

Venezuela's CAP falls; bankers scramble for control

by Valerie Rush

At approximately 4 p.m. on May 20, the Venezuelan nation erupted into celebrations of joy upon hearing the news that the Supreme Court had ordered the trial of President Carlos Andrés Pérez on charges of "embezzlement and misappropriation" of public funds. The next morning, Venezuela's national Congress ratified the Supreme Court ruling, forcing the despised Pérez to step down from the presidency. The head of the Congress, Sen. Octavio Lepage, was immediately sworn in as acting President, and the Venezuelan stock market rose 4%.

Not joy, but panic was the effect triggered by Pérez's ouster among the Anglo-American elites who persist in dubbing Pérez the "standard-bearer of democracy" on the continent, long after the stench of his corruption has driven the nation into revolt against his reign. Pérez was not only the continent's most ardent advocate of a "new world order" based on limited sovereignty, depopulation, technological apartheid, and demilitarization, but he was also the most faithful enforcer of International Monetary Fund (IMF) austerity and radical free-trade dictates—to the point of ordering thousands of fellow Venezuelans to be mowed down by army bullets at an anti-austerity demonstration shortly after taking office in 1989.

Prominent representatives of the new world order, such as former U.S. Secretary of State Henry Kissinger and banker David Rockefeller, descended on Venezuela every time the Pérez regime faced an upsurge of resistance, whether mass demonstrations of repudiation or military coup attempts. The last such visit was just one month ago, *after* Pérez had been indicted for corruption by his own attorney general.

U.S. officials repeatedly threatened use of military force and economic sanctions in the event of Pérez's overthrow. Said State Department official and former U.S. ambassador

to the Organization of American States Luigi Einaudi, at a Washington symposium held last Oct. 23: "Pérez is a President with personal charisma, history . . . a projection of vigor, courage, modernity, adaptability." What happens in Venezuela "is absolutely critical to our collective, regional future."

As Einaudi foresaw, the ramifications of Pérez's fall go far beyond Venezuela. Indeed, his ouster pulls the plug on the entire Anglo-American gameplan, otherwise known as Project Democracy, to use "democracy" and "human rights" as the watchwords of supranational intervention and power-sharing with narco-terrorists on the continent. For many Ibero-Americans, the successful impeachment of an entrenched *and U.S.-backed* dictator like Carlos Andrés Pérez is as stunning an accomplishment as last year's capture and imprisonment of Abimael Guzmán, the nearly mythological chieftain of the narco-terrorist Shining Path in Peru. The remoralization of patriotic forces across the continent following Guzmán's capture, and again following Pérez's overthrow, is palpable.

Bold moves in Guatemala

The first fallout from Pérez's political demise is already evident in Guatemala, where President Jorge Serrano suspended the Constitution, shut down the Congress, Supreme Court, and Constitutional Court, and fired the country's attorney general and human rights prosecutor in a military-backed response to provocations and attempted blackmail of his administration by the "human rights mafia," in league with drug-linked networks that had massively infiltrated government institutions.

Serrano's 30-minute speech to the nation on May 25 explained his measures as designed to "purge the state of all

its forms of corruption, with which you and I are totally fed up.” He said: “The country is controlled by drug traffickers and mafias. . . . I don’t want our country to be a garden for mafias. I want it to have a destiny without corruption.” And in an interview with the Mexican daily *Excelsior*, Serrano amplified: “The politicians have abused democracy at times, and we have fallen from freedom to libertinism, that is, into believing that democracy is a strong enough framework such that all is permitted. . . . One must understand what democracy really is. Is it to literally maintain a facade up front, while being totally gnawed away by the mafia, by drugs, and by those who want to use it for their own benefit? That is not democracy.”

Serrano added: “Let me tell you, there is a great expectation over what I will do in Guatemala. I want to tell you that all of Latin America had better be prepared, because drug trafficking groups will not be content just with economic power, they will seek political power.”

