

U.S. gets Japan to sign trade truce

by William Burr

After a week of intensive American pressure and stiff Japanese resistance, trade negotiators of both countries signed on Jan. 13 an agreement that marked a truce in a long-standing dispute over commercial policy. The Japanese conceded more than they felt politically expedient, but the U.S. did not get all that it wanted. Protectionist pressure in Congress still poses a threat to the U.S./Japanese community of interest but, the Carter administration hopes, the recent agreement may temporarily mute business and labor protectionism.

The 10-point communique signed by American Trade Representative Robert Strauss and Japanese Minister for External Economic Affairs Nobuhiko Ushiba did point towards a fundamental restructuring of Japanese trade policy and a substantial reduction of Japan's large balance of payments surplus. But internal economic pressures in both societies, along with the depressed global economic scene, threaten the realization of these objectives.

In the communique, the Japanese agreed to increase import quotas on hotel beef, oranges and citrus concentrates. The recent intense pressure from American members of Congress accounts for the move to increase agricultural quotas. Ushiba made this concession at some political risk given the well-organized and militant drive against further agricultural imports led by the politically powerful Central Union of Agricultural Cooperatives. But the Japanese put up a stiff and successful resistance to American demands for additional and deeper tariff cuts on manufactured imports (for instance, color film and computers).

The Japanese pledged to increase manufactured imports and reduce or eliminate non-tariff barriers. They promised to expand credits for imports, simplify inspection procedures on imports, lift exchange controls as well as to take a favorable stance on deeper tariff cuts in forthcoming negotiations sponsored by the General Agreement on Trade and Tariffs (GATT).

The Carter administration also got Japan to join a "trilateral" effort to lead world capitalism out of its economic doldrums by expanding effective demand in the major capitalist nations. American leaders reason that lowered trade barriers and increased government spending in the U.S., Germany and Japan will assist ailing French, British and Italian capitalism and the developing, but debt-ridden, capitalism of the Third World. In the communique, the Japanese announced a growth rate target of 7 percent for fiscal year 1978, which they hope to meet through special public works programs. This target, along with the revalued yen (which lowers the price of imports), and further steps to lower trade barriers are the chief elements of government planning to increase demand for industrial imports and reduce Japan's balance of payments surplus in the coming years.

But American policymakers and the financial press look at the Japanese pledges with considerable skepticism. They argue that Japan will make every effort to dilute the meaning of the agreement in order to curb a surge of imports that might trigger higher levels of unemployment in a society which considers a 2 percent rate undesirable.

Some Japanese business leaders and economists have cast doubt on Japan's ability to reach the 7 percent growth rate target. They have concluded that even with the new programs of government expenditures, the economy will reach a growth rate no higher than 5.8 percent and perhaps as low as 4.4. Japanese economists argue that, given the depressive effects of declining real wages, falling profits margins and surplus capacity, the government is placing unrealistic hopes on the recovery of private investment. Low levels



Prime Minister Takeo Fukuda waves to press as American trade envoys Robert Strauss (right) and Alan Wolff (left), accompanied by Ambassador Mike Mansfield pay him visit after trade talks ended on Jan. 13.

of growth, business economists fear, will lead to decreased imports in 1978.

The leading Japanese business association, the Federation of Economic Organizations, has estimated a 4.1 percent growth rate for fiscal 1978 and a balance of payments surplus at the 1977 level of \$10 billion. Even if the government took additional steps to raise expenditures and promote new investment, the report ob-

served, the surplus for 1978 will be nearly \$7 billion. The U.S. would like Japan to lower its surplus to \$5 billion for 1978.

These basic problems of Japanese capitalism gave impetus to Prime Minister Takeo Fukuda's recent efforts to arrange a special summit with President Carter for the spring. Fukuda would like Carter to relax pressure on Japanese commercial practices until government spending

programs have had a beneficial impact. Fukuda and other Japanese leaders fear that if Carter cannot restrain protectionist forces in Congress, restrictions on Japanese exports will yield undesired social and political problems at home.

William Burr is a graduate student in history at Northern Illinois University specializing in American foreign economic policy.

SPAIN

Artists strike for free speech

by Amy Schwartz
Iberian News Service

BARCELONA—Theater director Albert Boadella has been in Barcelona's La Modelo prison since Dec. 15. Scene of an October prison uprising, the prison is in great disrepair and Boadella and other prisoners are without heat.

The director was arrested by order of the Captain General of Catalonia, who had ordered suspension of the mime play "La Torna" (The Turn) Dec. 11. The latest production of the theater collective Els Joglars (The Jugglers), "La Torna" is based on the execution of an expatriate Pole in the city of Tarragona; the company chose the story for its leftwing political implications.

Boadella and five other members of the collective, who were freed from custody, are charged with the crime of injury to military authority and the institution of the Civil Guards—subject under the Code of Military Justice to a sentence of six months and one day up to six years.

In response to the arrest, workers in the entertainment industry called a general assembly and decided to conduct a "Setmana de Lluita" (Week of Struggle) that would culminate in a strike. They called for the release of Boadella and protested this latest infraction of freedom of expression.

