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LEAD STORY

FREI LAUNCHES CAMPAIGN AT HISTORIC THEATER

(June 18, 2009) With images of Chile's 20 last years as a democracy flashing on the screen behind him, presidential contender Sen. Eduardo Frei promised Wednesday night the "next transition" in the country's politics — a new constitution and a proactive government to take control of a free market gone wrong.



Presidential Candidate Sen. Eduardo Frei addressed supporters at Santiago's Teatro Caupolicán on Wednesday night. Photo by Simon Boas

"The time has come to reconstruct this fundamental document, to strike down fear and give more power to the people," said Frei, the center-left Concertación coalition's presidential candidate. "The time has come to put aside an economic model that enslaves people to the economy, production to speculation...and happiness to productivity."

Frei spoke in front of more than 5,000 screaming supporters at the Caupolicán Theater last night, officially kicking off his campaign and laying down the framework of his platform. His 30-minute speech focused on a promise of innovation, "without leaving behind who we are and what we've done." He stressed the importance of protecting the middle class, reforms in public education, and inspiring a new generation of Chileans to take control of the country

"The answers can't just come from a generation that is marked by the tragedies of the past," Frei said. "The time has come to put the government in the hands of our youth."

Wednesday night was not all about Frei, however.

It was also about the ruling Concertación coalition, which nominated Frei as its presidential candidate in April. The

coalition has been in power since Chile returned to democracy in 1990, though its margins of victory in each successive presidential election have been shrinking. Wednesday night was designed to let the party flex its strength.

Former presidents Patricio Aylwin and Ricardo Lagos attended the event, along with dozens of ministers and elected officials from President Michelle Bachelet's government. Frei is endorsed by all of them.

The Concertación could also not have picked a better place than the Caupolicán to launch Frei's campaign. The theater is steeped in the history of Chile's democracy. Speaking from its stage, the senator dealt in symbolism, not just campaign promises.

It was at the Caupolicán that his father, the former president Eduardo Frei Motalava, publicly challenged Chileans to say "No" to Gen. Augusto Pinochet's 1980 constitution, which formalized the dictator's presidency seven years after his military coup.

The constitution passed, despite widespread claims of fraud, and Frei Motalava ultimately met the same fate as many of Pinochet's detractors. Doctors connected to the military regime are believed to have poisoned the leader during a minor hernia surgery in 1982.

It was also at the Caupolicán that Patricio Aylwin launched his campaign to rebuild Chile's democracy following 17 long years of dictatorship. After Pinochet was voted out of office in the 1988 plebiscite, Alywin was elected president. In that same election, a 46-year-old Frei was elected one of the most popular senators in Santiago.

Some 20 years later, the theater again served the Concertación's launching pad, as well as a link to the past. Frei's campaign played videos throughout the night of the coalition's anti-Pinochet protests and the four presidents it has brought into office. When he first entered the theater Frei stood between Alywin and Lagos, holding their hands up in the air.

The night, however, was not all stump. There was dancing, too.

Five bands headlined the event, from the big name 90s rock hits "Los Tres" to reggae vocalist Quique Neira. The played together before Frei spoke, singing songs by Victor Jara, the Chilean folk artist who was brutally killed shortly after Pinochet took power.

It's clear that Frei's campaign is trying to broadcast a sense of energy and innovation, both from the senator's speech and the balloons bouncing around the crowd. The effort reads in many ways as a direct response to many critics' claims that the Concertación has ossified.

Conservative presidential candidate Sen. Sebastian Piñera, who has lead in recent polls, described the Concertación as “worn out and exhausted” in a radio interview Wednesday. “The Concertación feels like it owns the government,” he said.

Independent candidate Marco Enriquez-Ominami has also been critical of the Concertación. He defected from his the Socialist Party, a coalition member, last week, saying it had strayed from its founding ideals.

Ominami’s campaign has been propelled into the limelight by widespread support from Chilean youth. Many analysts, including some Concertación officials, expect the upstart candidate to overtake Frei in the well-respected CEP poll to be released today, Thursday.

But Frei didn’t seem concerned Wednesday night. Marcos Enriquez-Ominami is an “adventurer,” he said, and the country saw enough of the right under Pinochet.



The crowd supporting Frei at the Teatro Caupolicán.
Photo by Simon Boas

Frei might not be as young as Ominami. His dance moves are restricted to a kind slow-motion jog. And his Christian Democratic party and the Concertación coalition have been slowly losing ground. But as the veteran politician showed at the Caupolicán Wednesday night, the Concertación still knows how to put on a good show.

