entire university community."

In addition to protesting the UC's handling of the bargaining process, union members have rejected University proposals to revamp employees' workload arbitration system and to prohibit the UAW from striking in sympathy with other unions.

The UAW has received support a letter of support from thirty California legislators, including District 78 Assemblywoman Christine Kehoe.



Jinah Kim, a Teaching Assistant in the Warren College Writing Program, grades a student paper. Hundreds of academic student employees on the UCSD campus are expected to go on strike this week.

## Political prisoners in Chile on hunger strike

21 political prisoners in the Maximum Security Prison (CAS) of Santiago have declared an indefinite hunger strike, putting pressure on the government to approve a law of pardon that has been idle in the Senate for nearly a year. The law would make political prisoners who have been imprisoned for over 10 years eligible for pardon and release. Most of the political prisoners who would benefit from the law are imprisoned for struggling against the Pinochet dictatorship.

The prisoners who were arrested in the 1980's fighting for a return to democracy were tried and sentenced twice (some up to four times) on the same charges, by military and civilian courts. They have been denied access to due process, tortured in prison both before and after the end of the military regime, and have been denied basic rights in the prison, such as visits, medical attention, and the ability to communicate with the outside world. They have been denied access to lawyers and the right to defend themselves against the charges, have been convicted based on testimonies obtained under torture, and have had to wait years for the charges against them to be processed.

International human rights groups have condemned the judicial process by which the political prisoners were convicted, their conditions and treatment in captivity, and the long delay in the Senate of the law of pardon.

Patricia Troncoso, imprisoned for her activism in solidarity with the Mapuche (indigenous people of southern Chile) cause, began a hunger strike on 12 October. She has been imprisoned for more

than a year, despite having been cleared of the charges against her twice, and is demanding that the courts finish processing her case within this year.

Throughout October and November, other prisoners and groups of prisoners have been declaring hunger strikes as well. The collective "Kamina Libre", four ex-members of the Mapu-Lautaro political party imprisoned for their anti-dictatorship activities, began their hunger strike on 27 October, demanding freedom for all the Chilean and Mapuche political prisoners. Four more collectives of political prisoners joined the hunger strike 10 November, demanding the approval of the law of pardon, and several more individual prisoners are hunger striking as well.

There have been several solidarity actions throughout the country, ranging from street theater in the Plaza de la Constitución and art displays in the Plaza de Armas in Santiago, to marches in Valparaiso, to a protest in downtown Santiago that ended in skirmishes with the police and nearly 30 arrests. Activists are bringing drinking water to the prison for the hunger strikers, and organizing solidarity actions outside the prison every Sunday.

Irma Véliz, a paramedic who works in the CAS, is concerned for the health of the hunger strikers, some of whom have already lost over 25lbs. "I'm worried," she said, "because several years ago, when they took away their right to receive visits, they were capable of a dry hunger strike of nine days. They ended up

continued on page 7

## Que se vayan todos...

*Bolivia, gas, and neoliberal economics*

The tiny Aymara woman in the Plaza de Armas smiled at me as she explained what was wrong with the plan to export natural gas from Bolivia to North America through the Chilean port of Mejillones. She had a table set up on the edge of the square with flyers about the issues and collages of news articles and information, and, along with several others was collecting signatures on a petition and talking to passers-by about the issue. At the time, I had no idea that what the friendly woman in colorful clothes was telling me about would result in the fall of a government and nearly 100 deaths.

Two months later, back at school, I couldn't get her off my mind as I scoured the Latin American press for information about the increasingly chaotic situation in Bolivia as the government responded with fierce repression to protests against the gas export plan. "I give Goni two weeks tops," I was saying, to a friend who was looking at me as though I was from Mars, "maybe three if he does some serious ass-saving." In retrospect, I should've tried to bet money on it, because Gonzalo Sánchez de Lozada (known as "Goni" and "the gringo dictator") lasted a week and a half as president of Bolivia.

I remember when the government of De la Rúa fell in Argentina, what a surprise it was. Several of the people who I knew that actually noticed had to look at a map to find where Argentina was, the vast majority had never heard the name of the deposed president, and no one had the slightest idea what had led up to the protests and subsequent regime change. The press in the U.S. does an eerily effective job of filtering information and shaping the public discourse.

## inside

page 2  
U.S. Intervention in Latin America

Bring Halliburton Home  
by Naomi Klein

page 3  
Press Freedom Falls Short in Iraq  
by Robert Fisk

page 4  
The Chavez Government's Economic Policies  
by C.P. Pandya and Justin Podur

page 5  
What's Diebold Afraid of?  
by Reia & Karantina

page 8  
Maoist Insurgency in Nepal: Internal Dimensions  
by Dr. Chitra K. Tiwari



By the time that the situation in Bolivia finally made the U.S. papers, I had been following it for almost a month in various Latin American newspapers and the BBC. I didn't see a single article about it in the U.S. media until the government of Sánchez de Lozada had already fallen and the death toll was over 70.

So what happened in Bolivia? From a political science perspective, Goni pushed his agenda too far without stopping to consider what he had support for. He was elected in 2002 with just 22.46% of the vote. Raised and educated in the U.S., he had a strongly neoliberal ideology, promoting privatization and foreign exploitation of Bolivian resources. Like the "Chicago boys" in Chile and other Latin American neoliberals educated in the U.S., he believed in a Reagan-esque

continued on page 3

## U.S. Intervention in Latin America

originally published in Spanish by "Estudiantes Rebeldes" in Santiago de Chile

Buried in the news about the recent conflict in Bolivia and the resignation of the Bolivian president was a sentence that, although not the least bit surprising, caught my attention because of how incredibly vague it was and because all the news sources used the exact same phrase without changing a word. The United States, they said, was sending a "small team of security specialists" to La Paz. What is that supposed to mean? Hopefully they're not the same "security specialists" who have left a trail of deaths, disappearances, torture and political prisoners throughout the Americas for the last two centuries.

The U.S. involvement in Latin America began in 1797, increasing exports from 3% to 12% when Spain liberalized trade in its colonies. In addition to trade, during the 19th century, the U.S. was buying and conquering many of the territories that are currently make up the country. They bought Louisiana in 1806 and parts of New Mexico and Texas in 1853. They conquered Florida in 1819, a huge chunk of Mexico (California, Nevada, Arizona, New Mexico & Texas) in 1848, and Guam, Puerto Rico, the Philippines and Hawaii in 1898. The first military intervention in current-day Latin America was in 1855, when the businessman William Walker invaded Nicaragua with a private army, declared himself president, and ruled for two years until he was overthrown.

Meanwhile, the Monroe Doctrine (declared in 1823 by President Monroe),

said that the entire hemisphere was in the "sphere of influence" of the U.S. and if any European country intervened in the Americas, the U.S. would consider it a threat to the "peace and security" of the entire Americas and respond accordingly. They did nothing to stop England from intervening in Latin America four times more, but the doctrine was used later to justify the vast majority of the U.S. interventions in Latin America.

After the Spanish-American War, the Platt Amendment of the constitution of newly-independent Cuba gave the U.S. the right to meddle in Cuban affairs and to maintain a military base on the island. The Cuban economy was, from then until the revolution, very dependent on goods imported from the U.S. --these increased from \$15 million in 1898 to \$131 million in 1914.

When Walker invaded Nicaragua, it was because he thought that the canal was going to be built through Nicaragua instead of Panama. Since the U.S. government knew that the canal was going to be through Panama, in 1903, they began to encourage the independence of Panama (which belonged to Colombia at the time) so that they could control the future canal. Nicaragua, meanwhile, was invaded by the U.S. in 1912. An American business in Nicaragua had overthrown the government in 1909 when the president cancelled an agreement with another U.S.-based company and threatened one with this one. In 1912, the marines invaded Nicaragua to defend the president, Adolfo Diaz (an employee of that company) from the constitutional forces trying to regain control. They stayed in

Nicaragua until 1933, acting as police and taking all the income from customs duties to pay the national debt. When they finally left, they were replaced by a brutal and repressive National Guard under the control of Anastasio Somoza.

With the Cold War, the U.S. intervened much more frequently to prevent and overthrow marxist governments and governments which didn't want to do what the U.S. told them to. They also trained thousands of Latin American military personnel in the "School of the Americas", who used their training to commit atrocious human rights violations. In Chile, for example, 1 out of 7 agents in the command structure of the DINA (the infamous secret service) were trained in the School of the Americas.

