

4-5-2001

## Small Increase in Minimum Salary, Huge Top Salaries

LADB Staff

Follow this and additional works at: <https://digitalrepository.unm.edu/noticen>

---

### Recommended Citation

LADB Staff. "Small Increase in Minimum Salary, Huge Top Salaries." (2001). <https://digitalrepository.unm.edu/noticen/8824>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in NotiCen by an authorized administrator of UNM Digital Repository. For more information, please contact [amywinter@unm.edu](mailto:amywinter@unm.edu).

## Small Increase in Minimum Salary, Huge Top Salaries

by LADB Staff

Category/Department: Nicaragua

Published: 2001-04-05

A general debate has broken out in Nicaragua about the high salaries and other emoluments paid to public officials. The debate started after the government turned down a proposal from organized labor to increase the minimum wage from US\$91 per month to US\$140 per month. A government commission, supported by the private sector, decreed an increase of only 12%.

Gustavo Porras, coordinator of the Frente Nacional de los Trabajadores (FNT), said salaries of the top 400 government officials ranged from US\$8,000 to US\$23,000 per month and accounted for an inordinately large portion of the national budget. Porras wants the National Assembly to cap government salaries at US\$2,000 per month. Central bank president Noel Ramirez is paid US\$10,000 per month and Technical Secretary of the Presidency Luis Duran receives US\$23,000 monthly.

Duran is in charge of developing an anti-poverty program, a fact that led economist Nestor Avendano to say, "I get the impression that many personal fortunes in this government are being built on the poverty of the people and in the name of poverty." Another controversy recently arose about double salaries when it was reported that, in addition to his government pay, Duran received US\$225,000 for six months of consulting work for the central bank. The fee was paid out of loan funds from the Inter-American Development Bank (IDB).

When Duran was accused of violating the ethics code for public servants, Comptroller Luis Angel Montenegro said the code has no sanctions against collecting double payments or anything else. The code, decreed in 1999 by President Alfonso Aleman, carries only moral sanctions, Montenegro said, and since the legal code has no penalties for ethical lapses either, Duran can only be scolded and asked not to do it again.

Responding to the criticism of large salaries, Esteban Duquestrada, minister of the treasury and public credit, said, "In my case, my salary is US\$3,356 per month plus an equal amount for expenses. That is a good salary, but it is not a megasalary." Vilma Nunez, head of the Centro Nicaraguense de Derechos Humanos (CENIDH), remarked in February that the big salaries reflected an attitude among public officials that the state was a source for plunder.

In an interview with the daily *El Nuevo Diario*, Nunez said the salaries, double salaries, expense accounts, chauffeured government cars, and other perquisites of office were paid for by poor Nicaraguans, who make up most of the population. She recalled that in a meeting of mayors in Miami, the Managua's mayor, who was then Roberto Cedeno, turned out to have the biggest salary among his Central American colleagues, bigger even than that of the Miami-Dade mayor.

Carmelo Angulo, a representative of the United Nations Development Program (UNDP), recently gave a report in Managua on the level of human development in Nicaragua during 2000. The report said 48% of Nicaraguans live in poverty and another 17% live in extreme poverty, while 10% of

the richest receive nearly 48% of the nation's income. One percent of those receive 15.6%. Angulo said public officials in countries as poor as Nicaragua should be paid in proportion to the economic circumstances of the country.

-- End --