By Evan Rose (editor@santiagotimes.cl)

TOP STORIES

BACHELET RECEIVES DONATIONS FOR HUMAN RIGHTS MUSEUM President Emphasizes “Not Repeating Mistakes” Of Dictatorship

(June 18, 2009) President Michelle Bachelet officially received exhibit donations on Tuesday to be displayed in a new ‘Museum of Memory and Human Rights’ that will commemorate victims of Chile’s military dictatorship, which took place between 1973 and 1990 under Gen. Augusto Pinochet.



Chilean President Michelle Bachelet presided over the signing of an agreement which will ensure the preservation of exhibit donation made to the new Museum of Memory and Human Rights. Photo courtesy of the Chilean Government

The ceremony, which was held at the La Moneda presidential palace, involved the signing of an agreement which will allow exhibit donations from organizations and individuals to be preserved and displayed in the museum.

The museum will have three floors of exhibition space, as well as a library and classrooms for community education. It will also feature personal accounts, works of art, objects, literature, documentaries and posters from the Pinochet era, among other exhibits. It is also likely the museum will become the new home of the government’s two most important reports regarding Pinochet-era human rights abuses: the report from the National Truth and Reconciliation Commission (aka the Rettig Report), which documented nearly 2,000 Pinochet-era disappearances and assassinations; and the Valech Report, which documented more than 27,000 torture cases.

“The museum will be one of President Bachelet’s works that will stay in Chileans’ hearts . . . remembering and knowing what we lived through makes us a better country,” said Public Works Minister Sergio Bitar, who was imprisoned on Dawson Island – post coup in 1973 – because of his support for the democratically elected government of President Salvador Allende. At that time Bitar was Allende’s Mining Minister; today he is President Bachelet’s public works minister, charged with supervising the museum’s construction.

“[The museum] can be considered a good gesture on behalf of the government,” Virginie Houdmont, spokesperson for Amnesty International Chile, told the Santiago Times. “It will bring dignity to those who suffered human rights abuses.”

Houdmont said that while some Chileans prefer to forget about the dictatorship, it is still an important issue for those who suffered directly or indirectly from human rights abuses, and pointed out that the museum must not overshadow the prosecution of perpetrators of human rights abuses.

“The museum must not serve as a closure to pending abuse cases,” Houdmont said. “Although there have been advances in the prosecution of dictatorship-era human rights abusers, shown in the report Amnesty released last month [ST, [May 29](#)], there are still a lot of cases pending. It is imperative to end the impunity that certain human rights abuse perpetrators still have.”

Construction of the museum, located in central Santiago, began in December 2008 [ST, [Dec. 18 2008](#)] and is due to be completed in November of this year. The museum's inauguration will also see the addition of a new Plaza de la Memoria and an underground connection to the Quinta Normal metro station. The construction of the entire museum complex is estimated to cost some US\$20.3 million.

The museum complex is part of a wide-ranging public works program undertaken by the government to celebrate Chile's 200th anniversary of independence, its bicentenary, in 2010.

"No one can deny, fail to recognize, play down, or trivialize the tragedy of human rights violations in Chile," said Bachelet at the ceremony. "Every person needs to examine the past themselves and reflect on the need to improve our coexistence so a similar tragedy never again occurs in our country."

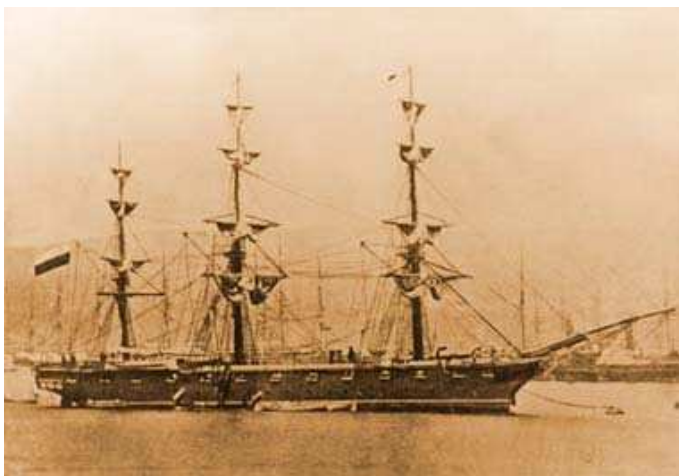
Bachelet and her mother were interrogated and tortured under the Pinochet regime due to links with the left-wing Allende government, and her father, an air force general who served under Allende, died of a heart attack in 1974 after enduring numerous torture sessions.

SOURCES: LA NACIÓN, EL MERCURIO
By *Chris Noyce* (editor@santiagotimes.cl)

NEW LIFE FOR AN OLD TREASURE? Divers Say 19th Century Chilean Warship May Float Again

(June 18, 2009) Resting at a depth of 137 feet off Chile's coast, the 19th century warship *Esmeralda* is a national sunken treasure. The vessel's remains, however, may not stay sunken for long, according to a new investigation by divers.