The recently declassified training manuals from the School of the Americas and the U.S. Southern Command in Panama have detailed torture techniques, and recommend the "neutralization" of student and union leaders, along with other members of civil society, including mayors and police chiefs. They explain how to infiltrate organizations and how to organize a guerilla movement (like the Contras in Nicaragua in the 80's). They teach techniques for assassination and interrogation, and have examples of propaganda.

These manuales and the entire concept of the School of the Americas come directly from Project X, the training program for Latin American soldiers and intelligence agents that lasted until the 60's, when it was abandoned due to its human rights abuses. Large parts of

continued on next page

### the new indicator

copy which is printed without a byline may be assumed to represent the position of the new indicator collective.

articles and letters are welcomed. please type them and send them to: ni@libertad.ucsd.edu or to: new indicator collective B-023C Student Center La Jolla, CA 92093

the views expressed in this publication are solely those of the new indicator collective. while the publisher of this publication is recognized as a campus student organization at the university of california, san diego, the views expressed in its publication do not represent those of asucsd, the university of california, the regents, their officers, or employees. each publication bears the full legal responsibility for its content.

## Under US Control, Press Freedom Falls Short in Iraq

by Robert Fisk

Freedom of the press is beginning to smell a little rotten in the new Iraq. A couple of weeks ago, the Arabic Al-Jazeera television channel received a phone call from one of U.S. Proconsul Paul Bremer's flunkies at the presidential palace compound. The station had to answer a series of questions in 24 hours, its reporters were told.

"They insisted that if we didn't go to them, they'd come for us," one of Al-Jazeera's reporters told The Independent. And come they did—to drive the station's employees to the palace, where they were handed a sheet of paper asking if they had been given advance notice of "terrorist attacks" or had paid "terrorists" for information.

Al-Jazeera—along with its rival channel, Al-Arabiya—had already been denounced by the U.S.-appointed Governing Council, currently led by the convicted fraudster Ahmed Chalabi, and punished for allegedly provocative programs by being banned from the council's press conferences for two weeks.

Then the same council—obviously on Bremer's instructions—listed a series of "do's" and "don'ts" for all the media, ranging from a prohibition on inciting violence all the way to a ban on reporting on the rebirth of the Baath Party or speeches by Saddam. As columnist Hassan Fattah remarked about the council's punishment of the two Arab channels, "the council and the interim council will be silent for two weeks, throughout much

of the Arab world, including Iraq itself. The resistance and the terrorists, meanwhile, will still be able to say what they want. What a perfect opportunity to pour their footage onto the airwaves and capture the hearts and minds of Iraqis desperate for stability and some leadership."

Things are no better in the American-run television and radio stations in Baghdad. The 357 journalists working from the Bremer palace grounds have twice gone on strike for more pay and have complained of censorship. According to one of the reporters, they were told by John Sandrock—head of the private American company SAIC, which runs the television station—that "either you accept what we offer or you resign; there are plenty of candidates for your jobs."

Needless to say, the television "news" is a miserable affair that often fails to make any mention of the growing violence and anti-American attacks in Iraq that every foreign journalist—and most Iraqi newspapers—report.

When a bomb blew up in part of a mosque in Fallujah last month, for example—killing at least three men—local residents claimed the building had been hit by a rocket from an American jet. The Americans denied this. But no mention of the incident was made on the American-controlled media in Baghdad. Asked for an explanation, newsreader Fadl Hatta Al-Timimi replied: "I don't know the answer to that—I'm here to read the news that's brought to

me from the Convention Palace (the American headquarters that also houses the station's offices), that's all."

As Patrice Claude of Le Monde noted in his paper, all the American-run media refer to the authorities as "the forces of liberation," even though the foreign press—including the New York Times—refer to them as "occupation forces." The United States has supposedly already spent just over 21 million pounds sterling on Iraq's new audiovisual output, but the Iraqi staff say they've not seen the money. When Le Monde's man in Baghdad asked Sandrock for an explanation, he declined to respond.

On the surface, of course, Bremer's publicity men can boast of a thriving new free press—at least 106 new newspapers in Baghdad alone, many of them sponsored by political parties or by men who want to become politicians. Some have called for a jihad against the Americans—and have been visited by American officers asking why. Others have carried blatantly untruthful stories about the occupation army, claiming that U.S. soldiers have been involved in distributing pornographic pictures to schoolgirls or taking Iraqi women to the bedrooms of the Palestine Hotel. One problem is that many journalists for the Iraqi papers are either converts from the old regime or new writers who have no journalistic training in fairness or fact checking.

The most professionally produced paper—and the stress must be on the word "produced"—is Az-Zaman, which, roughly translated, means The Age and is run by Saad Al-Bazaz, the former Iraqi diplomat who fell out with Saddam and published his paper from London through the long last years of Baathist rule. Bazaz was himself the former editor of Saddam's Al-Jumhuriya newspaper, and one of his former colleagues on the old Baathist rag, Nada Shawqat, is now the editorial supervisor for Az-Zaman in Baghdad. "We have a circulation of 50,000 in Baghdad, another 15,000 in Basra, each edition carrying 12 pages of foreign and Arab news and eight of local news," she says. "It's good to feel like a real journalist at last."

But all news decisions are made in Az-Zaman's London offices, and the paper never refers to the "occupation," only to the "coalition." America's own favored expression for the armies of the United States and its allies in Iraq, Bazaz still lives in London, where Az-Zaman was printed for years in exile. Two other papers—the Iraqi National Congress' Al-Moutamar and the Kurdish Al-Itihad—have also come out of foreign exile to print in Baghdad.

Shawqat stayed at her post at the Saddamite Al Jumouriyah until the very last day of the war, April 9, when its offices were looted and burned and when its archives—which included the paper's own reports of the 1983 meeting between Donald Rumsfeld and Saddam—were destroyed.

Shawqat said that under Saddam, she had some freedom to write - until his two sons, Uday and Qusai, took an interest in the press. "Then we started getting

instructions every day from the minister of information, telling us what to write and what not to write—it just got worse and worse over the last 13 years."

No one suggests that journalism under the Americans bears any relation to those days. But Iraqi writers feel that the Bremer "code of conduct"—forbidding "intemperate (sic) speech that could incite violence"—is an example of "selective democracy," similar in spirit if not in effect to the censorship under Saddam.

According to journalist Khadhim Achraash, "the decision doesn't fit with the U.S. announcement that they came here to liberate Iraq and set up a democratic system."

Many of the new papers carry a menu of gossip and entertainment and stories of the old regime. One of the first, terrible reports of Saddam's atrocities told of his treatment of soldiers accused of cowardice in the 1980-88 Iran-Iraq war. Two chilling photographs—taken by Saddam's own military intelligence officers—showed a firing party executing a line of soldiers and an officer giving the coup de grace to a still-living man as he lay on the ground.

Many Iraqi journalists believe the semi-legal "press syndicate" taking shape in Baghdad is still Baathist at root although others say it could be used to enact a new press law that would take censorship out of Bremer's hands. Jalal Al-Mashta, the editor of An-Nahda, blames much of the problem on the speed of transition.

"The long-muzzled Iraqi press was nonprofessional and tightly controlled, then suddenly it became free," he said.

For now, at least.

## Bring Halliburton Home

by Naomi Klein

Cancel the contracts. Ditch the deals. Rip up the rules. Those are just a few of the suggestions for slogans that could help unify the growing movement against the occupation of Iraq. So far, activist debates have focused on whether the demand should be for a complete withdrawal of troops, or for the United States to cede power to the United Nations.

But the "troops out" debate overlooks an important fact. If every last soldier pulled out of the Gulf tomorrow and a sovereign government came to power, Iraq would still be occupied: by laws written in the interest of another country; by foreign corporations controlling its essential services; by 70% unemployment sparked by public sector layoffs.

Any movement serious about Iraqi self-determination must call not only for an end to Iraq's military occupation, but to its economic colonisation as well. That means reversing the shock therapy reforms that US occupation chief Paul Bremer has fraudulently passed off as "reconstruction", and cancelling all privatisation contracts that are flowing from these reforms.

How can such an ambitious goal be achieved? Easy: by showing that Bremer's reforms were illegal to begin with. They clearly violate the international convention governing the behaviour of occupying forces, the Hague regulations of 1907 (the companion to the 1949 Geneva conventions, both ratified by the United States), as well as the US army's own code of war.

The Hague regulations state that an occupying power must respect "unless absolutely prevented, the laws in force in the country". The coalition provisional

authority has shredded that simple rule with gleeful defiance.

