

U.S. wants government coalition in Argentina

by Cynthia R. Rush

Fully aware that there is *zero* popular political support for the policies of Argentine President Carlos Menem, Bush administration and State Department officials are urging the Peronist head of state to “broaden his base of support” by establishing a coalition government. Their advice is that Menem come to an agreement with the opposition Radical Civic Union (UCR), so as to bring UCR leader Eduardo Angeloz into the government. Angeloz, the governor of Córdoba, ran against Menem in last year’s presidential race, and is one of the few politicians who fully endorses the government’s economic policies. Washington’s view is that a “supra-party” government is most desirable—one which would include Menem, Angeloz, and Alvaro Alsogaray, the rabid monetarist from the Union of the Democratic Center (UCD) who is now Menem’s adviser on foreign debt.

The State Department wants Menem to act quickly, before Argentina’s social situation further unravels. In early March, State Department “roving ambassador” George Landau, who is also president of the Rockefeller-controlled Americas Society, met with Menem to promise that he would advise U.S. corporations to invest in Argentina, provided that the government quickly follow through on its plan to reform the state sector. The reform plan, the latest measures for which were announced on March 29, is based on privatizing many state-owned companies, and subjecting the rest to tough austerity; it is the keystone of the government’s program, and is also the aspect which has provoked the greatest opposition from Argentines. Thousands of state sector employees stand to lose their jobs under this plan.

Also whispering in Menem’s ear is Michael Skoll, the number-two man in the State Department’s inter-American affairs division, and Paul Volcker, former chairman of the U.S. Federal Reserve under Jimmy Carter and Ronald Reagan. According to the March 21 edition of *Somos* magazine, Skoll and Volcker have spoken personally with leaders of Argentine industry to promote a UCR-Peronist agreement, which they say is necessary to encourage “economic stability.” Along with these pressures, there is reportedly the promise of an investment package worth \$1 billion, and another one for \$900 million.

Buy a used Alfonsín, anyone?

How quickly, or if, any political agreement comes into being remains to be seen, however. Social democratic former President Raúl Alfonsín, now the UCR’s official director, says that until a “global political agreement” is reached between the UCR and the Peronist party, there can be no talk of Angeloz’s participation in the government. Menem cannot easily agree to this. He has almost no support within his own party, and not much anywhere else. While Alfonsín talks of a political accord, he is lining up with Menem’s factional opponents, such as Buenos Aires governor Antonio Cafiero, posing as the “nationalist” opposition to the government’s monetarist policies.

This is hardly believable, since Alfonsín’s embrace of the International Monetary Fund’s monetarism during his own presidency (1983-89) helped wreck the economy; he left office with a level of unpopularity that rivaled Jimmy Carter’s in 1980 in the United States. His reported plans to set up an anti-monetarist “Resistance Front” are due more to his attempts to prevent disenchanted Peronists and others from joining with the growing nationalist movement organized around the figure of Army hero, Col. Mohamed Alí Seineldín.

According to several reports, that movement is expanding rapidly, leaving the UCR and the political left in the dust. With the encouragement of his backers among Washington’s Project Democracy apparatus (of Iran-Contra notoriety), Alfonsín is devoting much energy to attacking Seineldín, whom he slanders as a fascist and coup-monger. Reflecting hysteria over nationalist strength, UCR Sen. Conrado Storani, a former Alfonsín cabinet member, publicly complained on March 31 that the “carapintadas”—“painted faces,” the term used to refer to army nationalists—“are acting with impunity in the country. They are holding civil-military meetings . . . without a political agreement, it will be very difficult to overcome this crisis.”

Meanwhile, nationwide protest over government policy grows daily. In every sector of the economy, strikes are on the rise. Almost all strikes are over wage demands and the cost of living, which increased by 420% during the first quarter of this year. Courts are now functioning only two days a week—personnel are out protesting on the other days. Strikes are expected to paralyze primary, secondary, and university education throughout the month of April. With operating budgets drastically reduced, hospitals are turning away patients.

Many of the top leaders of the Peronist-run General Confederation of Labor (CGT), such as metalworkers’ union leader Lorenzo Miguel, have refused to break with Menem, out of respect for their political deals; but the CGT base is fed up. Evidence of that was the incident which occurred in the province of Salta, where enraged workers assaulted the head of the provincial CGT, accused him of not defending their interests, and forced him to lead a protest march they had organized.

