

sugar producing countries built up sizeable foreign exchange earnings and improved international credit ratings. For the first time, in many cases, these nations could seek loans in the world's major money markets. The boom did not last the year, however, before prices nose-dived. By year-end 1975, prices had plunged 70 per cent, and by the third-quarter of 1976 sugar prices dented the pre-boom level of 7 cents a pound. During the collapse sugar producers were forced to increasingly draw on their foreign reserve holdings to meet the debt obligations incurred during the short-lived boom. Jamaica is not the only sugar producer whose foreign reserves went into the negative as a result.

The answer to this crisis does not lie merely in rationalizing the markets. Manley has already begun reorganizing sugar production. Mechanization, utilizing the new Cuban M-2 cane cutter, would go a long way toward releasing a large sector of the unskilled work force for training as semi-skilled and skilled labor.

Manley's social welfare policies are aimed toward that sort of upgrading of the Jamaican population. Here is his own description of his policies, given in reply to his detractors, in a recent speech:

"...I will not admit, though it costs us money, that it a mistake for us to begin the literacy programme which has so far taught over 150,000 persons to read and write. I will not admit that it was a mistake for this government to have built, upgraded and re-located some 30,000 houses for poor people over the period 1972-1976. It cost money. I will not admit that it was a mistake for us to begin the Pioneer Corps, and to introduce free education.

It cost money. I cannot admit that it was a mistake for this Government to have introduced the Minimum Wage Law.

"I will not admit that it was a mistake for this Government to have originated Project Land Lease under which, so far, over 22,000 small farmers have been provided with over 40,000 extra acres of land. I don't believe it was a mistake for this Government to start the Impact Programme which provides work for many thousands of men and women who have never worked before in their lives and can now, for the first time, begin to earn an independent livelihood.

I cannot admit that it was a mistake for our Government to have reclaimed over 200,000 acres of bauxite land for the people of Jamaica.

"...I cannot admit that it was wrong for this Government to have assisted in the financing of almost 800 basic schools for young children.

"I cannot admit that it was a mistake for this Government to have established some 20 Sugar Workers' Cooperatives involving 43,000 acres of land farmed by approximately 4,500 former sugar estate workers.

"I cannot admit that it was a mistake for this country to widen the scope of its foreign policy relations to include closer ties with our brothers and sisters in the Third World of Afro-Asia, Cuba, Venezuela, and Mexico.

"And finally, Mr. Speaker, I cannot admit that it was or is a mistake for this Government to pledge itself to the creation of a society based on the principle of equal justice and equal rights for all of our people."

Brazil is Dying

Brazil, in the vanguard of Latin American austerity programs is today facing an ecological holocaust. Both drought and floods ravage huge regions of the country, **destroying crops and beef herds, and unleashing epidemics among the malnourished populations which spill over into neighboring countries.** Floods in Argentina, Bolivia and Paraguay, drought in Colombia and in the Caribbean, and both floods and drought in Peru are rapidly reducing those nations' "triaged" economies to Brazilian levels. What this will mean is indicated by the following review of developments in Brazil during the last month. The facts come from the Brazilian press:

***Hundreds of families living on the islands of the Paraná River, which flows through southeastern Brazil into Argentina, are being evacuated as the river swells, producing the worst flooding seen in ten years. Rice, banana, corn and manioc crops are lost throughout the area. The mayor of one region in the area comments on the unexpectedness of the flooding: "Normally, the maximum flow of water in the Paraná occurs in the end of February and beginning of March. When we entered January this year the river had already reached seven meters above its normal level... if it continues raining, as it has now, we will have a repetition of the 1974 floods which had catastrophic effects for the entire region."

***States along the entire northeastern coastal zone are struck by severe drought, including the state of Bahia, where two consecutive bean crops and two consecutive corn crops were lost. In Minas Gerais, cotton losses from drought are estimated at 70 per cent and milk production has fallen by 60 per cent. Almost 50 per cent of the sugar cane harvest is lost. In Ceara, 50 per cent of the cotton crop is estimated lost and the entirety of the corn and bean crops. Rio Grande do Norte has lost 90 per cent of its bean and corn subsistence crops and in Piaui, 60-90 per cent of the basic crops—rice, beans, corn and cotton—are destroyed. Portable water resources there are almost gone. In Rio, rice production has fallen 40 per cent, sugar 55 per cent, manioc is down 25 per cent. Nationally, bean production is down 50 per cent. Meteorological projections for the entire northeast indicate that 1977 will be a much worse drought year than the last.

***Deforestation of the Paraná region has left the entire area with only 11.8 per cent green-area and primitive forest left, according to an investment banker who warned of the future (draught) problems this portends.

***Floods in the Pantanal zone along the Paraná and Paraguay Rivers bordering Bolivia are described by the

press as the worst since 1905. One million head of cattle in this beef-producing area have been destroyed already, and all sowing in the region is lost. Evacuations of the adjacent northeastern Argentine provinces have begun.

***Bats are transmitting rabies to the herds of cattle in Piaui and many of them, already weakened by the drought conditions, are dying. The border between Piaui and Ceara is closed to avert spread of disease.

***Rats are proliferating throughout the Rio area. According to the new mayor of the municipality of Nova Friburgo, known for its public sanitation campaigns, there are 15 rats per person, one of the highest ratios in the world and clearly conducive to plague outbreaks.

***Serious outbreaks of measles in Bahia have been touched off by draught conditions. The disease is endemic to the population there due to malnutrition and a total absence of sewage facilities. (The sole water

reservoir in the area has the capacity to serve only 2,000 inhabitants and is used by all the animals of the region as well.) Over 50 people, mostly children have died from the disease in the last two months. Beriberi, the vitamin B-deficiency disease, has begun to appear throughout Chapada do Chapeu, once considered the most prosperous region of Bahia.

***A large number of cows are being slaughtered in Minas Gerais instead of being kept for reproduction. Fifteen-day-old calves are also being slaughtered: the cost of maintenance in the area, exacerbated by the drought, makes them too costly to keep. Pasture land not destroyed by the drought is being attacked by hordes of cicadas.

***Soy bean plantations in western Paraná are being destroyed by caterpillar infestation. The flooding has prevented the application of pesticides.