Iraq's constitution outlaws the privatisation of key state assets, and it bars foreigners from owning Iraqi firms. No plausible argument can be made that the CPA was "absolutely prevented" from respecting those laws, and yet two months ago, the CPA overturned them unilaterally.

On September 19, Bremer enacted the now infamous Order 39. It announced that 200 Iraqi state companies would be privatised; decreed that foreign firms can retain 100% ownership of Iraqi banks, mines and factories; and allowed these firms to move 100% of their profits out of Iraq. The Economist declared the new rules a "capitalist dream".

Order 39 violated the Hague regulations in other ways as well. The convention states that occupying powers "shall be regarded only as administrator and usufructuary of public buildings, real estate, forests and agricultural estates belonging to the hostile state, and situated in the occupied country. It must safeguard the capital of these properties, and administer them in accordance with the rules of usufruct."

Bouvier's Law Dictionary defines "usufruct" (possibly the ugliest word in the English language) as an arrangement that grants one party the right to use and derive benefit from another's property "without altering the substance of the thing". Put more simply, if you are a house-sitter, you can eat the food in the fridge, but you can't sell the house and turn it into condos. And yet that is just what Bremer is doing: what could more substantially alter "the substance" of a public asset than to turn it into a private one?

In case the CPA was still unclear on

this detail, the US army's Law of Land Warfare states that "the occupant does not have the right of sale or unqualified use of [non-military] property". This is pretty straightforward: bombing something does not give you the right to sell it.

There is every indication that the CPA is well aware of the lawlessness of its privatisation scheme. In a leaked memo written on March 26, the British attorney general, Lord Goldsmith, warned Tony Blair that "the imposition of major structural economic reforms would not be authorised by international law".

So far, most of the controversy surrounding Iraq's reconstruction has focused on the waste and corruption in the awarding of contracts. This badly misses the scope of the violation: even if the sell-off of Iraq were conducted with full transparency and open bidding, it would still be illegal for the simple reason that Iraq is not America's to sell.

The security council's recognition of the United States' and Britain's occupation authority provides no legal cover. The UN resolution passed in May specifically required the occupying powers to "comply fully with their obligations under international law including in particular the Geneva conventions of 1949 and the Hague regulations of 1907".

According to a growing number of international legal experts, that means that if the next Iraqi government decides it doesn't want to be a wholly owned subsidiary of Bechtel and Halliburton, it will have powerful legal grounds to renationalise assets that were privatised under CPA edicts.

Juliet Blanch, global head of energy and international arbitration for the huge international law firm Norton Rose, says that because Bremer's reforms directly contradict Iraq's constitution, they are

continued on page 6

## Intervention in Latin America:

from previous page

the SOA manuals were copied straight from the Project X manuals, without changing anything. The U.S. promotes abuses of human rights, training repressive forces and overthrowing democratic governments.

After an unsuccessful attempt to overthrow the government of José Figueres in Costa Rica in 1953, the CIA directed a coup that overthrew the government of Jacobo Arbenz Guzman in Guatemala (where they released Che Guevara from jail because "he wasn't anyone important"). The dictatorship that followed was, for 30 years, one of the most brutal military regimes of the century, with thousands and thousands of disappearances and summary executions. This intervention in Guatemala was motivated by economic interests - Guatemala was going to nationalize lands being used by an American corporation, and the corporation wanted them to pay more for the land.

Cuba has survived much U.S. Intervention since 1959. The CIA has tried to assassinate Fidel Castro countless times, using techniques such as poisoned cigars and food, and an explod-

ing shell in the reef where Castro swam. The CIA also offered the Mafia \$150,000 to kill Castro. In 1961, the attempted invasion at Bay of Pigs failed. 1100 of the 1300 invaders were taken prisoner, and 141 died, without constituting a threat to the government.

The U.S. intervened in Ecuador in 1961 to overthrow the government of Hose Velasco Ibarra, in British Guiana between 1962-4 to overthrow the government of Cheddi Jagan, in Brazil during the same period to overthrow Joao Goulart, in the Dominican Republic in 1963 to overthrow Juan Bosch (and again in 1965 with 22,000 troops to prevent the constitutional forces from regaining power), and in Ecuador in 1963 to overthrow Carlos Julio Arosemena. They spent at least \$8,400,000 in Chile financing the coup which overthrew Salvador Allende in 1973, and organized a coup in Grenada which overthrew Maurice Bishop in 1980, one in Guatemala which overthrew Angel Anibal Guevara, and another in Bolivia to overthrow Celso Torrello. The U.S. also trained and financed the Contras in Nicaragua in the 80's, coordi-

nating propaganda, massacres of civilians, sabotage and terrorism to weaken the government of the FSLN.

In addition to coups and military interventions, the U.S. intervenes in elections, paying \$20 million for the campaign of Eduardo Frei in Chile in 1964, using propaganda and demonstrations in Jamaica in 1980 so Michael Manley would lose, giving money to Eugenia Charles in 1980 in Dominica so Oliver Seraphim would lose, and intervening in the Nicaraguan elections in 1990 so the Sandinistas would lose.

The intervention of the U.S. in Latin America and throughout the world is still going on. I don't know what the "security specialists" are doing in Bolivia, but they're training the army in Nepal in "counterinsurgency", killing civilians in Iraq and Afghanistan, giving money and weapons to the soldiers and paramilitaries that kill civilians in Colombia, spying and conspiring from the U.S. embassies in every country, and torturing prisoners of war in the U.S. military base in Cuba. What are you going to do to stop them?

## Bolivia:

from front page

trickle-down economic model, claiming that the profits that multinationals would gain from selling Bolivian gas would eventually find their way back to the masses. Right.

With a mandate of only 22%, he had nowhere near the popular support that a plan like his gas plan would have required. Not only was the plan highly controversial, with nearly the entire country opposed to it, but support for his government had already fallen lower than the 22% he was elected with.

So why the opposition to the gas plan? Everyone has their own opinion, ranging from my friend's rich Bolivian boyfriend who told me that "it's just that 70% of the population is indigenous and they're not capable of understanding what's best for the country" to a Chilean friend who argued that "there is no way that the Bolivians should let the yankees near their gas, because once they have it, they'll come to depend on it and will do anything to maintain control of it - just look at poor Iraq."

My take on it is that a large part of the opposition is due to

the fact that the flip-side of the "neoliberal trickle-down model" is the "nationalize everything model." When the U.S. press finally picked up the story, they had a field day ridiculing the silly Bolivians who want to nationalize the gas resources...because they just don't understand that there is more gas than can be used just in Bolivia. The BBC too, seemed to think that the concept of "gas boliviano para los bolivianos" was about keeping all the gas in Bolivia for personal use, and had nothing to do with the idea that maybe the Bolivians should get the profits from their natural resources instead of handing them over to British Gas, Repsol-YPF (Spain and Argentina) and Pan American Energy (USA). If nationalized, the profits from the gas could be used to fund social programs or create jobs in the poorest country on the continent, instead of leaving the country to benefit foreign investors.

Another part of the opposition, which is ignored by basically everyone except for the Chilean press (and now Hugo Chávez and Kofi Annan), who didn't seem to be able to focus on anything else, is the fact that

continued on page 4

### copyleft notice

all material written by the n.i. (mainly non-credited material) is "copylefted"

Copyright © 2003 new indicator collective "creative" works remain copyright their respective authors

Verbatim copying and distribution of this entire paper or any entire article within is permitted (and encouraged) in any medium, provided this notice is preserved.

This information is free; you can redistribute it and/or modify it under the terms of the GNU General Public License as published by the Free Software Foundation; either version 2 of the License, or (at your option) any later version.

This work is distributed in the hope that it will be useful, but WITHOUT ANY WARRANTY; without even the implied warranty of MERCHANTABILITY or FITNESS FOR A PARTICULAR PURPOSE. See the GNU General Public License for more details.

For a copy of the GNU General Public License write to the Free Software Foundation, Inc., 675 Mass Ave, Cambridge, MA 02139, USA.

# The Chavez Government's Economic Policies

by C.P. Pandya and Justin Podur

Despite attempts by the Venezuelan opposition and the US business press to paint the Chavez government as the cause of Venezuela's economic problems, the economic crisis in Venezuela, and indeed throughout the poor countries, is more widespread, deeper, and longer-running than anything that can be attributed to a single regime. A quick look at the economies of Venezuela's neighbours - Colombia, or Brazil - shows that Venezuela has no monopoly on problems like poverty, inflation, unemployment, and social problems like violent crime.

