

**TEXT OF ADDRESS BY HIS EXCELLENCY,
DR. CHEDDI B. JAGAN, PRESIDENT OF THE
COOPERATIVE REPUBLIC OF GUYANA, ON THE
OCCASION OF THE FIRST 100 DAYS OF THE
PPP/CIVIC GOVERNMENT**

FRIDAY, JANUARY 15, 1993

Tomorrow marks exactly 100 days since I took the Oath of Office on October 9, 1992, as President of the Cooperative Republic of Guyana. That magical date seems but just a few short days ago though our nation has since moved ahead with an unprecedented vigour.

We inherited a dismal situation. The country, under what was effectively a one-party administrative dictatorship, suffered from gross economic mismanagement, corruption, disregard for civil rights and general neglect of both social and physical infrastructure.

The new PPP/CIVIC Government inherited a shattered economy, a US\$2 billion debt, which was high in proportion to population and incomes; and a public administrative capacity so weak that essential support from UN and related agencies encountered implementation difficulties.

With per capita estimated at about US\$360 for 1990, Guyana had achieved the unenviable position of being the poorest country in the Western Hemisphere, along with Haiti. At least two-thirds of the population had been estimated by the Inter-American Development Bank to be living below the poverty line.

In the last days of the previous administration there were signs of an economic turnaround, partly due to the incorporation of the parallel market into mainstream economic activities. But the Economic Recovery Programme needed a democratic stimulant, as was observed in the McIntyre (Commonwealth Study Group) Report.

It is apparent that the October 5 elections brought a new will, and with it, new yields in our major economic activities. GDP was projected by mid-1992 at 5.5% by the International Monetary Fund (IMF), and 6.9% by the former administration. By our latest estimates, GDP grew by 7.7% in 1992. The major areas of growth are sugar 45% overall; rice 11.5% overall, while gold production increased by 34%.

Since the Government assumed office in October 1992, there have been significant improvements in monetary and fiscal administration. Treasury bill discount rates have declined from 25.6% on October 1, 1992 to 22.9% by the end of 1992. Bank rates, over the same period, declined from 27% to 24.25%. Central Government borrowing from the banking system, breaking with the PNC trend, fell from G\$2.3 billion on October 1, 1992 to a surplus of G\$184 million. As a result of the Government's prudent policies in net borrowing, inflation remained at 15% which, indeed, if it is seasonally adjusted for Christmas, would show a decline.

And during this short period, the prices of a number of commodities such as kerosene, gasoline, fuel, flour, cooking salt, rice, curry powder were adjusted downwards.

The capital account of the Balance of Payments also performed better as a result of confidence in the new Government and the commitment to democratic principles. The Government in this 100-day period obtained commitments and disbursement of about US\$46.7 million in loans and grants.

This resulted in a significant increase in gross international reserves which jumped from US\$166 million to US\$214, a significant increase of 28.9%, since the PPP/CIVIC assumed office.

With signs of economic reconstruction has come evidence of social reconstruction. Everywhere broad-based Citizens' Committees are springing up with people's involvement in uplifting their surroundings and improving conditions of life.

As I remarked in my New Year's speech, the PPP/CIVIC Government has set the tone for changing and rebuilding Guyana.

We have identified as among our major policy thrust the following priority areas:

- *relief from the huge foreign debt burden;
- *increase in development assistance to rehabilitate the physical and social infrastructure;
- *introduction of structural adjustment with a human face, and alleviation of poverty through a basic needs strategy;
- *increase in foreign and local investment, increase in production and exports, protection of the environment;
- *ensuring good governance, a clean and lean government, efficient management, strict accountability and respects for the rights of citizens;
- *an end to all forms of racial/ethnic discrimination, and an accelerated development programme for the indigenous Amerindian people.