On Thursday, Dec. 22, Barcelona holiday makers had nothing to do. Workers shut down all theaters, movie houses, cabarets, and even the grand Liceo opera house. Not only in Barcelona, but in Madrid and other capitols, actors, musicians and technical workers of film, stage,



Madrid's musicians union demonstrates on behalf of "Liberty of Expression" and liberty for Albert Boadella.

and even recording studios, and some museums and galleries, went out on strike. During the week of mobilization, many theaters had already closed, and messages of support reached the strike assembly from all over Spain and Europe. Television and radio workers mailed letters to government officials protesting the military judgment.

Strikers and a sympathetic public have raised the question—among others—as to what right a military tribunal has to pass judgment on a theatrical work—one that the Ministry of Culture had already approved for viewing before its opening in October. One clause of Spain's recently rubber-stamped set of agreements, the Moncloa Pact, states that the Code of Military Justice is applicable only to military personnel.

But it seems that this is only one of many social reforms promised by the Moncloa Pact that are awaiting consideration by a recalcitrant Cortes (Spain's parliament) before they can become law. Franco's heirs in the Suarez government have expediently implemented only the 22 percent ceiling on wage increases specified in the economic section—leaving price controls and the social reforms by the wayside.

Boadella remains locked up. A huge benefit for Els Joglars, which featured major artists from around the country, was held on Saturday, Jan. 7. More actions are planned and the slogans are plastered all over Barcelona: "Libertad d'expression, Libertad Albert Boadella" (Liberty of expression, liberty for Albert Boadella).

ETHIOPIA

Ethiopian war will determine Red Sea's future

*GERARD CHALIAND WENT TO ERITREA LAST spring and wrote a report on his stay there. Chaliand is author of the recently published *Revolution in the Third World* and of books on Vietnam, the Palestinians, and Angola. In the first part, Chaliand sketches the historical background; in the second and third parts (which will appear next week and the week after) he describes what he saw in Eritrea. The translation is by Helene Ibert.*

The Red Sea is today the epicenter of great power rivalries. The October 1973 war demonstrated once again that the eastern Mediterranean and the Indian Ocean share a single strategic gateway, in military as well as economic affairs. The USSR enjoys friendly relations with Aden and formerly did with Somalia. As the U.S.'s privileged ally, Ethiopia used to receive half or more of American military aid to Africa, and 20 percent of American economic aid to that continent. But in spring 1976, the military junta headed by Mengistu Hilic Mariam has become one of Russia's principal allies. U.S. ally Saudi Arabia wants to turn the Red Sea into an Arab Lake—to be rechristened "Peace Lake" for the occasion. It remains to be seen what sort of peace is referred to.

The new balance of power being sketched out around the Red Sea, more precisely on the eastern horn of Africa, depends on the immediate future of Ethiopia. Frozen into an agrarian structure as archaic as it was confining, dominated by an aristocracy composed mainly of the Amarha people and opposed to all change, Ethiopia began to break out of its imperial mold with the death of Haile Selassie in February 1974.

Ethiopia launched a revolutionary campaign that swept all this out of its path. The Amarha leadership has been severely shaken, while a petite bourgeoisie, originating mainly among the Galla people, began its social ascent, most notably in Choa.

In the long run, Ethiopia's future will be determined by an alliance between the Amarhas, who account for 25 percent of its population, and the Gallas, who account for 40 percent. In the meantime, a chaotic transformation, rendered the more brutal by armed opposition from both the left and the right, and by secessionist movements in Eritrea and Ogaden, is bringing down in bloody confusion the apparently immutable structure that once held the Negus empire in its vise-like grip.

Out of a total of 14 provinces, seven are in varying degrees of rebellion and opposition makes itself felt even in the cap-

ital city. The Ethiopian regime has undertaken a campaign to mobilize popular patriotic fervor through the creation of "revolutionary committees" to combat the enemy from without and within. The resultant atmosphere is one of profound polarization.

Ethiopia's internal evolution will depend on a series of factors: on the internal cohesion of the Dergue, the ruling party, on the potential support for the regime from the Gallas majority, which has benefited greatly from agrarian reform, and on the role to be played by foreign aid.

The current regime faces armed rightist opposition from the Ethiopian Democratic Union (UDE), composed of dispossessed landowners and conservative military and civilian elements. On the left, the administration must counter the Ethiopian People's Revolutionary party (PRPE), a largely urban movement that lost much of its leadership in the student massacres at Addis-Ababa. This clandestine movement receives support from students, unionized workers and certain factions of the petite bourgeoisie and the military.

Beyond all this, the present government in Ethiopia must deal successfully with the two separatist movements linked with the history of the Ethiopian empire: the Somalian secessionist movement in Ogaden and the movement for Eritrean Independence.

The last movement is divided into three main groups, and forms a very powerful opposition, even if it is split by internal factions. The PLFE is the strongest organization. It controls the border with Sudan on the north side of Ethiopia. Young women and men take part in the guerilla activities and have organized a new revolutionary social structure. Up to now the army of Ethiopia has never really threatened the life of this movement.