Gregory Wilpert recently published an assessment of the Chavez government's fight against poverty (1). He argues that Chavez, on coming to power in 1999, inherited an economy that was undergoing a long-term trend towards increasing poverty, misery, and inequality. He argues, further, that Venezuela under Chavez has managed to achieve some success in fighting poverty through redistributive policies like rural and urban land reform, micro-credit lending, public education, food distribution, and health clinics.

In its anti-poverty fight, Chavez's economic team has had to grapple with a very difficult problem: what can a poor country manage to do in a neoliberal context? The poor countries are often saddled with large external debts the form of loans and interest payments made possible by lending institutions like the IMF. If they want to develop and reduce unemployment, speed economic improvement and reduce their indebtedness, they need capital and investment. These dynamics force governments into a 'race to the bottom', as they lower labor, health, and environmental standards (the very things 'development' is supposed to bring) in order to meet the conditions of investors and lenders. Whether these are private, or institutional like the International Monetary Fund, investors and creditors exact a terrible price from people in exchange for their investments, the benefits of which somehow elude the population. But trying to live outside of the global economy and 'delink' (2) from it, particularly when a vindictive global power applies sanctions, blockades, and terrorist attacks (as partially 'delinked' Cuba has faced), is even harder.

Having learned from Venezuela's past experience, Chavez's government has tried various ways to deal with this problem. None of them are long-term solutions, but they are policies thought out to try to help the economy survive the class-based conflict and sabotage the country has faced.

## The inherited economy

Venezuela had enjoyed some economic growth and redistribution until the 1980s, when

decline set in that still has not been reversed. That trend began with a decline in international oil prices and an increase in international interest rates in a country dependent on oil exports and borrowing for finance. Chavez is not the first Venezuelan president to face capital flight nor the first to apply exchange controls: "capital flight reached historical levels at the end of 1982 with US \$8 billion leaving the country. The government forced the state oil company to repatriate foreign reserves in an attempt to shore up the domestic currency. Then in 1983, Luis Herrera Campins (President 1979-1984) imposed a tiered system of exchange controls with the cheapest rate - for the import of essential goods - set at 7 bolivars to the dollar." (3) This devaluation from 4.3 bolivars to the dollar made debt repayments more difficult, and corruption cost the country \$11 billion USD in foreign reserves. (3)

To deal with this "crisis", President Carlos Andres Perez, elected in 1988, delivered the country over to IMF orthodoxy. Privatization, public spending cuts, liberalization, and deregulation followed. The economy contracted by 8.6% and general poverty went from 43.9% in 1988 to 66.5% of the population in 1989. (3) Not only did these measures fail to solve the problems they purportedly had set out to solve (ie., inflation), but they had devastating side effects on the population.

The president who preceded Chavez, Rafael Caldera, again faced massive capital flight, due to a banking crisis. Devaluing the currency brought inflation to 70.8% in 1994, and price and exchange controls were imposed again. Another \$1.4 billion IMF loan, with its structural adjustment, was negotiated in 1995. There were more privatizations: foreign investment increased, oil prices rose - but poverty kept on growing. This was the situation Chavez's government inherited in 1999.

Their response was to try to improve the living standards of the people while trying to avoid discouragements to private investors. But the Venezuelan opposition's incessant attacks on the Chavez government have severely sabotaged these efforts.

## Fighting the current crisis

The most recent round of Venezuela's ongoing economic crisis began with the U.S.-backed coup in April 2002, followed by the late 2002 general strike led by oil executives at the state oil monopoly Petroleos de Venezuela (PdVSA) and the business elite. The strike, which affected all sectors of the economy, paralyzed oil exports and cost the country nearly \$8 billion.

The National Assembly's Economic Advisory Office estimates losses to the country's vital oil sector, which accounts for about one-third of gross domestic product, totaled \$3.7

billion. The non-oil sector lost about \$1.19 billion and the government said that as a result of the virtual shut down of the economy (meaning little revenue was coming in) it would have trouble meeting \$5 billion in debt obligations for 2003.

Soon after the national strike began in December 2002, foreign exchange analysts estimated the bolivar would slip to VEB2000 per dollar by the end of 2003 because of the constant political uncertainty fomented by the business elite. The threat of a steadily devalued currency brought fears of massive capital flight and flight to quality. (4)

As investors began looking to buy dollars and close up deals in Venezuela, the central bank in January 2003 suspended auctions of dollars. Foreign reserves, which act as a buffer against the flight of money and investment, stood at \$11.05 billion on Jan. 20, 2003 down from \$11.93 billion at the beginning of 2003, according to central bank statistics. Such rapid decreases in capital prompted the Chavez government to revert back to the now-familiar policy of applying currency controls.

This time around, a state-run currency controls board, known as the Cadivi, was set up to sell dollars to companies that pass its strict guidelines at the official rate of 1,598 bolivars to the dollar. Venezuelans privileged enough to travel abroad (a small percentage, given that in 1997 67% lived on less than \$2 USD a day) must buy dollars on the black market, where the going rate is about VEB2,500.

The move to fix the bolivar to the dollar was an admission that



Venezuelan President Hugo Chavez addresses the UN in 2001

Venezuela, again, was in an economic crisis and at the mercy of foreign investors and elites. The opposition's characterization that the currency controls are a retaliatory measure by Chavez to punish the private business sector bears little steam. The bureaucratic burdens and financial losses the business elite are facing in the wake of these controls are an after-effect of their intended purpose: to protect the economy from capital flight. As history has shown, the application of these currency controls is one of the few monetary policy tools the government has to protect the economy from the whims of international investors and their domestic puppets. To banks and brokerages, foreign governments and institutional lenders, poor countries like Venezuela (coldly referred to as "emerging markets") are just another form of investment to pull in and out of in times of boom and bust. The real implications of such whims can be found in the growing numbers

of poor, out of work citizens and indebted governments. Foreign reserves are also being preserved and replenished through controls on credit card spending. The Chavez government is limiting the amount of money Venezuelans can spend while traveling abroad to \$2,000 a year, meaning the currency controls cannot be circumvented by elites looking to exchange bolivars for dollars. Under the restrictions, the government will heavily fine anyone spending over the \$2,000 limit.

The move, while inconsequential to the majority of Venezuelans too poor to travel abroad, has angered the business elite. Fedcameras - the leading business group - and Consecmercio - the leading retail umbrella group - have pushed hard for an overturn of the currency controls and will go to great lengths to see these policies changed. Fedcameras, incidentally, was a leader of the strike and one of its

continued on page 7

## Bolivia:

continued from page 3

the gas would leave Bolivia through a Chilean port. Chile still maintains very tense relations with Peru and Bolivia, after having stolen large chunks of their land in the War of the Pacific in 1879. The port through which the gas would leave was part of Bolivia until the war, along with all of what is now the region of Antofagasta in Chile. In addition to taking away Bolivia's access to the Pacific, the region of Antofagasta is incredibly rich in minerals and makes up a huge portion of Chile's mining profits.

The gas plan laid the groundwork for the fall of the government of Sánchez de Lozada, but what cemented it was his hard-line approach to the protests against the plan. Instead of listening to the demands of the people and adjusting his plans accordingly, he cracked down hard on the protests with brutal repression, leaving nearly a hundred dead and countless wounded. Large chunks of the country remained basically without supplies and transportation for nearly a month, as police and soldiers battled with protesters.

This allowed Carlos Mesa, his vice president, to take power, and avoided a more dramatic fall of the government which would probably have ended up with one of the leftist indigenous opposition leaders, Evo Morales or Felipe Quispe, in control. The U.S., who was encouraging both the gas plan and the violent repression from the embassy in La Paz, sent "security specialists" to Bolivia, and announced that they would not recognize an opposition government if Goni's government fell.

Will Mesa be any better? At this point, it doesn't seem so. He's blaming the violence

continued on page 7



The most conflictive point was El Alto, a poor suburb of La Paz, which just happens to be where the airport is, cutting the city off from air transport in addition to the blocked freeways.

One by one, Goni's government abandoned him, from ministers to the vice president, denouncing his violent response to the protests. When the NFR, one of the other parties in his government, left the coalition, he wrote a letter of resignation to give the congress, and fled to Santa Cruz de la Sierra in the middle of the night, where he met up with his wife and kids and continued on to Miami.

