

In a letter to U.N. Secretary General Boutros Boutros-Ghali, Sir David Hannay, Great Britain's ambassador to the U.N., said that the "British government rejects as totally without foundation the allegations contained in the Republic of Bosnia-Herzegovina's statement of intention to institute legal proceedings against the United Kingdom. If such proceedings are initiated, they will be vigorously defended." When the Bosnian suit was first announced in November, the London *Daily Telegraph* promptly quoted anonymous sources in the British government warning that humanitarian aid to Bosnia could be cut off at any time if such "ungratefulness" were indeed shown. In the meantime, as one might expect, a full-scale British intelligence ploy has been mounted behind the scenes, to armtwist the government of Bosnia into dropping its suit.

### 'Moral appeals are useless'

Among the more extraordinary interventions were those of Gen. J.A. Count von Kielmansegg, formerly NATO Commander for the Northern Region, and until recently head of the Unprofor headquarters in Bosnia. He said that in his opinion, "Moral appeals to England are useless. All we can do is to try to make it clear to the English that their behavior is not, in the real sense, in their own interest. Our strength is in our own populations, where there is still some moral spark, no matter how feeble. In any event, the only way we can save Bosnia is by military intervention against Serbia. We must. I agree with Representative Wilson that the British and French troops are deliberately kept there as hostages. It would be better to pull them out now. The lifting of the embargo against Bosnia would be far more effective to save her, than keeping such troops there."

A well-known French writer, M. Gilles Hertzog, described his government and that of Great Britain as "ice cold monsters, to whom no moral appeal will serve. They are addicted to the policy of Munich. Forget trying to slap France and England on the wrist. They don't give a damn! Now France and Germany propose to raise the embargo against Serbia—not even England has gone that far, publicly! And we subject the Bosnians to food blackmail—'if you don't submit and sign for partition before April, we will starve you out.' We have absolutely no confidence left in our own governments. Our own card left to play is that of public opinion, and public opinion has not changed. I can speak for France emphatically: The people are in favor of military intervention against Serbia, and raising the arms embargo.

"Our plan is, right after Christmas, to launch one huge, provocative act and pull the population out from under our governments like a rug. Full-page ads in the French press, under the title, *Arms for Bosnia!* I call upon everyone here to do the same in your own countries. We will raise a lot of money for this, and we will throw complete disorder into the policy of the French government, which is to stand by and watch genocide being carried out before our eyes."

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## Venezuela

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# São Paulo Forum loses in elections

by Cynthia R. Rush

The São Paulo Forum, the coalition of Ibero-America's narco-terrorist organizations created by Cuba in 1990, failed in its attempts to install one of its members as President of Venezuela in the Dec. 5 elections. With 20% of the vote, the candidate of the left-wing Radical Cause (Causa R) party, Andrés Velásquez, lost to former President Rafael Caldera, who won with 30%. A crucial factor in Causa R's loss was the mobilization launched prior to the election by the Ibero-American Solidarity Movement (MSIA), which exposed Causa R's plans to claim victory regardless of the vote count and seize power through armed insurrection. The MSIA exposé circulated throughout Ibero-America where several other Forum-linked candidates are running in presidential elections scheduled over the next year and a half (see p. 46).

The election results followed a pattern seen in many countries today where the established political elites are collapsing. The Venezuelan people rejected the candidates of Venezuela's two traditional parties, Democratic Action (AD) and the Social Christian Party (Copei), both associated with the international banking community's disastrous free market reforms, implemented since 1989 by the government of Carlos Andrés Pérez. Voter turnout was higher than expected, but the abstention rate was estimated at close to 30%. Caldera, 77, was the candidate of the multi-party Convergence coalition which includes both left- and right-wing groups. Throughout the campaign, he attacked free market reforms as "oppressive" and vowed to reexamine Venezuela's foreign debt, a portion of which he charged is "illegitimate." He also promised to remove the recently approved 10% value-added tax, not to fire public employees from their jobs, and not to place a tax on gasoline.

Until early in the morning of Dec. 6, Andrés Velásquez refused to concede Caldera's victory, and claimed that his own figures showed that Causa R had won. This was precisely the scenario which the MSIA had warned of: Causa R intended to claim victory, citing fraud, and then to send its followers into the streets to "defend the vote" with weapons. But since there was universal acknowledgement of Caldera's win, and other candidates conceded, Causa R finally had

no choice but to follow suit. A heavy military deployment nationwide also had its effect.