Serrano’s bold measures have been universally compared to Peruvian President Alberto Fujimori’s April 5, 1992 actions, which purged that country’s similarly “worm-eaten” institutions of narco-terrorists and their political allies and protectors. And, understandably, they are sending shivers up and down the spine of Washington’s Project Democracy crowd, which has only just finished celebrating its successful imposition of a supranationally monitored “peace pact” in El Salvador, which spells the end of that nation’s sovereign institutions, and especially its Armed Forces.

Nobel prizewinner and terrorist propagandist Rigoberta Menchú, who was leading a conference of “indigenous rights” activists in Guatemala when President Serrano announced his measures, responded by threatening to lead a “civil resistance” movement against the government. The U.S. State Department condemned Serrano’s actions as “illegitimate,” and the U.S.-dominated Organization of American States is planning to invoke the so-called Santiago Declaration, which commits the nations of the hemisphere to take joint action against any country which “disrupts democracy.”

But the genie is already out of the bottle. The two opposing models of Ibero-American government—Pérez’s and Fujimori’s—have been tried and tested. Project Democracy’s Pérez is out, and Fujimori not only stood up to Project Democracy, but is more popular than ever. Guatemala’s Serrano drew the obvious lesson, and so will others.

No to the IMF

The spreading nationalist resistance to Project Democracy’s “human rights” blackmail now has the potential to go directly to the heart of the new world order’s recolonization drive. Worried the *Financial Times* of London, in a May 28 evaluation of recent Ibero-American developments, “The idea that Latin America was at last going to become a democratic continent espousing free market principles, beloved of former U.S. President George Bush and adopted by the

Clinton administration, has taken a battering. . . .”

A *Baltimore Sun* editorial of May 26 was similarly concerned: “The indictment and suspension of President Carlos Andrés Pérez for corruption probably protects rather than endangers Venezuela’s 35-year-old democracy. But it imperils economic reform and growth in the second-largest foreign supplier of oil to the United States. How much better if Mr. Pérez had been able to serve out his term until the elections in December, and complete his reforms.”

Among other things, Pérez’s impeachment calls into question whether his plans for “reprivatization of petroleum resources” will now proceed. The *Washington Post* of May 23 quotes one foreign diplomat: “Oil is a politically sensitive—almost religious—topic here [in Venezuela]. You’re talking about national sovereignty, national patrimony, ‘our children’s future.’ They don’t like to hear talk about foreigners taking over their oil.” More broadly, the *Wall Street Journal* asks whether “the forcing of President Carlos Andrés Pérez from office for his trial on embezzlement charges will derail economic changes.”

The conclusion has already been drawn by Air Force Gen. Francisco Visconti, who led last November’s attempted coup against Pérez. In an interview in the May 24 issue of Peru’s *Sí* magazine, General Visconti says that Pérez’s ouster “is the first step toward the establishment of a real democracy.” But, he added, “the only way our Latin American nations will overcome underdevelopment is by turning our backs on the prescriptions of the International Monetary Fund.”

A similar appeal was made by the Ibero-American Solidarity Movement (MSIA), which published a pamphlet just before the impeachment proceedings on Pérez’s many crimes against the nation. The MSIA pamphlet accused Pérez of selling out the country to the IMF, a formulation immediately picked up by members of Congress and others. It also included an emergency economic program from the MSIA that called for an end to financial speculation and for strict exchange controls; cheap credit for production and infrastructure investment; and suspension of the foreign debt, among other measures.

The situation in Venezuela is far from settled; Pérez, although suspended from duty, is still in the presidential residence and continues to issue proclamations as head of state. He even called Guatemalan President Serrano to express disapproval of his measures, and boasted in a May 24 interview with *Diario de Caracas* that he and founding father Simón Bolívar shared a common history.

Pérez’s political party, Democratic Action, is politically divided over how to hold onto power, with Acting President Octavio Lepage causing a scene in front of the meeting of the Congress that ratified his ascension May 21, by insisting that he would stay in office for 90 days or longer, despite a constitutional provision establishing his interim presidency for a term of only 30 days.