# If "Perception is Reality" what is Diebold Afraid of?

by Reia & Karantina SF-IMC

Recently a string of leaked e-mails has come to light that are creating panic amongst the executives of Diebold Election Systems. Diebold is the second largest, and fastest growing electronic voting corporation in the world, and produces touch screen voting stations used in 37 states in the country. Touch screen voting booths will sound familiar to many Californian voters because these were the same machines that were used throughout the state during the Oct. 7th Recall Election.

Diebold machines were also used in the Georgia 2002 general elections with disastrous results. Voters were helpless when they tried to pick their choice, but saw only the Republican candidate receiving the vote. There were also numerous problems with machines both missing and not working. Workers were censored from speaking with politicians who might oppose the political orientation of the Diebold management.

After the California recall elections officials worked around the clock trying to sort out problems with malfunctioning machines. There have also been problems with poorly trained employees. The Diebold employee manual specifically states that "you will be considered the paragon of knowledge and authority...even though you may be the least qualified person on site...do not promote your ignorance" It even goes on to tell employees not to "offer damaging opinions of our systems, even when their failings become obvious".

A total of approximately 15,000 internal e-mails form a Diebold mailing list for technical support has been leaked and hosted on the website Blackboxvoting.org. Only days before the election Diebold lawyers forced the site down claiming that the memos were under their copyright, and that Harris, the owner of the site, was effectively stealing Diebold property. By doing this Diebold has acknowledged the validity of the e-mails. Recently the Bay Area Independent Media Center has also come under attack from Diebold for a post on its open publishing newswire. The host for the Bay Area Independent Media Center, Online Policy Group, received a cease and desist letter on October 10th where OPG is given 24 hours to remove the posting and the immediate comments that were added featuring mirror sites to the memos (a mirror web site is a copy of the original site in order for easier, faster and uninhibited access for users of the world wide web)

Comically, the author of the cease and desist letter, Ralph E. Jocke, representing Diebold,

also comments on the success of the open publishing system employed by the Indymedia newswire, stating that a third mirror had been added by a user between the time the letter was drafted and the time it was sent to OPG.

Amongst the revelations within these memos is the lack of security against tampering within the program and, in fact, praise for security modifications by election officials in Washington state. The engineer, Clark, in one of his e-mails, addresses security concerns when he says "Jane (I think it was Jane) did some fancy footwork on the .mdb file in Gaston recently. I know our dealers do it. King County is famous for it. That's why we've never put a password on the file before." After the leak of the memos King County election chief, Dean Logan, vowed to resolve security issues, and in fact limited employee access to voting machines prior to the day of election.

## What's the panic about?

What was revealed independently by both Beverly Harris (author of Black Box Voting, available online in pdf format here) and by the memos is a ridiculously easy way to tamper with the election results. Both sources clearly indicate that the audit reports of the computer that tallies the results from all of the touch screen results can be changed by an off-the-shelf version of Microsoft Access. With this the totals can be changed without a trace due to the easy access of the audit file. In fact, according to Harris a voting activist named Jim March has made a CD to illustrate how easily this is done and to use it as a lobbying device against the present system of electronic voting.

The leaked memos were sent out by an unknown insider to various websites and media organizations including Scoop Media, who hosted the 15,000 pieces of Diebold e-mail before it came underneath pressure from Diebold. Diebold has claimed ownership of the memos and has threatened to sue Scoop and other websites.

After the cease and desist letter sent to the web host of Indymedia, Open Publishing Group, the online free speech advocacy group the Electronic Frontier Foundation issued a press release discounting the validity of the efforts Diebold's lawyers have been making in order to keep the controversial information secret. According to the EFF the Online Policy Group Executive Director Will Doherty has stated "We defend strongly the free speech right of our client Indymedia to publish links to Diebold memos relevant to the public debate about electronic voting machine security.

Diebold's claim of copyright infringement from linking to information posted elsewhere on the Web is ridiculous, and even more silly is the claim that we as an ISP could be liable for our client's web links."

## No Paper Trail

Another of the major complaints by electronic voting experts and computer scientists is the lack of auditing, or proof, that is done. To put it simply, there is no proof that the voter's actual choice is registered. There can be no recount, and no proof of voting. According to a lengthy interview conducted by William Rivers Pitt with Rebecca Mercuri, Barbara Simons, and David Dill, all noted computer scientists, the system can be significantly improved by simply printing a paper ballot after each vote is cast and that the voter can verify and drop into a ballot box. These paper ballots can enable a successful recount. Currently this is not possible because any bugs in the original programming will influence the electronic source of the recount as well. According to Rebecca Mercuri, when the proposal of printing a ballot receipt at the end of each vote was brought to Diebold they replied that it would be too expensive to install printers in their machines. Later it became obvious that the machines come installed with printers as it is but they are only used at the start and end of the election day. The almost rhetorical question remains: why do the e-voting companies not improve their voting process significantly with the technology that is already there?

The issue of the secrecy of the source code used by Diebold and other e-voting corporations is another problem. These issues would have never surfaced unless the source code of Diebold programming had not been uncovered by computer science graduate students in Johns Hopkins and others in CalTech. The lack of transparency offered by Diebold in voting systems does not seem to apply to their own source codes and to more than a quarter million of Texas voters' private information, including social security numbers and party affiliation, that were available for download from their web site.

## From Public Elections to Corporate Elections

Electronic Voting Systems have a long, and problematic history. Chapter 2 in Beverly Harris's book, Black Box Voting, details the many miscounts that have occurred since the advent of electronic voting. There are three major players in this game of voter manipulation: ES&S (the largest), Diebold, and

continued on page 6

# From the Diebold Emails: Disregard for Elections/Election Law

Taken from an e-mail to the "bugtrack" list dated Thu, 2 Sep 1999 from T.

Somewhere in GEMS there must be a setting to cause the following happen: race is a vote for one; write-in voting is allowed; voter votes for both a named candidate and the write-in space; race is not treated as an overvote, but instead the vote is given to the write-in space. **This is a requirement of North Carolina election law.** I was of the opinion (as was the GEMS documentation dated 6/30/98) that the way to cause this to happen was to set the Write-In setting (under AccuVote Options) to Override. I was wrong. Is there a place to set the AccuVote for the behavior required by the North Carolina election code? If not, there should be immediately. This has been noticed by one of the North Carolina customers in preparation for their October municipal elections. November elections follow immediately. **I'm willing to let it ride until after November, but I would like sales to weigh in on the issue to determine how much damage this may cause.** If this functionality has never been in place, no one seemed to notice in the three accounts using GEMS in 1998 (Ashe, Avery, Iredeell). Several North Carolina accounts have now upgraded to GEMS or have their service bureau work done on GEMS (namely Halifax, Harnett, Edgecombe, Franklin, Rowan, Richmond). Also, we've run into a bit of trouble at the N.C. State Board of Elections (albeit over an entirely different issue of AccuVote behavior). **Robert P. had to do a bit of tap dancing to keep them off our backs.**

EDITOR: emphasis not present in original memo.

Taken from an e-mail to the "bugtrack" list dated Sat, 9 Oct 1999 from T.

Bad news, everyone. <D: cut> Georgia will certify whatever is certified by Nichols. They are also one of those states whose State Board of Elections is a stickler for using the "certified release" and nothing else (rather like Florida although not quite as fascist about it). Gwinnett County was here for training last week and I didn't even show them how to upgrade off the FTP site. If this fix will be in "the next GEMS release", then "the next GEMS release" should be the one going to Nichols for certification. Sorry to have to drop this one, but them's the facts. **If anyone has a better idea how to get around this certification issue (not at all unlikely), speak up.** Gwinnett has been trained on GEMS even though it's not yet certified based upon the premise that it will be certified by the time they implement. Gwinnett expects to begin absentee voting for their Presidential Preference Primary on January 20. **Most of the rest of Georgia's counties probably don't care whether they're using a certified release or not (Chatham County doesn't even generate separate ballots for polling and absentee in disregard or ignorance of that provision in the law), but Gwinnett's Supervisor of Elections, Norma Lyons, used to work for the State Board of Elections and knows the law very well and expects to follow it.** For what it's worth...

EDITOR: emphasis not present in original memo.

## Flaws in the Product

Taken from an e-mail to the "salestalk" list dated Wed, 14 Apr 1999 from J.R.

Data must be stored on more than just one media. We have had some field experience with this problem. The fact that we have had a disk on chip has saved our bacon in Tarrant County, Shelby County, and in Gaston County. Since we do not have paper ballots to reconstruct the votes casts as the AccuVote unit has if its memory card fails, the AccuVote will be at the mercy of that one memory card without a backup.