Jorge Kitzing, leader of a team of Chilean divers that recently explored the ship, says that despite the passage of years, the *Esmeralda* is in remarkably good shape. Such good shape, in fact, that Kitzing is floating the idea of the ship's recovery.



Chile is constructing an exact replica of historic 19th century war sloop *Esmeralda*.

"I'm not an expert in the matter, but having explored the boat in detail, I believe it would be worth the effort to bring it to the surface, to a floating dock," said Kitzing.

The famed sloop sank 130 years ago during the War of the Pacific – Chile's war against Peru and Bolivia – and in 1973 the government declared the ship's remains a national historic monument.

Whether or not the original ship resurfaces, another "*Esmeralda*" will sail the seas by Chile's 2010 bicentennial. In 2007, the Tarapaca Regional Government (Region I) and mining company Minera Collahuasi launched a joint venture to build an exact *Esmeralda* replica for the nation's bicentennial celebrations. Workers are currently building the replica, which will serve as a maritime museum in the region's capital city, Iquique.

Builders of the replica, however, had one great difficulty – blueprints of the original *Esmeralda* no longer exist. To work around the problem, architects consulted numerous photographs and written records of the *Esmeralda*, as well as structural plans of other "corvettes" built in the era.

They also commissioned Jorge Kitzing's diving team to make the first comprehensive exploration of the shipwreck.

Two Navy divers, Kitzing and Arturo Rojas, and commercial diver Felipe Mongilio made five descents to the *Esmeralda*, taking measurements, photographs, and films of the sunken ship. Their records will give architects key pieces of information in constructing the replica.

The divers were amazed at the condition of the ship, which's hull they found complete and in good condition. "When you descend, you don't encounter a jumble of abandoned beams on the bottom of the ocean, but instead a complete structure," said Kitzing.

The good condition of the *Esmeralda* is even more remarkable, perhaps, given the circumstances of its sinking.

The ship sank May 21, 1879 after the Peruvian monitor *Huascar* rammed the corvette three times and fired two cannonballs into its hull at pointblank range. Since its sinking, which left 143 dead, the *Esmeralda* has become a symbol of national heritage. Six Chilean Navy ships have been named *Esmeralda* in its honor, and Chile's Navy has a modern version of the frigate that sails the world's oceans as a training and goodwill vessel for Chile's Navy and the government.

Each May, Chile pays its respects to those who fought in the Battle of Iquique with a ceremony above the ship's wreckage.

SOURCES: LA TERCERA
By *Samuel Carihfield* (editor@santiagotimes.cl)

CHILEAN GOVT REJECTS US REPORT ON MAPUCHE 'TERRORISM'

**Interior Ministry: "We Don't Share The Opinion
That CAM Is Re-organizing"**

(June 18, 2009) Chile's government rejected on Tuesday the findings of the U.S. State Department's 2009 terrorism report, which said that a group of radicalized Mapuches was becoming

better-organized (ST [June 17](#)). (The Mapuche people are Chile's largest indigenous group.)

The U.S. report said that the radical group Arauco Malleco Committee (CAM) - part of a movement that involves ongoing disputes over ancestral lands with businesses and the government - is growing in strength and showing signs of a more "professional use of arms."

Chile's Under-secretary for the Interior, Patricio Rosende, had a very different take. "We hold a very different opinion to that (expressed) in this report," he said. "We don't share the opinion that CAM is re-organizing. Nor have we seen new developments in their approach."

He described the U.S. report as "political analysis," adding that the government had been working intensively in Region IX - a focus of Mapuche land disputes - and that an important group of CAM members had been arrested.

Rosende was referring to the arrest of 10 men for the alleged armed assault on public prosecutor Mario Elgueta.

Although the government does not share the views presented in the report, in March, six public prosecutors and ten police officers participated in an FBI-sponsored anti-terrorism training program. Among those who attended were prosecutors Mario Elgueta and Sergio Moya, both of whom are investigating CAM and its alleged attacks, including an armed assault on public prosecutor Elgueta in Region VIII, in October 2008 (ST [April 14](#)).

The training program took place in the U.S. state of Virginia and was also attended by prosecutor Francisco Jacir, who has investigated more than 90 bombings that have taken place in Santiago since 2004.

A spokesman for the embassy told the Santiago Times that they are not responding to Rosende's comments.

By Cathal Sheerin (editor@santiagotimes.cl)

BITS AND BRIGHTS

DALI TOUR, THEATER BOOK, ENRIQUEZ-OMINAMI SIGNS

(June 18, 2009) Also in today's news . . .

DALI EXHIBITION TO TOUR LATIN AMERICA

Dali: los ojos de surrealismo, an exhibition of 250 works by the acclaimed 20th century Spanish surrealist Salvador Dali, began showing this week in Buenos Aires, Argentina. The exhibit will then go on a Latin America tour in October.