### **No overwhelming mandate**

The question now is whether Caldera will actually break with Venezuela's elites, with whom he has a long association, and adopt the policies required to rebuild the country. He does not have an overwhelming mandate and is expected to have little congressional support. But any attempt to go back to the free trade economic recipes applied by former President Carlos Andrés Pérez would immediately make the country ungovernable. In the aftermath of Caldera's victory, spokesmen for the international banking elites have already expressed the hope that he will become another Carlos Menem, the Argentine President who campaigned in 1989 on a nationalist platform only to embrace harsh austerity policies.

The electoral outcome and the basis on which Caldera campaigned have caused considerable nail-biting among the Anglo-American political and financial leaderships. For decades Venezuela was the showcase of Ibero-American "democracy"; but in the past two years it has been shaken by social unrest caused by the government's application of International Monetary Fund austerity policies, as well as by numerous corruption scandals involving President Carlos Andrés Pérez. In 1992, nationalist military forces twice attempted to overthrow CAP; finally, he was removed from office by congressional action in mid-1993.

The Anglo-Americans fear that universal hatred of the banking community's economic reforms, and of corrupt political parties and bureaucracies, will overturn their insane reforms. Sebastian Edwards, the World Bank's chief economist for Ibero-America who was quoted in the Dec. 7 London *Financial Times*, expressed this concern clearly when he predicted that the Venezuelan election results "will be felt beyond Venezuela's borders." Noting that this is the first electoral triumph of a presidential candidate in a leading Ibero-American economy who is "explicitly opposed" to market-oriented economic reforms, Edwards warned that the election shows that "economic reforms have not been consolidated in Latin America," and added, "I think this will provide some kind of signal to other politicians in the region." The only countries in which the reform process definitely can't be reversed, he said, are Chile and Mexico, and Argentina is "debatable."

This is why agencies such as the Inter-American Dialogue (IAD), the Clinton administration's chief adviser on Ibero-American policy, and the U.S. State Department have joined with Fidel Castro in promoting the São Paulo Forum's candidates throughout the continent: to counter growing military and civilian resistance to these nation-wrecking strategies. The Forum's affiliated presidential candidates are not only committed to continuing the free market madness. They intend to rip apart national institutions which defend sover-

eighty, unleashing ethnic conflict, civil war, and imposing fascist social control in the vacuum left by institutional collapse.

Just days before the Dec. 5 elections, the Clinton administration sent Assistant Secretary of State for Inter-American Affairs Alexander Watson and Richard Feinberg, the National Security Council's man in charge of Ibero-American affairs, into Caracas to boldly support the Causa R candidate and to threaten Venezuela's Armed Forces not to consider coup action should Causa R win. Feinberg, a former president of the Dialogue, stayed through the elections. Watson carried a letter from President Clinton to Venezuelan President Ramón J. Velásquez in which Clinton warned that "there is no possibility of normal relations between the United States and a non-democratic Venezuela." In a speech Dec. 3 before the Venezuelan-American Chamber of Commerce, Watson elaborated that a military coup in Venezuela would lead to a cutoff in all bilateral trade relations, and revocation of visas for travel to the United States.

### **What's next?**

The fight to determine the character of the Caldera presidency, which will begin in February, has already begun. It is not encouraging that one of his key advisers is Julio Sosa Rodríguez, a member of the Inter-American Dialogue whose name has been mooted as a possible finance minister in the new regime. Several international news media insisted on Dec. 7 that most of what Caldera said during his campaign was just "populist bluster," and that he didn't really mean it. More than one source reported that he had sent his financial advisers abroad during the campaign to reassure foreign investors and had already put together a management team that included many advocates of free market reforms.

In his first press conference on Dec. 6, Caldera carefully reiterated his campaign themes. Calling for a great "national accord" of all Venezuelans, he stated that free market reforms must be modified to bring greater social justice to the millions of his impoverished countrymen, although he gave no details on which reforms he would modify. He restated his vow that he would eliminate the 10% value-added tax, and announced that he is seeking "reasonable solutions" to the problem of the foreign debt. A priority task, he said, would be to reunite the country's Armed Forces whose support for democratic institutions is vital.

Causa R is contesting the vote count which shows its candidate in fourth place, and is claiming that the party is in fact the country's most important political force which intends to be a "scrupulous watchdog" of the new government's functioning. Caldera would have to work with Causa R, he said, because the new government "can't get the country running on its own." Following Caldera's press conference, Causa R Secretary General Pablo Medina told the President-elect, "You can count on us," and suggested a meeting to discuss collaboration.