Taken from an e-mail to the "salestalk" list dated Tue, 6 Nov 2001 from S.K.

Please report any corrupted memory cards to me from elections. I've had one in Santa Barbara tonight. I'm curious how many more we have. We are entering another cycle of elections without this fixed I guess.

Taken from an e-mail to the "salestalk" list dated Thu, 7 Jun 2001 from L.D.

You have a ballot with a race of 5 candidates that allows you to vote for one. Two candidates are touched simultaneously and the vote is registered for the candidate between the 2 that were touched. This is the normal action for a resistive touch panel, but can cause concern. This is something that IT people like to point out and say that our system is flawed. Wrong, all resistive touch screens react in this manner.

Taken from an e-mail to the "bugtrack" list dated Fri, 23 Apr 1999 from K.C.

Make active the "cancel" vote button on the cast ballot screen on the end of each ballot. <EDITOR: snip> I don't expect you will see a fix in time for the election, since it is tomorrow.

# Maoists:

continued from back page

tative as well as quantitative changes in the political balance of the country. The split has also helped in raising the centrality of Maoist movement. In fact, the communist movement has now polarized into Maoist and non-Maoist blocs. This process of polarization is a good source of power to Maoists. The failure of other left groups in forming and maintaining unity has certainly helped Maoists.

## Popular Support

The successive failures of government's police operations in Maoist insurgency clearly shows that the insurgency is taking momentum with substantial popular support. This is no longer simply a law and order problem. Why are the people in rebel areas providing sanctuaries to insurgents? Why are insurgents finding sanctuaries in areas, which in the past had been strongholds of constitutional parties? Independent observers argue that the government suffers from political instability and rampant corruption. The money allocated for development of interior areas never reaches there. A large number of villages are totally ignored by economic planners. There are no schools, no roads, no electricity, and no medical facilities. At the national level, the educated unemployment is increasing at geometrical proportions. Close to 100,000 rural youths failing high school examination every year have neither a job nor a school to go where they could be kept busy. These unemployed youths, 15 to 18 years in age, are joining the ranks of armed guerrillas. The Maoists, however, have problems of providing arms to these willing recruits.



Women militia members in Rolpa District, Western Nepal

Maoist insurgency must be viewed in the light of Nepal's history of communist movement. The communist movement in Nepal that first appeared in 1949 after the formation of Communist Party of Nepal under the leadership of late Pushpa Lal Shrestha emerged as an intellectual opposition to Nepali Congress's policy of compromise. Even during the days of king's absolutism Communist movement was unclear in its goals.



Women militia members in Rolpa District, Western Nepal

A few communist leaders then argued that their main enemy was domestic feudalism led by the king while others insisted that Nepali Congress with its support from expansionist India and imperialist America was the main enemy. As a result, Nepal saw at one moment as many as 19 communist parties!

The Maoist movement has emerged in the background of this history of Nepal's communist movement. The Naxalite movement of Jhapa in early 1970s, too, had the same background. The Jhapa movement evaporated in a few years due mainly to the suppression of Naxalites in India, youthful inexperience of leaders expressed in term of middle class extremism, decline of Maoism in China after Mao's death in 1976, and lack of Jhapa-type militancy in other districts of Nepal. The leaders of Jhapa movement gradually took to the constitutional path and even participated in Panchayat elections as "pro-people Panchas."

## New Realities

The present day Maoist movement, however, must not be viewed in light of Naxalite movement of the early 1970s for several reasons: first, Maoists unlike Jhapani Naxalites do not have the advantage of geographical continuity from India. Second, Maoists do not enjoy the ideological support from Radio Beijing. So the charges of foreign inspiration is a moot point here. Third, Maoists have learnt many lessons from the mistakes of Jhapa uprising. Fourth, the communists of all shades and sizes are now available in every village of Nepal. Many of them are disillusioned with the inability of their leaders who have participated in parliamentary system telling the cadres that there is an alternative to armed revolution.

That the Maoist insurgency has survived five-year period and continues to enter into news phases is in itself a clear indication that the movement is no longer a temporary phenomenon without social bases. The official approach of viewing Maoist movement as an activity of individual killing and pure terrorism has not helped to solve the problem. While it is true that there is middle-class extremism inside the Maoist movement but it is not the extremism directed by indiscriminate terrorism. The terrorist acts perpetuated by insurgents are carefully selective and are limited to the killings of

alleged police spies and informers who are also notorious in the villages. In the past such extremism used to evaporate within a short span of time but there is no indication of such evaporation this time around anywhere near the sight. In fact, it is on the march towards new stages with each day passing.

## New Characteristics

Broadly speaking, communist movement in Nepal in the past has been left-intellectual movement. The participating intellectuals in this movement had comprised of upper caste (Brahmin-Chhetri-Newar-BCN). In other words, past movements were basically the movements against BCN ruling elite by the BCN non-ruling elite. That scenario, however, has changed now in view of the broader participation of persons from other castes particularly the untouchable castes such as Kami, Sarki, Damai, etc. In the past when non-ruling BCNs were fighting the ruling BCNs there was always scope for mediation and compromise due to the network of family relations. No such network of family relations exists now between BCN elite and guerrillas coming from untouchable lower castes, which narrows the chances of mediation and compromise.

Another notable characteristic of Maoist movement is the degree of women's participation in guerrilla ranks. Women's political participation in the past had been limited to electoral areas, especially, in voting and occasional candidacy in elections. It is a big surprise that Nepali women now have joined guerrilla organization under arms. More than a dozen women have already given their lives while fighting the police operations. According to an estimate about 30% of Maoist guerrillas comprise of women. This is totally a new phenomenon in Nepal, which must not be taken lightly.

Furthermore, more and more persons from Janajati people (Rai, Limbu, Gurung, Magar, Tamang, etc) are joining the ranks of Maoist insurgency in the hope that they will be "emancipated" from the "clutches" of BCN. Although it is not quite clear whether these Janajatis will remain loyal to Maoist cause in the aftermath of the success of Maoist people's war, suffice it to say here that a peaceful settle-

continued on next page

# Diebold:

continued from page 5

Sequoia. In Texas in 1996 800 votes were recorded, although only 500 people voted. In the 1998 general election in Dallas, over 41,000 votes were not counted. ES&S took responsibility for that little mishap. In the same year in Pima County, AZ no votes were recorded in 24 precincts, although the voter record showed that thousands had voted. Also in that year, in the school bond election for Orange County, CA there was a 100% error when the 'yes' and 'no' answers were switched by an unknown programmer. In 2000 a test machine in Iowa was fed 300 votes, but reported four million. On November 5, 2002 in Broward County, FL 103,222 votes were left out of the final tally. Recently in King County, WA the polls in one precinct were tallied hours before the polls closed.

## Dieboldanegger?

Californian voters are skeptical of the heavy involvement between Diebold and the electoral apparatus. Diebold's CEO is Wally O'Dell, a member of "Rangers" and "Pioneers", the elite group of Bush supporters who commit to raising funds for W. O'Dell recently spent time with Bush at his Crawford, Texas ranch, and then sponsored a \$600,000 fundraiser for Dick Cheney. He also came away from the vacation "committed to helping Ohio deliver its electoral votes to the president next year".

Electronic voting booths are supposed to be run through multiple tests, which Diebold claims to have completed. Their "independent" observer, however, was Scientific Application Interna-

tional Corporation. SAIC is one of the major players in the corporate game of rebuilding Iraq. It is one of the top ten companies to receive defense contracts. It regularly works with Vinnell Corporation, one of the leaders in training foreign militaries. It is almost entirely made up of retired military and intelligence personnel, including Dr. Steven Hatfill, a former germ warfare scientist. It's director is retired General Wayne Downing, of the U.S. Army, who also served on the board of the Committee for the Liberation of Iraq with Bechtel director George Shultz. He was also a lobbyist for the U.S. backed Iraqi National Congress.

Events such as the electoral drama in Florida in the 2000 presidential race have influenced the general disillusionment regarding the indirect democracy afforded by voting. The two party system that requires one to be wealthy in order to have a say in policies (that affect billions of people around the world) is still regarded as democracy by many citizens of the US. Will this misperception continue when the outcome of an election is decided pre-emptively, with no façade of choice? "Of course everyone knows perception is reality" begins an e-mail from Diebold chief engineer Ken Clark. If this is the case, and Diebold is creating the perception of an elected candidate, what does it have to fear from its leaked memos? The issue for Diebold is that their façade is crumbling, and perception is ever more becoming a matter of reality. It is now up to those voters who feel disenfranchised from the electoral process to demand that their voices are heard: Will the U.S. hold up this farce of a democracy in the face of such blatant disregard for the people?