Although neither a place nor date have been confirmed for the exhibit in Chile, the production company in charge of the tour - Artes Group - says that Santiago is part of its international itinerary.

Confirmed stops for the tour are already set for Sao Paulo, Brazil, Bogota, Colombia, and Mexico City.

The collection belongs to Dali's friend Enrique Sabater, who was also Dali's secretary and manager between 1968 and 1980.

The exhibition - featured in Buenos Aires shopping mall Abasto - includes engravings, sculptures, silver works and other objects created by the Catalan artist between 1950 and 1980. Among them are Gala mirando el Mediterraneo, a painting inspired by optical illusions, Dali's illustrations of Don Quijote, and the futurist series Time and La conquista del cosmos, where he imagined future technologies.

ITALY PUBLISHES BOOK ON CHILEAN THEATER

Roma's Valle Theater on Tuesday launched a book about contemporary theater in Chile. The publication was financed by Italy's Culture Ministry and is managed by Chile's cultural ambassador to Italy, Claudia Barattini. The aim is to showcase Chile by way of its art.

"The voices of Chile: From Italy to Chile through a Theater Trail" was written by Katia Ippaso - a writer, playwright, and theater critic - and reconstructs the story of Chilean theater from the date of Pinochet's coup d'etat on Sept. 11, 1973 to current times.

It includes a collection of interviews of the creators of acclaimed Chilean and Italian plays presented in 2008's "Santiago A Mil" theater festival, and also commentary from two Italian journalists.

The book will first be presented at the Turin Film Festival in Italy and will then eventually be sold in Chile.

ENRIQUEZ OMINAMI GREETES HARD-OF-HEARING IN SIGN LANGUAGE

Presidential contender Dep. Marco Enríquez-Ominami sent greetings Wednesday directly to hard-of-hearing and deaf people by broadcasting a message in sign language on his website www.marco2010.com and on Youtube.com.

His aim, he says, is to get in touch with disabled communities through various Internet-based communication platforms - a signature part of his campaign. Ominami's video has been watched by over 2,000 people on Youtube in the past 24 hours.

The Youtube video of his resignation from the Socialist Party last week was visited by more than 15,000 people in 72 hours.

You can see the candidate's 30-second long speech on his website and (<http://www.youtube.com/user/marcoenriquezominami>).

SOURCES: LA TERCERA, EL MERCURIO
By Marine Comte-Trotet (editor@santiagotimes.cl)

THE AMAZON IN CONFLICT

(Ed. Note: Recent confrontations between Peru's indigenous Amazon tribes and police have received considerable attention in Chile's media. No doubt many in Chile are likening the Amazon indigenous rebellion to Chile's own problems with its Mapuche indigenous population.)

The Amazon story has two angles: (1) the tragic deaths that have occurred as international energy consortiums goad Peru's government to pry mineral riches from indigenous populations who simply want to be left alone; and (2) the anger expressed by Peruvian President Alan Garcia towards Bolivian President Evo Morales for allegedly "stirring up" the local natives.

Below we offer our readers two different takes on the tragedy – one by ST writer Matt Bostock and the other by Chilean TV commentator and columnist Raul Sohr.

We would also urge our readers to pinch the "Story of Stuff" icon on the ST front page for an interesting and very lively presentation that – in passing – puts the world's indigenous issues into a global context.)

PERU AND THE LAW OF THE JUNGLE

By Raúl Sohr

The Peru's Government announced last Wednesday that it will suspend Legislative Decree (DL) 1090 - otherwise known as "the law of the jungle" - for three months.

Furthermore it declared its willingness to consult indigenous organizations on the law, which was published on June 28, 2008. It was this same law, which permits the exploitation of vast areas of the Amazon, which fuelled opposition from the indigenous organizations. As in Ecuador, indigenous peoples fear that the arrival of oil and gas firms would destroy not only the jungle, but also their communities.

Tens of thousands of indigenous Amazonians gathered to protest in the city of Bagua, 700 kilometers north of Lima, blockading a nearby highway. Along the stretch, prophetically called the Devil's Curve, a violent clash occurred on June 5 between police and indigenous protesters that left 34 dead on both sides. Conflicting accounts of the event exist and many claim that the number of deaths is higher than figures reported by officials.

As often happens in such cases, a commission was created to investigate what happened. But the damage is already done. The blood spilt will continue to taint President Alan García's administration. The killings in Bagua will weigh down on García's image, with time, more than any economic success. The images from the day of the tragic event show indigenous peasants dragging away their injured in a terrified flight. Were there armed infiltrators, or pseudo-leaders and pseudo-natives as García called them, amongst the protesters? We will never know.

