

ABC COLOR WANTS ITAIPU TREATY RENEGOTIATED

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[Editorial: "Itaipu's Significance for Brazil"]

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[Text] One of the main points of argument concerning the treaty of 26 April 1973, commonly known as the Itaipu Treaty, was the significance of the Itaipu project for Brazil. Opposing opinions have been expressed on this subject. The treaty negotiators repeatedly stated that the binational hydroelectric dam was not badly needed by Brazil because that country had many other alternatives, both hydraulic and nuclear, to generate power. Thus it was implied that the construction of the dam was some kind of favor that Brazil wished to do for Paraguay. The Paraguayan foreign minister at that time even said that "Itaipu is not good business for either Brazil or Paraguay...the goal is the development of the two countries."

The period since then--and it has not been too long--has shown how wrong these statements were. Little by little the true significance of Itaipu to Brazil and the huge benefits this project will give it are coming out. The director general of the Itaipu binational entity, Gen Jose Costa Cavalcanti, recently gave further proof of Itaipu's significance for Brazil when he said--according to foreign reports--that Itaipu means "the strengthening of private (Brazilian) business" because most of the equipment--85 percent, according to him--will be supplied by Brazilian firms and the technology used for the construction will be essentially Brazilian.

It is not for us to criticize the fact that Brazil will profit from construction of the hydroelectric dam by supplying Brazilian goods and services instead of importing them from third countries. But it is interesting to point out how mistaken the Paraguayan negotiators were when they stated their case.

The Itaipu project is necessary for Brazil, perhaps even indispensable. It will also give Brazil huge benefits even during the construction stage. As these aspects become more evident as time goes on, it will be appropriate for us Paraguayans to start thinking about renegotiating the terms of the treaty, and our foreign minister should begin actions aimed at changing certain clauses--such as the ones dealing with the price of power, the period during which this price will be in force, the time during which power will be sold to Brazil, and also the possibility of selling to other countries the share of power belonging to Paraguay, if that other country can offer better terms than those established for Brazil.

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