# Halliburton:

continued from page 2

"in breach of international law and are likely not enforceable". Blanch argues that the CPA "has no authority or ability to sign those [privatisation] contracts", and that a sovereign Iraqi government would have "quite a serious argument for renationalisation without paying compensation". Firms facing this type of expropriation would, according to Blanch, have "no legal remedy".

The only way out for the administration is to make sure that Iraq's next government is anything but sovereign. It must be pliant enough to ratify the

CPA's illegal laws, which will then be celebrated as the happy marriage of free markets and free people. Once that happens, it will be too late: the contracts will be locked in, the deals done and the occupation of Iraq permanent.

Which is why anti-war forces must use this fast-closing window to demand that the next Iraqi government be free from the shackles of these reforms. It's too late to stop the war, but it's not too late to deny Iraq's invaders the myriad economic prizes they went to war to collect in the first place.

It's not too late to cancel the contracts and ditch the deals.



**Late Night Cafe**  
**OPEN NOW!**  
7PM-2AM every day except Thursday  
Just south of Revelle's Stonehenge

brought to you by:  
**the Che Cafe Collective**  
meetings thursday, 8pm open to all

# PUBLIC DECLARATION OF HUNGER STRIKE

We, the political prisoners of the Maximum Security Prison (CAS) have initiated an indefinite hunger strike (liquids only), at midnight of Monday, 10 November.

We are organizing this hunger strike in the context of a proposed law of pardon for "subversive political prisoners", which has been in the Senate since December of 2002, and which is, today, the most certain possibility of a solution to our reality. It is a bill that has already been years in the making, and has nothing to do with impunity. We want the Congress to vote it into law, the government to promote it, and for them to open these bars, once and for all.

We have, on average, been imprisoned for 11 and a half years. It has been a process full of judicial errors, double jeopardies, lack of impartiality, and hatred in the military and civilian courts. It is time now to end this political imprisonment.

We are seeking a concrete objective: freedom for all political prisoners. The government has the responsibility to hasten the legislative process so that we can once again return to our streets. There is enough support for this path to a solution, all that is lacking is the political will to follow through with it.

The whole CAS is on hunger strike, absolutely convinced that this imprisonment needs to end now, because our liberty is a just, dignified and beautiful cause. We call on everyone to struggle alongside us, supporting the hunger strike, however you can, however you want, in solidarity with our mobilization.

WE WILL BE VICTORIOUS!!

Group of Independent Prisoners  
Lautaro Subversive Force  
Political Prisoners  
Rodriguez Collective in Prison  
Maximum Security Prison, Santiago de Chile, 10 Nov. 2003

# Maoists:

from previous page

ment of the problem is no where near the sight.

## Summary and Conclusion

Fighting a guerrilla war is an expensive proposition for any state. Guerrilla war has no front lines. Guerrillas operate in the midst of, and often hidden or protected by, civilian populations. The purpose of guerrilla war is not to engage an enemy army in direct confrontation, but rather to harass and punish it so as to gradually limit its operation and effectively liberate territory from its control. Efforts to combat such a guerrilla army-counterinsurgency-often include programs to "win the hearts and minds" of rural populations so that they stop sheltering the guerrillas. In guerrilla war, there is much territory that neither side controls; both sides exert military leverage over the same place at the same time. This makes guerrilla wars extremely painful for civilian population because the government armed forces fighting against guerrillas often do not distinguish them from civilians, and so strike both together.

Nepali strategic planners have failed to find a way in which people would stop giving sanctuaries to guerrillas. This could have been done by means of massive economic develop-



A march in support of Kamina Libre in Chile

# POLITICAL PRISONERS IN CHILE

## CHILEAN POLITICAL PRISONERS:

Bernardo Acevedo Lagos  
Esteban Burgos Torrealba  
Ramón Escobar Díaz  
Rafael Escorza Henríquez  
Jorge Espinola Robles  
Luis Fuentes Santibáñez  
Patricio Gallardo Trujillo  
Victor González González  
Álvaro González Olivares  
Fernando González Olivares  
Abraham Larrea Zamorano  
Danilo Maza Cocio  
Manuel Martínez Durcés  
Jorge Mateluna Rojas  
Claudio Melgarejo Chávez  
Pablo Morales Fuhrman  
Guillermo Ossandón Cañas  
Julio Peña Parada  
Hardy Peña Trujillo  
Jaime Pinto Angliani  
Carlos Plaza Villaruel  
Jaime Poblete Cortés  
Julio Prado Bravo  
Rodolfo Retamales Leiva  
Alejandro Rodríguez Escobar  
Pedro Rosas Aravena  
Carlos Silva Duncan  
Pablo Vargas López  
Marcelo Villaruel Sepúlveda  
Oriana Alcayaga Zepeda  
Elizabeth Nuñez Duarte  
Tito Medel Vega  
Jaime Celis Adasme  
Fedor Sánchez Piderit

Marcelo Gaete Mansilla  
Claudio Cerda Bravo  
Isaías Morales Avendaño  
Reinaldo Cortés Valenzuela  
Eric Maichin Neipen  
René Salfate Osorio

## CHILEAN POLITICAL PRISONERS IN PERU:

Jaime Castillo Petrucci  
Lautaro Mellado S.  
Alejandro Astorga V.  
Alejandro Valdivia L.  
Marcela González A.  
Maria Concepción Pincheira

## MAPUCHE POLITICAL PRISONERS:

José Huenchunao Mariñan  
Victor Ancalaf Llaupé  
Jaime Cona Tranamil  
Anibal Salazar Huichacura  
José Llanquileo Antileo  
Angélica Nancupil Poblete  
Mauricio Contreras O.  
Marcelo Quintrale  
Oscar Higuera Quezada  
José Hualquín Antinano  
José Cariqueo Saravia  
José Millacheo Marín  
Juan Neul Marín  
José Marileo Saravia  
Juan Ciríaco Millacheo  
Juan Llanka Llanka

# Prisoners:

continued from front page

in the hospital and some of them almost died on us."

The Kamina Libre hunger strikers ended their hunger strike on 16 November when they received permission to leave the jail on Sundays, but two of them, Marcelo Villaruel and Pablo Morales began hunger striking again on Monday, 24 Novem-

ber when they were denied the benefits because of "outstanding charges" that had neither been processed nor mentioned in their decade of captivity.

For more information (in Spanish) about the hunger strike and for the latest updates, please visit <http://www.libertad.ya.st/> or, if you want information in English, feel free to write us at [ni@libertad.ucsd.edu](mailto:ni@libertad.ucsd.edu), and we'll let you know what the latest is

# Bolivia:

continued from page 4

on members of civil society and not the military, meeting with other presidents (including President Lagos of Chile) to negotiate trade agreements, and still trying to find a way to export the gas. When first sworn in, he was paying lip-service to the demands of the opposition, promising to make concessions which would be impossible to make constitutionally, such as convening a constitutional assembly to write a new constitution (which can't be done with a standing parliament...the equivalent here would be if Bush got together a group of people to write a new constitution instead of amending it in Congress), and promising to be a temporary transitional president and

convene new elections, even though the only way to constitutionally call new elections would be if he resigned along with the Senate President, Speaker of the House and the Chief Justice of the Supreme Court. Considering that he was Goni's running mate, there is very little chance that his government is going to be any different, except possibly a bit more prudent in terms of public image.

In order to address the needs and demands of the people, there needs to be a much more profound and structural change in the government than just replacing a president with the vice-president he ran with. As the chant in Argentina when they toppled the government of De la Rúa said, "que se vayan todos, que no quede ni un solo"

# Chavez:

continued from page 4

former leaders, Pedro Carmona Estanga, was Venezuela's 48-hour dictator during the coup in April 2002.

But the Chavez government has been careful not to choke off much-needed foreign investment totally. Since August, the finance ministry has issued billions of dollars in bonds to sell within Venezuela, providing institutional investors as well as private citizens with an opportunity to get around the currency controls. This is an innovative approach to stimulate investment in Venezuela's economy while protecting it from these investors.

The bond sales, of course, are not without some controls of their own. The Finance Ministry said financial institutions as a group - meaning banks and brokerages - will only be able to purchase 20% of the latest \$1 billion in bonds being issued. This leaves \$800 million of the bonds for residents and private investors. Each individual financial institution will only be able to purchase a total of \$50 million of the bonds.