The authorities knew of the indigenous protest at the opening of the Amazon jungle. During the last two months, thousands of people from more than 60 Peruvian tribes, represented by the

Association for Inter-Ethnic Development of the Peruvian Jungle (AIDSESEP) protested against the "law of the jungle," blockading highways and waterways and obstructing oil and gas operations in the region. This caused food shortages and power cuts in several cities and also affected the large oilfields in the Camisea area.

The government, for its part, argued that the wealth underlying the jungle should benefit all Peruvians and that the indigenous peoples have no right to monopolize it. Furthermore, it argued that the Free Trade Agreement (FTA) with the United States requires it to open up the said regions to exploitation. This confirms the worst fears of those who opposed the FTA.

What happened in Peru shows, as in Chile and the rest of Latin America, that indigenous rights remain vulnerable. This is despite the fact that indigenous people represent 10 percent of the population in Latin America.

In Peru, 40 percent of the population is indigenous, a figure only superseded by Guatemala with 50 percent, and Bolivia with 70 percent. As in the rest of the countries, indigenous people in Peru are discriminated against – a fact evidenced by their state of poverty. In the case of Peru, indigenous people represent nearly half of the poor.

Communities already living in precarious circumstances recognize that the arrival of large companies, whether for oil or logging, means the beginning of their eviction. Where the rich natural resources are found, the indigenous peoples will no longer be. There will be no laws that protect them, because the legislators, far away in the capital, are more preoccupied with "superior" national interests.

Whether it involves the construction of dams, roads or pipelines, the companies have priority. Well-paid PR firms and legions of lawyers will lobby as necessary to modify the law.

Consequently, indigenous peoples will remain confronted by legislation that permits their undoing by the overwhelming repressive power of the state. It is under this light that the tragic events in Bagua must be viewed.

SOURCE: LA NACION

Translated by Matt Bostock (editor@santiagotimes.cl)

THE PILLAGE OF A CONTINENT

Indigenous Rights Bloodily Suppressed For Oil and Gas Returns

By Matt Bostock

At least 60 people are dead following bloody clashes between indigenous Amazonians and Peruvian security forces on June 5. This is the most recent battle in a political war to protect the Amazon forest – home to half a million indigenous peoples and millions of animal species – against creeping deforestation at the hands of multi-national oil and gas giants.

Devil's Curve: a stretch of the Fernando Belaunde highway deep in the Amazon rainforest, 870 miles north of Lima. Thousands of indigenous demonstrators stand firm in a roadblock, carrying spears and wearing feathered crowns. Three MI-17 helicopters from Peru's National Police Special Forces fly in at 6 a.m.,

firing tear gas to disperse the blockade. Simultaneously, police on the ground arrive carrying AKM automatic rifles.

Police fired live rounds into the crowd, “killing people as if they were dogs,” according to protester Clementina Paayatui. Eyewitnesses reported seeing police shooting from the helicopters.

Residents in the nearest town of Bagua Chica started a rebellion upon hearing of the “massacre,” burning the ruling-party APRA headquarters and government buildings.

Later, Peruvian authorities report 23 police killed, some with their throats slit. Indigenous organizations report 40 protesters believed dead, with many others unaccounted for.

“According to a preliminary count we have more than 150 disappeared,” said Leoncio Calla, a leader from the indigenous Awajun community. “The dead were only recovered from the road, but many more were in the hills and those bodies have disappeared. It’s a matter of time, once we return to our communities, and we see who is missing, then we will find out how many dead there really are.”

President Alan García responded by declaring a state of emergency throughout the Amazon region, suspending residents’ constitutional rights and establishing military control. The decree extends an existing state of emergency announced on May 9.

Peru’s Congress then voted on Wednesday, June 10, to suspend the two of the laws the protestors focused on. Protestors’ fears about several legislative decrees made by García on June 28, 2008, are not addressed. Indigenous groups fear the decrees will open up the Amazon to oil and gas concessions without their consultation.

Congress vested García with special executive powers in December 2007 to implement a Free Trade Agreement (FTA) with the United States. The powers were limited to six months and could only be used on issues concerning the FTA. On June 28, 2008, García announced a raft of legislative decrees just before the deadline, some of which involved issues outside the agreed mandate, such as universities.

Indigenous groups strongly criticized six of the laws, laws which would open roughly 60 percent of the Peruvian Amazon to potential development and which exclude indigenous communities from consultation on changes to zoning permits for existing concessions.

Critics say García is using the laws as part of his new economic strategy: to convert Peru from a net importer of petroleum to a net exporter. This is done by encouraging investment in – and exploitation of – the nation’s natural resources.