Tension is running high in the provinces, many of whose governments are close to bankruptcy and cannot pay workers' wages. The late-March rebellion of police in San Miguel de Tucumán over wage demands was only the tip of the iceberg; similar conflicts are simmering in the provinces of Santiago del Estero, Chaco, and Buenos Aires.

Menem talks tough

None of this has caused Menem to abandon the free-market economics demanded by the Bush administration. Far from it! He has stated that he intends to pursue his policy, and to punish anyone who doesn't go along with it. In an interview published in the April 1 edition of the Buenos Aires daily *Clarín*, he warned that he would consider jailing those who oppose him. "I consider that [the imposition of] a state of siege would be more feasible because of economic issues rather than political ones," he told *Clarín*. "State of siege, four or five [people] in the slammer and then you'll see how quickly things are put in order," he blustered.

Menem told *Clarín* that he was only talking about individuals "who haven't learned that they cannot continue to speculate in Argentina." However, the March 30 issue of the weekly *El Informador Público*, quoting a high-level Peronist source, reported that the President was studying such options as imposing a state of siege, jailing "corrupt" trade union leaders and businessmen, and ordering a federal takeover of provincial governments deemed unable to control social conflict, as a means of dealing with the crisis. During an April 3 press conference, President Menem also warned that he had devised his own battle plan, which included withdrawing the legal status of unions which strike, and discounting pay for every day that a worker goes out on strike.

As an additional measure, Menem has also authorized the Army to repress domestic social protest; but given the tense internal situation in that institution, this could backfire. There is real unrest over wages; according to one press report, payment of wages due at the end of the month had to be moved up to March 23, to avoid protest actions at many bases. Army nationalists, many of whom are loyal to Colonel Seineldín, have made known that they will not obey orders to repress poor and hungry citizens whose suffering has been caused by government policies.

Colonel Seineldín is currently serving a 20-day jail sentence for publicly calling on the Army high command to take steps to resolve its internal disputes and guarantee institutional unity in the face of the country's devastating crisis. The Army generals responded by naming Gen. Martín Bonnet as the replacement for Gen. Isidro Cáceres, who died suddenly on March 21. Bonnet, politically allied with the hated Raúl Alfonsín, not only has no support within the Army generally. He is hostile to the nationalist sector which supports Seineldín, and is expected to carry out a witchhunt against these officers. This will only exacerbate the Army's internal conflicts.

Cambodia: decision in the battlefield

by Linda de Hoyos

Speaking from Beijing, Cambodia's Prince Sihanouk declared that P.R.C. President Yang Shangkun had pledged support in a recent meeting that China would continue to supply weapons and ammunition to the Khmer Rouge and two other Cambodian guerrilla factions "until the day of our final victory." The prince's claims are most likely accurate, and to the point: The conflict in Cambodia will not stop until the People's Republic of China wants it to.

For the past two years, the world's attention has been focused on intricate diplomatic maneuverings among various factions in Cambodia and their key foreign sponsors in an apparent effort to end the Cambodian conflict. Hopes that the civil war in the country—now going into its 11th year since the Vietnamese invasion of Cambodia—sprang anew with the meetings, arranged in Paris, between Prince Sihanouk, leader of one of the non-communist resistance factions, and Hun Sen, prime minister of the Vietnamese-backed government in Phnom Penh. Thousands of gallons of ink have been spilled across the pages of the world's newspapers on the various statements and positions taken by all factions, including the Khmer Rouge, still led by mass murderer Pol Pot, at the negotiating tables in Paris and Jakarta.

Within this context, in September 1989, the Vietnamese withdrew their remaining troops from Cambodia, ending the 10-year occupation of the country. Hanoi motivations were twofold. First, Vietnam could no longer afford to maintain troops in Cambodia, given a decrease in funds coming from Moscow. Second, Western nations, the U.S. most importantly, had made Vietnamese withdrawal the condition for re-opening of diplomatic relations with Hanoi and ending the trade embargo against the country. Thirdly, it was hoped, the troop withdrawal would open the way for increasing the diplomatic pressure.

However, after September, the Western nations, with Washington in the lead, heaped more conditions on Hanoi, insisting that Vietnam assure a settlement to the Cambodian conflict. Although Vietnam had met financial requirements, it was denied reentry into the International Monetary Fund because of a U.S. veto. Within that context, no Western pressure was placed on Beijing to cease its arming of the Khmer Rouge, whose four-year rule 1975-79 resulted in the murder of upwards of 3 million Cambodians. Emphasizing its abject obeisance to the butchers of Beijing, Washington