The PLFE, an authentic revolutionary organization, is fighting against a government that claims to be Marxist-Leninist. Both sides are strongly entrenched in their positions and negotiations are necessary. The only real answer will be given by the internal evolution of Ethiopia. ■



A young fighter for the FPL.

Photos/EFNLA

Background to war

Secessionist Movements

I N E R I T R E A

FLE (Eritrean Liberation Front), known as the Revolutionary Council. Created in 1961, led by Abdel Nasser and Ibrahim Totil. Controls provinces of Barka and Gash. Has units in every other province except Sahel. Its weak point: the high plateau. Estimated at 10,000 to 12,000 men.

FPLE (Popular Liberation Front of Eritrea). Created 1970, led by Roman-dan Mohamed Nur and Issaias Afe-werki. Controls Sahel, including the provincial capitol. Has battalions in every province except Barka. Particularly strong in Senhir, Hamassien and Samhar. Its weak point is Dankalie. Estimated strength: 10,000 to 12,000 men.

FLE-FPLE (Eritrean Liberation Front, also known as Popular Forces for the Liberation of Eritrea). Created in 1976 and led by Osman Sabbe Salem. This movement, whose principal strength lies in the connections and personal charisma of its leader, has recruited most of its estimated 2,000 followers among the Eritrean refugees in Sudan, and so far has not extended beyond the far side of the Sudanese border.

I N S O M A L I A N P R O V I N C E S

FLSO (Western Somalian Liberation Front). Made up of Somalian guerillas in Sidamo, Bale and Harrar, fighting to annex these provinces to Somalia.

The Ethiopian Opposition

PRPE (Ethiopian People's Revolutionary Party). Essentially urban, composed of intellectuals, students and extreme-left syndicalists, relatively well established and supported by workers from various sectors. Force unknown.

UDE (Ethiopian Democratic Union). Antimarxist front, formed in 1975, composed of extremely diverse elements including dispossessed landowners, military opposed to the Dergue, etc. Established in the provinces of Gondar, Tigre and Godjam. Led by General Ilyassu Mengesha. Estimated following: 10,000 men.

History of Eritrea

It was the Italians, in the 19th century, who first defined Eritrea as a territorial entity. Although historically the Tigrinyan plateau belongs to the Abyssinian mountains, the Ethiopians never controlled the lowlands, where the Islamic movement prospered.

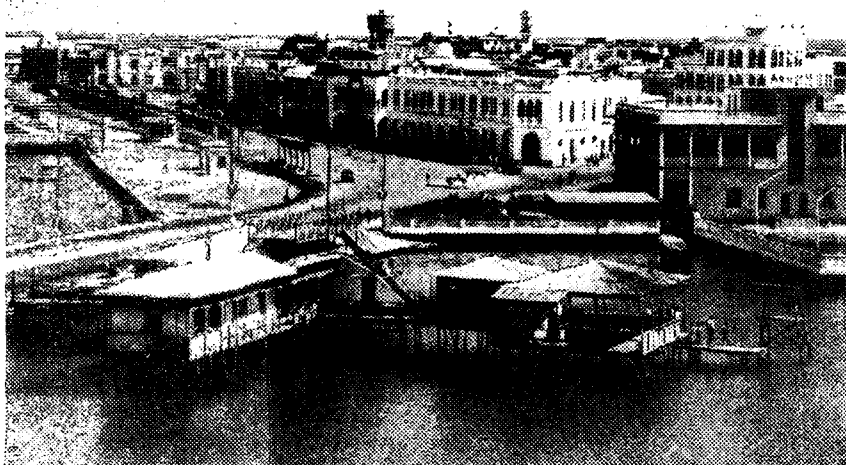
In the 16th century, the Turks occupied Massawa and the northern coast of Eritrea. Egyptians took their place at the beginning of the 19th century. From 1885 to 1941, the territory was an Italian colony. Under the Italians, Eritrea was provided with a good communications network, a modern agricultural system, a centralized administration, and the beginnings of industry. A modern intelligentsia began to take shape in this period even before its appearance in Ethiopia.

In 1941, the British took over and managed the country until 1952. The project to divide Eritrea (giving the Muslim territory to the north and west to Sudan, and turning the Christian plateau over to Ethiopia), was foiled by the very political parties the British had allowed to emerge. These parties, although founded on religious lines and bitterly hostile to one another, united in their opposition to the dismemberment of the colony.

After inquiries by two separate UN commissions, whose conclusions were contradictory, Eritrea was federated to Ethiopia as an autonomous entity with its own parliament, hymn, flag and official languages (Tigrinyan and Arabic). The British supported this solution.

The federation of Eritrea and Ethiopia marks the beginning of 20 years of American-Ethiopian alliance. The Ethiopians put the military base of Kagnaw at the disposal of the Americans in Eritrea, and received in exchange 20 percent of U.S. economic aid and almost two-thirds of all U.S. military aid to the continent of Africa.

All the prerogatives of autonomy were gradually taken away by the Emperor Haile Selassie. Eritrean political leaders, who had not ceased to protest before the United Nations, took the road to exile, and armed struggle broke out in 1961. The following year Ethiopia annexed Eritrea outright. ■



Massawa, Eritrea's third largest city.