“The primary resource is Amazonia,” García wrote in the Peruvian daily newspaper *El Comercio*. “The opposition says that one cannot grant ownership in the Amazon (and why can we, then, on the coast and in the highlands?). They also say that granting ownership over huge blocks [of land] would give earnings to large companies. Of course, but it would also create hundreds of thousands of jobs for Peruvians who live in the poorest areas.”

The new laws underpin García’s argument that the Amazon belongs to all of Peru, not only people that live there. But this position is in violation of the International Labor Organization’s Convention 169, already signed by Peru. It requires consultation with indigenous peoples on issues affecting their homeland.

Public bodies in Peru have also criticized the new laws, but to little avail. Congress repealed DL 1015 in August 2008 following a suit filed by the Public Ombudsman’s Office, which also filed against DL 1073, declaring the laws unconstitutional. Congress President Javier Velasquez announced a congressional commission to review the constitutionality of the new legislation, although its findings have never been presented to the chamber. The commission finished its report in December 2008, but its presentation was initially delayed due to congressional vacations. After months of stalling, Velasquez eventually deferred the report in April 2008 to a multi-party commission – on the condition that it was first approved by a board of spokespersons. The board of spokespersons did not approve the presentation of the report to the plenary. In a word – no report, no action. Just delay and obfuscation.

After all those months of government inaction, indigenous groups represented by the Association for Inter-Ethnic Development of the Peruvian Jungle (AIDSESP) voted to mobilize in April 2009. Over 30,000 protestors are involved in the strike, blockading roads and waterways. State oil company Petroperú was forced to shut down its 530-mile pipeline on May 18 due to the protests, which in turn affected Pluspetrol’s operations. On June 1, protestors seized two valves on a natural gas pipeline, although operations have not been affected according to the pipeline’s owner, Transporter of Peruvian Gas (TGP).

The government issued an arrest warrant on June 6 for AIDSESP leader Alberto Pizango. Pizango, who has since obtained political asylum in the Nicaraguan Embassy in Lima, is charged with radicalizing the indigenous protestors, despite having renounced on May 16 an earlier call he made for “insurgency” after negotiations with the government broke down.

The government’s response to the protests has been widely condemned, drawing criticism from the international community and allegations of human rights abuse.

With indigenous communities estimating that more than 100 people are still missing in the wake of the June 5 protest, there is growing suspicion the government is hiding the actual number of people killed in the conflict.

Zabelio Kayap, president of the Frontier Communities of the Cenepa Organization (ODECOFROC), told Peruvian newspaper *La República*, “Some of the natives’ bodies may have been burned by the police and thrown into the Marañón River.”

And Peruvian human rights lawyers accused the government of a cover-up. Ernesto de Jara, a lawyer from the Institute for Legal Defense, called for an independent judicial investigation by the government. “Dead bodies may be covered up for now, but, little by little, the truth will come out and they will have to respond.”

Criticism of García's handling of the crisis grew more strident after the 120-day suspension of seven members of Congress representing the Nationalist Party. They held a sit-in demanding the suspension of the laws affecting indigenous rights.

Women's Affairs and Social Development Minister Carmen Vildoso resigned from García's cabinet following the clashes with the indigenous groups in Bagua. Prime Minister Yehude Simon confirmed that Vildoso resigned in part to protest against a propaganda video diffused on television by Peru's Interior Ministry.

The video denounces the Bagua protesters as "extremists," showing corpses of police officers killed in the clashes interspersed with images of indigenous peoples armed with spears. "Their throats were cowardly slashed when they were unarmed . . . 22 humble policemen were furiously and savagely murdered by extremists encouraged by international forces hoping to hold back Peru," says the video's narrator. "Don't let the homeland lose to their advances."

One week after the clashes, authorities closed down the only local radio station to broadcast live updates protests, La Voz de Utcubamba, saying the station had not completed licensing paperwork within their deadline.

But La Voz says that its paper work is in order. "They shut us down because we were broadcasting information about the massacre of indigenous people that occurred in our area," said La Voz's Director Carlos Flores.

U.S. Congress and the Office of the United States Trade Representative (USTR) offered their support last Friday to negotiate a solution with the indigenous protesters regarding the land laws.

Some news reports suggest that the FTA between Peru and the United States requires implementation of the controversial laws. U.N. Special Rapporteur for indigenous affairs James Anaya is expected to arrive in Peru soon to examine the situation.

García is no stranger to controversy in office: he has with a troubling history of human rights abuses. In his first term as president, 1985-1990, García sent the navy to crush prison riots during June 18-19, 1986, in the San Juan de Lurigancho, Santa Mónica and El Frontón prisons in Lima and Callao. The resulting assault led to the "summarily executed" of more than 100 prisoners, according to U.S. diplomatic sources. Human Rights Watch estimates that over 244 prisoners were killed.

One of the naval officers implicated in the orchestration of the "massacre", Luis Giampietri, later served as vice-president during García's second term in office.

