

by civilian politicians to control their budgets and commanders. . . . 'We are seeing the formation of a Central American guild of the military,' said one veteran diplomat."

It is yet to be seen whether the Guatemalan people will allow the takeover by pro-terrorist forces, and let the institution of the Armed Forces be destroyed. In spite of the propaganda barrage accusing them of being "human rights violators" to the point of comparing them with the Nazis, the Guatemalan Armed Forces is the one institution that has held that nation together.

Venezuela at a crossroads

This statement was issued by Alejandro Peña Esclusa, secretary general of the Venezuelan Labor Party (PLV).

The June 5 edition of the Caracas daily *El Nacional* headlined its front page, "We Are Facing the Most Dangerous Crisis of the 20th Century," a quote taken from that day's inaugural speech by Dr. Ramón J. Velásquez Mujica, upon assuming the Venezuelan presidency in place of deposed President Carlos Andrés Pérez.

The newly chosen President Velásquez was not wrong in his assessment, for Venezuelans have been living through one of their most dramatic and turbulent periods in modern history. Pérez had scarcely assumed the presidency in 1989 when he decreed drastic across-the-board increases in service rates, on the instructions of the International Monetary Fund (IMF). That in turn provoked the riots and demonstrations of Feb. 27, 1989, when the government massacred more than 3,000 people. On Feb. 4 and Nov. 27, 1992, Venezuela experienced two separate coup attempts; on Dec. 8, 1992, we hit the highest record of electoral abstention for state and municipal elections.

On May 20, 1993, the Supreme Court ruled in favor of trying Pérez for embezzlement and fraud, and the next day ordered his suspension from office and the swearing-in of Senate President Octavio Lepage as interim President. On June 5, Senator Velásquez was chosen to replace Lepage. . . .

Caracas has taken second place only to New York in number of assaults per capita. And the number of deaths per week from violent crimes is now rivaling the figures from countries suffering outright civil war. Reaching home safe and sound has become a daily adventure in Caracas. A large part of the explanation for this dramatic social degeneration is the hatred generated by the cruel dictates of the IMF. Inflation, devaluation, unemployment, 80% poverty levels,

85% interest rates, collapse of services, particularly in the area of health, are the immediate results of the IMF "packet." One bolivar of every three in the national budget goes to paying the foreign debt. . . .

But before we can analyze the perspectives of the new government, it is necessary to emphasize that Pérez did not fall merely because of his corruption: He was defenestrated precisely because of his imposition of IMF policies that were driving the nation into bankruptcy. Venezuela had reached the boiling point, with daily mass demonstrations against Pérez and the system, and so the system made a decision not to handcuff its future to that of Pérez. Pérez is gone, but not the system.

The new President, who will rule until February 1994, knows perfectly well that he is seated atop a powderkeg. His inaugural comment, cited by *El Nacional* above, suggests so, as does his first televised interview June 6, in which he stated: "We will have six months of serious fiscal, financial, and economic conflicts . . . six months in which each month will be equivalent to a year." Regarding the social situation, he added: "I can neither ignore nor hide the social situation threatening the national majority. . . . This is a factor of imbalance."

Faced with the crisis he himself describes, Velásquez—who is known for being a conciliator—will have to take a radical stance: Either he continues the IMF policy of his predecessors and plunges the nation into disaster and possibly civil war, or he adopts a nationalist position and takes on the financial superpowers. There is nothing in-between.

The daily *Ultimas Noticias* published June 3 the joint proposal of the Venezuelan Labor Party and the Ibero-American Solidarity Movement (MSIA) for confronting the current crisis: "1) Put Pérez on trial, not only for embezzlement but for many other more serious crimes: the surrender of the country to the International Monetary Fund and to his banker friends such as Kissinger and Rockefeller. . . . 2) Put Pérez's corrupt circle on trial. . . . 3) Allow the unrestricted circulation of the banned book *Dope, Inc.* 4) Install a system of genuine popular participation. 5) Immediate freedom for the military men who were involved in the uprisings. . . . 6) Launch an emergency plan to rebuild the national economy, to include: strict exchange controls; lower interest rates; suspension of foreign debt payments; a development plan to rapidly generate 2 million jobs; through projects such as the construction of a national railroad; a war to the death against the drug trade and the money-laundering bankers; implement an Ibero-American Common Market as an alternative to the ominous IMF."

The profiles of those ministers already named by the new President indicate that Velásquez does not wish to continue Pérez's economic policies. It remains to be seen whether he will launch a serious battle against the IMF—with which we are fully prepared to collaborate—or whether the brewing storm will sweep him away.