The 10-month long currency controls have proven their efficacy. The Venezuelan finance ministry estimates foreign reserves will end 2003 at \$20.7 billion - an increase of \$9 billion, or roughly 30%, since mid-January.

Venezuela's economy is expected to contract 10%-11% in 2003, Finance Minister Tobias Nobrega has said. Nobrega said fourth-quarter GDP growth could be around 0%, as the economy begins to recover, and he said 2003 inflation will be around 25%. These estimates don't say much about a Venezuelan economic recovery, but should be taken in the context of constant assaults on the Chavez regime and therefore, the country's economic stability. How can a country work towards growth when it must first work to cancel out the sabotage consistently being imposed upon it? To try to enact economic policies other than harsh neoliberal ones is to become a besieged economy and society. Surviving, even making modest progress under these conditions, has required clever thinking.

- (1) Wilpert, "Venezuela's Mission to Fight Poverty" <http://www.zmag.org/content/showarticle.cfm?SectionID=45&ItemID=4497>
- (2) This phrase is Samir Amin's. He believes "delinking" from the global economy offers poor countries a better chance at development than trying to survive its ravages.
- (3) Julia Buxton, "Economic Policy and the Rise of Hugo Chavez", in Steve Ellner and Daniel Hellinger, eds., "Venezuelan Politics in the Chavez Era", Lynne Rienner Publishers, 2003.
- (4) Dow Jones Newswires, 12-06-02 "Venezuela Congress Approves VEB41.6 Tln Budget For 2003"
- (5) For some more sources and figures, see [www.bcv.org.ve/](http://www.bcv.org.ve/) - Venezuela's Central Bank [www.mf.gov.ve/](http://www.mf.gov.ve/) - Venezuela's finance ministry

# Maoist Insurgency in Nepal: Internal Dimensions

by Dr. Chitra K. Tiwari  
January 20, 2001

It is no secret that Nepal, a country sandwiched between two Asian giants – India and China, is suffering from the worst political crisis in its history. A constitutional democracy that was established following the 1990 People's Movement appears to be on the verge of collapse due to continued success of Maoist guerrilla insurgency or "People's War" that was launched in February of 1996 by the Communist Party of Nepal-Maoist (CPN-Maoist). The Maoist People's War has become a direct threat and a death-knell to the government of Nepal.

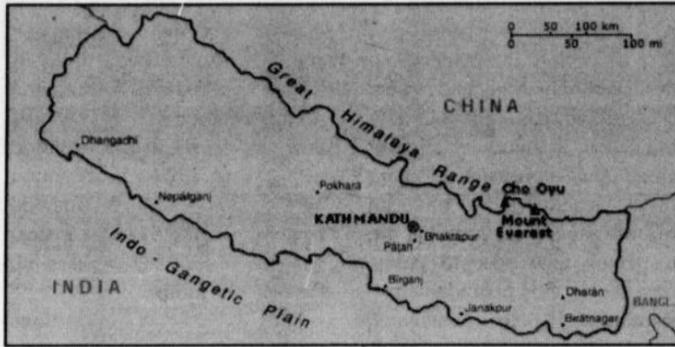
The CPN-Maoist first fired its salvo of "People's War" on February 12, 1996 seeking to destroy constitutional monarchy and aiming to establish a Maoist people's democracy. By the end of December of 2000, the insurgency has taken the life of an estimated 1600 persons (unofficially the figure goes as high as 4,000 dead.) There are four categories of people killed in the process: Maoist guerrillas, police, alleged informers of police, and innocent civilians. Independent observers say that police has killed more innocent civilians in fake "encounters" than the Maoist guerrillas. The police administration is also accused of extra-judicial killings in captivity and disappearance of persons under custody.

## Geopolitics of Insurgency and Government Policy

The insurgency that began from 3 mid-western mountain districts of Rolpa, Rukum, and Jajarkot, western district of Gorkha and an eastern district of Sindhuli has now spread to 68 of Nepal's 75 districts. According to government's own admission 32 districts are believed to be the hardest hit where guerrillas roam freely and organize open mass meetings. By mid-January 2001, the Maoists have declared the formation of a provisional revolutionary district governments in Rukum, Jajarkot, Salyan and Rolpa districts.

A close study of insurgent activities in the country show that the most affected area is contiguous and concentrated in the mid-western region. This is one of the most backward and least accessible districts of Nepal. The affected areas are all too close to Kathmandu. Many of the affected areas are spread out along Terai districts close to India. Nepal government officials have reportedly filed a complaint with New Delhi that the Maoists are seeking shelter in India.

The most disturbing situation for the counter-insurgency planners is that many of the Maoist affected areas are inhabited by a large number of well trained retired Indian and British Army



Gurkha soldiers. Authorities suspect that some of these retirees are providing training to Maoist guerrillas.

The Maoist insurgency-hit areas cover 165 of the 205 parliamentary electoral constituencies of Nepal. The insurgency has directly affected the lives of roughly two-thirds of the 24 million people of Nepal. The state is on the verge of defeat. The police operations have failed to control guerrillas. There is a widespread realization that if the guerrillas continue to expand their zone of influence at the current speed, they will be able to beat the Nepali State within a short span of time. Such realization is reflected in the government's recent activation of the National Security Council and its decision to create a para-military force comprising 15,000 men (to be increased to 25,000-men gradually) with modern sophisticated weapons. Although the royal army has not been officially ordered against the guerrillas, the government has decided to establish six new military bases at battalion level around insurgency hit districts. Twenty-five district headquarters are now under Royal Nepali Army (RNA) protection. Another twenty-five district administrators have reportedly sought RNA protection.

Since the start of insurgency in 1996, different governments of Nepal have treated the Maoist war as a 'law and order' problem. The government has sought to contain Maoists by means of police operations code named "Operation Romeo," "Kilo Shera Two," "Jungle Search Operation," and "Search and Destroy." The state has justified authoritarian policies in the name of suppressing the insurgency, but without addressing the basic inequalities that plague Nepali society. These police operations have applied the policy of "encircle and kill", a policy similar to China's Chiang Kai-shek's "extermination" of communists campaign in 1930s. In the process of this "encircle and kill" policy the police operation has in many places actually killed more innocent civilians than the guerrillas, a fact noted by several human rights organizations including the Amnesty International.

## Insurgents' Strength

Despite the killings of hundreds of Maoists, real or imagined,

under the policy of "search and destroy," Maoist insurgency does not appear to be dying. The insurgency, in fact, has appeared in districts which otherwise had been considered an area of influence of constitutional ruling parties. While no one knows exactly how many guerrillas are there in the jungles of Nepal, yet some experts believe that number of full-time guerrillas under arms is around 2000 and another 10,000 irregulars or militias armed with homemade guns. In almost all battles between the police and the Maoist guerrillas, the insurgents have proved their military superiority. These incidents have shaken the whole country and has established the fact that Maoist insurgency is a living reality and that the Communist Party of Nepal (Maoist) is an undeniable political force.

In view of the present day political uncertainties characterized by competition for office between and among parties of



Maoist leader Krishna Bahadur Mahara speaks at a public meeting at Kirtipur on the outskirts of Kathmandu during a welcome rally on Aug. 29, 2001

all shades and sizes, continuing split between and among parliamentary royal communists, and Nepali Congress's undeclared divorce with socialism, the chances for Maoist politics to reign Nepal appears pretty high. If history is any guide, Nepali communists, no matter how much divided they may be, have never been totally rejected by the electorate. In 1994, Unified Marxist & Leninist (UML) got an opportunity to form the government. The inexperience in ruling the country, on the one hand, and greed for power, on the other led to not only the exit from the government but also the vertical division of the UML party. The vertical split of UML has brought about quali-

continued inside on page 6

the new  
indicator

a newspaper of political  
and cultural criticism

is seeking

**WRITERS  
PHOTOGRAPHERS  
ILLUSTRATORS**  
and  
**DESIGNERS**

**TO**

write, illustrate, and lay out a  
collectively run student publication  
published bi-quarterly at the  
University of California, San Diego

**INFORMATION  
SESSION**

Friday, January 9th, 3 to 4pm  
at the Eucalyptus Lounge  
in the "Old Student Center"  
(directly above the food co-op)

if you can't come, you can  
contact the new indicator at:  
ni@libertad.ucsd.edu  
<http://newindicator.ucsd.edu>