In October 2008, the entire cabinet, led by García's ARPA party, was forced to resign following an oil corruption scandal that implicated a former government minister from García's first presidential term, Rómulo León, and Petroperú Director Alberto Quimper. They allegedly were involved in a shares-for-concessions deal involving Norwegian firm Discover Petroleum.

The Western Amazon, unlike eastern Brazilian areas, has remained largely untouched until now, preserving some of the

world's most bio-diverse ecosystems. It is home to over 1,000 indigenous communities, including some of the world's last uncontacted peoples living in voluntary isolation. Large reserves of oil and gas lie beneath the unique ecosystem, bringing great pressure to exploit the area as global reserves decline.

Peru has auctioned off an estimated 72 percent of its jungles (49 million hectares) to oil and gas concessions, leasing the land in large blocks. Around 180 blocks cover the Western Amazon including neighboring countries – approximately 688,000 square km – according to a report by scientists at Duke University. The blocks, now concessioned off to more than 35 multinational oil and gas companies, occupy the most bio-diverse parts of the Amazon, often overlapping with indigenous or protected areas. Oil and gas operations also require access roads which accelerate deforestation by encouraging third parties to occupy the land.

Laws designed to protect indigenous areas are vulnerable to exploitation. Ecuador established a new constitution in 2008, "prohibiting extraction in protected areas except by Presidential petition in the name of national interest," according to the report by Duke University. Ecuador has earmarked around 65 percent of its jungles for oil concessions.

In Peru, Duke University scientists report that "at least 58 of the 64 blocks overlay lands titled to indigenous peoples. Further, 17 blocks overlap areas that have proposed or created reserves for indigenous groups in voluntary isolation."

Aside from the obvious effects, oil and gas concessions also impact communities in more subtle ways. Contact with previously isolated tribes carries a high risk of disease for locals, with mortality estimates ranging between a third and half of the population within the first few years of exposure to newcomers. Fuel leaks and river contamination are common – between November 2006 and March 2009, 48 spills were reported in concessions managed by Pluspetrol, 22 of which were considered major, affecting the Rivers Tigre and Corriente and their tributaries. U.S. oil companies are implicated in law suits alleging the dumping of billions of gallons of toxic waste into the forests.

In sum, the brutal events on June 5 serve as a grave reminder of the real cost of economic expansion at the expense of human dignity. At least 60 people are dead, over 150 wounded and others still missing. Seven members of Congress are suspended from participating in congressional debates which may decide the future of the laws they vowed to fight. A key news source in the conflict area has been censured, and Amazonian regions remain under military supervision.

As Peru feeds its economic ambitions, the fight for the Amazon continues – protesters started blockading an access road to the Orcopampa gold mine on Monday of this week.

SOURCE: REUTERS, LE MONDE, BBC, SERVINDI, MERCOPRESS, LA REPÚBLICA, US NATIONAL SECURITY ARCHIVES, PERUVIAN TIMES, PERU.COM, HUMAN RIGHTS WATCH, PERUVIAN CONGRESS, PUBLIC LIBRARY OF SCIENCE, ANDINA, CATAPA, LA NACION

By Matt Bostock (editor@santiagotimes.cl)

MINIMUM WAGE AND FAMILY ALLOWANCES INCREASED

(June 18, 2009) Chile's Chamber of Deputies voted a 3.7 percent increase in Chile's minimum wage on Wednesday. The increase, approved on Tuesday by a congressional treasury commission, will raise the monthly minimum wage from 159,000 pesos to 165,000 pesos, or about US\$300.

The lower chamber also voted to increase workers' social welfare allowances by adjusting income thresholds which determine how much a family can claim from the state.

Chile's largest trade union, the Central Workers' Union (CUT), rejected the raise, which it said was too little. The CUT had been demanding a 13.2 percent increase to 180,000 pesos.

"We demanded 180,000 pesos and we received no offer that permitted us to lower that, so we will continue demanding for 180,000 pesos," said CUT President Arturo Martínez. "If we measure (the situation) by economic factors, we lose out."

Martínez said that his principal aim is to increase spending power for workers receiving the lowest wages and said he rejected International Labor Organization (ILO) recommendations to curb wage increases.

The legal text released by the treasury commission noted that, "in an economic climate characterized by low inflation (1.6 percent), unemployment at 9.8 percent, and with economic activity expected to decrease, the monthly minimum wage cannot increase according to the CUT's aspirations."

Still, the increase supersedes the original 2.5 percent adjustment offered by the government.

Members from both left and right-wing parties welcomed the increase. "We had to come to a compromise, but we have improved family allowances – which is a big gain," said Dep. Pablo Lorenzini of the centrist Christian Democratic Party (DC).