In the first days of our new Government, we took the following measures:

- (a) cut out waste, end squandermania and extravagance. For example, we drastically reduced the number and size of delegations on overseas visits;
- (b) tightened management systems and formed new boards of directors for various state and para-statal bodies and institutions;

- (c) initiated a positive stance on lowering the cost of living by taking initial steps to lower mark-ups and to bring down the prices of certain commodities;
- (d) eased hassle on clearance of imported barrels at Customs; and introduced a "Green Line" system at the Timehri Airport for incoming passengers;
- (e) secured long-term assistance from the Food for Work programme in the amount of G\$642 million for a school feeding and food for work scheme;
- (f) expedited with IDB's assistance a supplement for pensioners and social assistance categories of G\$500 per month, which excludes a 12% rise in pension from G\$362.50 to G\$406 monthly;
- (g) re-activated the Burma rice mill to provide milling facilities for hundreds of farmers and with guaranteed markets at higher prices. Additionally, we secured continuing markets in Jamaica for our rice and fish;
- (h) consolidated our agricultural drive with anticipated assistance through a CIDA line of credit for the purchase of fertilisers and a Japanese grant aid for supply of pesticides and equipment for agricultural projects.

For Guyanese wishing to return home, we have prepared a special package of incentives in the form of a duty free scheme. These concessions are of a limited duration and are a once-for-all for remigrants eighteen years and over, and we intend to take stern measures to prevent and combat abuses of this privilege. We need human resources and capital resources, and we want our brothers and sisters returning home to repatriate with their savings. The duty-free concessions on motor vehicles are not too much to offer in exchange.

We are looking at areas of stone production and land distribution, and soon we will unveil plans to deal with the spate of squatting. In a phased programme we intend to assist the homeless to live under decent conditions.

Our policy of social security and home security is tied to a policy of security of the person. We have stepped up the formation of Community Police Groups and the processing of applications for firearms licences with preference for businessmen, farmers and Amerindians.

On the legislative front, our Government intends to protect the working people by making laws for trade union recognition after due consultation with the labour movement. As I have said on November 2 during an address at the Omai Mines, we intend to recognise the rights of workers in the same way that we respect the right of investment capital and business.

We also have on the drawing board plans to establish a Commission on Racial/Ethnic Equality. Towards this end I have personally had talks with the UK Race Relations Committee and the Martin Luther King Center, from which we expect to draw help.

We are restructuring our electoral system to put in place a new Elections Commission

and new electoral officials which, together with the working of the Adams Commission, will help us to organise clean elections. By mid-year, we hope to have municipal and local government elections.

Our Government hopes to put in place in the New Year a many-faceted programme which will address such broad areas as reviewing visa requirements in order to support tourism development and business activities; supporting Legal Aid Centre services to deprived citizens; and extending the jurisdiction of the magistrates' courts in civil matters.

But side by side with these efforts will come a major anti-corruption drive. With impending integrity legislation to govern the conduct of public officials and reinforcement of relevant agencies, we intend to stamp out corruption wherever it rears its ugly head. No corrupt official will be allowed to stand in the way of our effort to ensure maximum collection of revenues, which is absolutely essential for improvement in public sector wages and salaries, and enhancement of welfare and social services.

The outbreak of cholera, news of which were concealed by the former regime, has put more pressure on our limited resources and on the state's capacity to finance development projects.

That we have been able to contain the cholera outbreak is due to the spontaneous and overwhelming response from international agencies, non-government organisations and private donors. The goodwill for Guyana now is touching, and we must harness this for our benefit.

Such has been our impression at both the Miami and Atlanta conferences which were aimed at promoting partnership cooperation to alleviate hunger, homelessness, disease, etc.. As you know, we have put up at the Atlanta Conference 128 projects for financing to the tune of US\$612 million, and we intend to pursue fulfilment of these projects.

This goodwill was also evident at the November Caricom Summit when we forged renewed relations of friendship and mutual aid with our Caribbean brothers and sisters.

Cabinet has ratified a decision to join a Tripartite Commission on the Manning Initiative among Guyana, Trinidad and Barbados.

Our PPP/CIVIC Government places special emphasis on our relations with Caricom and we support, on a wider plane, plans to form an Association of Caribbean States.

We have named a minister for Caricom Affairs and we hope, through a proposed Caribbean Community Council of Ministers, to pursue the issue of joint overseas diplomatic and trade representation.

Generally, while we take, in a dialectical way, positive tendencies and trends of the past, we have laid down new emphases, and we are charting a dynamic revolutionary course for Guyana. It may be too soon to see the change, but we can feel it. We can feel the difference in the democratic climate and economic prospects brought about in only 100 days of the new PPP/CIVIC Government.