The treasury commission's president, Julio Dittborn, a member of the conservative Independent Democratic Union Party (UDI), also praised the decision. "Poverty cannot be defeated using legislation," he said. "If it were easy, there's no doubt that we would have already changed the law."

Family allowances in Chile are calculated according to three income brackets, which will be adjusted by the new law. The first bracket will apply to those earning less than 170,000 Chilean pesos (US\$307) per month. Families in this first threshold will see an 11.5 percent increase in allowances, receiving 6,500 Chilean pesos (US\$11.81) per dependent.

The second bracket ceiling will be readjusted to 290,000 Chilean pesos (US\$523) and include a 7 percent increase, equating to 4,830 Chilean pesos (US\$8.77) per dependent.

Families with earnings in the third bracket – earning less than 452,000 Chilean pesos (US\$816) per month – will see a 3.7

percent increase, receiving 1,526 Chilean pesos (US\$2.77) per dependent.

The "family subsidy," an allowance that benefits people with "scarce resources," will increase by 3.7 percent to 6,500 Chilean pesos (US\$11.81).

The increases will take effect starting July 1.

SOURCE: LA NACION, RADIO COOPERATIVA
By Matt Bostock (editor@santiagotimes.cl)

MUSIC SALES SINKING OFF THE CHARTS **Traditional Music Sources Will Drop** **By Half By 2013**

(June 18, 2009) Downloadable online music sales are set to surpass traditional purchasing patterns over the coming years.

According to a PricewaterhouseCoopers (PWC) report, by 2013 Chilean traditional music sales will fall to US\$21 million, down by half from 2004 levels. While the drop in physical sales is indicative of broader trends across all entertainment sectors, the music industry will apparently be hardest hit.

On a global level, the music industry's traditional turnover will fall 49 percent over the next five years, paralleling predicted Chilean figures. PWC estimates that it will take slightly longer for digital music sales to surpass physical sales in Latin America, compared to global levels. Still, the advent of new technology in Latin America – such as the 3G system – will increase mobile phone downloading rates by 15.5 percent over the upcoming years, accounting for an anticipated US\$314 million turnover in 2013, as compared to US\$153 million last year.

Chile currently has the highest rates of downloading in the region after Venezuela and Brazil. While Chile's digital film industry will see only marginal growth (2.8 percent) by 2013, its video games' market is set to increase by 8.9 percent. Chilean CD sales will diminish by 8.1 percent annually, while digital sales over the same period will reach 12.9 percent.

PWC representative Stefanie Kane contends that income from digital sales in the music industry does not compensate for the drop in CD sales, as consumers are purchasing individual songs rather than complete albums. These unhappy developments for the industry are compounded by the grave effects of piracy – a major problem in Chile.

SOURCE: LA TERCERA
By Antonia Wynne-Hughes (editor@santiagotimes.cl)

JOBLESS AND OVER 50 – STILL TRYING

(June 18, 2009) According to the outplacement agency Drake Beam Morin (DBM), 70 percent of unemployed Chileans over 50 years of age seek to reintegrate back into positions similar to the ones they had.

It is an achievable goal for many, especially if they work in banking, administration, finance or in the public sector, where work experience is highly prioritized.

Even so, they will most often be hired into different jobs and will have neither the same responsibilities nor the same wages they had in their previous jobs. On average, these executives' wages drop by 25 percent compared to their previous job.

Carla Fuenzalida from Team Search pointed out that those over 50 seeking work have to be "flexible" and negotiate their salaries in order to find work.

DBM Chile General Manager Andres Freudenberg explained that a person in this age group has as much of a chance to find work as a 40 year-old-person. Still, experts in human resources pointed out that given the current economic crisis, unemployed seniors have to wait longer to find a new job. If in 2008 they had to wait six months, they now have to wait a year because of higher unemployment rates within Chile.

The number of unemployed persons 50 years or older jumped by 50 percent between February and April 2009 this year. In

April, 5.1 percent of people between 55 and 64 years old were unemployed, while last year 3.6 percent were unemployed.

Those most hit by the crisis are executives in areas such as finance, automobile, and real estate industries. Leslie Cooper from HK Human Capital added that many companies take advantage of the crisis to carry out a "generational change" – firing older, more expensive employees and replacing them with younger, less expensive employees.

Cooper suggests that people in this age group who are looking for work need to showcase their experience and their other strengths. Still, having a good contact network is the most effective way to find a new job – especially in Chile.

Unemployed seniors oftentimes opt for starting their own businesses and become independent. Experts regard this as a good option, even though they advise the seniors to be cautious and to not invest all their earnings in their enterprises. Being a good business manager, they note, does not mean the senior will have a flair for running his or her own businesses.

SOURCE: EL MERCURIO

By Marine Comte-Trotet (editor@santiagotimes.cl)