

By Merrill Collett

CARACAS

AS CHRISTMAS LIGHTS TWINKLED IN THE city below, the talk at the embassy party was full of unseasonably nasty remarks directed at a former Venezuelan president now running for re-election. "He's a dangerous demagogue," said one Western diplomat. "Everyone knows he is corrupt," said a second. "He's Moscow's man," said an American attorney.

The target of this Yuletide vitriol was Carlos Andres Perez, a charismatic populist who makes foreign bankers fret. Favored to win next December's election, Perez wants to organize Latin America into a common front not only against the banks but against the U.S., and he stands a good chance of doing it.

Perez has been singing the song of Latin American unity ever since his 1974-79 administration, but other voices have recently picked up the refrain. The Reagan policies on Latin America's \$400 billion foreign debt and the war in Central America have so completely failed to bring economic relief and peace to the region that Latin America's leaders have been forced to fall back on their own resources.

This was dramatically demonstrated last year by the Arias Plan in Central America and the November 29 meeting of eight Latin American presidents in Acapulco, Mexico. The Mexico meeting, which focused on the debt, was the first time regional leaders had met without the U.S. president and was thus a clear slap at U.S. policy.

The meeting had raised expectations that a dramatic new stage in U.S.-Latin American relations was at hand: the formation of a debtors' cartel or the decision to move the Organization of American States out of Washington, for example (see *In These Times* Feb. 3). Nothing so concrete emerged. Perhaps their energies were sapped by the economic and political crises in their own countries, but the presidents of the largest nations—Argentina, Brazil and Mexico—failed to launch a major new initiative. The U.S. absence left a leadership vacuum that the Latins failed to fill. Carlos Andres Perez would have never let such an opportunity slip away.

At age 65, Perez is hardly ready for retirement. He proved his restless energy once again when just two days after winning the presidential nomination of the Democratic Action (AD) party he flew off on yet another hectic trip half-way around the world. Travel abroad is very much a part of his program at home. A vice president of the Socialist International, he has promised to make "international policy the foundation of national policy."

With his worldwide network of contacts developed over 15 years of almost ceaseless globe-trotting, Perez is the kind of national leader who makes foreign bankers and businessmen gnaw their nails. He wants to organize Latin America against what he calls the "economic totalitarianism" of the industrialized nations, by which he means growth-stopping debt payments, unfair terms of trade and protectionism.

His goal is not a debtors' cartel that refuses to pay the banks. But he wants repayment conditioned to new loans, export earnings and a recognition that economic growth must come first. He will try to persuade other debtor nations to accept these demands as a common framework for negotiations with the banks.

Venezuela would offer him the perfect platform from which to launch his organizing

Perez: the Venezuelan candidate who makes foreign bankers fret

effort. Although it has a \$35 billion foreign debt—Latin America's fourth-largest—oil-affluent Venezuela enjoys economic and political stability. Unlike Alan Garcia in Peru, Perez would not have to worry about imminent economic collapse or a guerrilla offensive as he focused on foreign policy. But first Perez must be elected president.

He got off to a good start when he overcame the bitter opposition of President Jaime Lusinchi and became AD's candidate, winning 66 percent of the party's vote over Lusinchi's hand-picked successor. Interviewed on television the next morning, Perez displayed a characteristic sense of certitude. "I've always expressed absolute confidence in my triumph," said Perez with a broad smile.

Premier politician: Former President Romulo Betancourt put Perez in the limelight by naming him interior minister in the early '60s, and he has stayed there ever since. As interior minister, his iron-fisted suppression of Cuban-sponsored guerrillas won Perez the enmity of the left, but by the time he won the presidency with a landslide victory in 1973, he had become a left-leaning leader.

He pushed through congress a host of new social and labor legislation, nationalized the huge oil industry and the nation's iron ore deposits and expanded the state-owned steel and aluminum industries.

His 1974-79 administration is still remembered fondly in working-class neighborhoods. During the recent battle for AD's presidential nomination, he drew on his support in the unions and among the poor to batter down the resistance of Lusinchi and his "orthodox" AD faction.

His victory over the *ortodoxos*, who fear him as a dangerous populist outside of party discipline, proved once again that Perez is Venezuela's most formidable political force.

He is also the country's most popular politician. His standings in the polls put him ahead of Eduardo Fernandez, the candidate of the opposition Copei Party, a Christian democratic party. With Perez as its candidate, AD is likely to become the first Ven-

Carlos Andres Perez wants to organize Latin America against the "economic totalitarianism" of industrialized nations. Some Westerners simply call him "Moscow's man."

ezuelan ruling party to win re-election in 20 years.

Charismatic and energetic, Carlos Andres, as Perez is popularly known, stirs strong feelings. Respected political scientist Diego Bautista Urbaneja says his candidacy will be "terribly polarizing."

Businessmen are uneasy. They recall him as the president who imposed restrictions on firings and hirings. There is talk of capital flight and fear of hyperinflation from increased social spending.

There is also concern that his second ad-

ministration would allow a repeat of the endemic corruption and mismanagement that marred his presidency, which was awash in windfall profits from the first oil boom. Shortly after leaving office, Perez narrowly escaped congressional censure for corruption.

He is aware of his business confidence problem. During a trip to New York last October, he tried to reassure U.S. corporate

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officers he would establish clear rules of the game for business. Investors fault Lusinchi for an erratic economic policy that has contributed to the collapse of the national currency, the bolivar.

Not an American fanatic: Perez also makes the U.S. government uneasy. The State Department can't forget that he played a critical role in bringing the Sandinistas to power in Nicaragua by shipping arms to the revolutionaries. Eden Pastora gave Perez the Nicaraguan flag taken from the capital building in Managua when the Sandinistas held Somoza's legislators captive.

And right-wing U.S. policy-makers still recall with bitterness that Perez persuaded other Latin leaders to join with him in pres-

suring Washington to accept the 1977 Panama Canal Treaty.

Perez has since qualified his support for the Sandinistas. He expressed disappointment over the way elections were conducted in Nicaragua and refused to attend President Daniel Ortega's inauguration. But he has expressed in even stronger terms his opposition to U.S. funding for the contras.

Perez favors the kind of strongly non-aligned foreign policy that Washington frowns on in its own backyard. His multilateral approach to U.S.-Latin American relations is at odds with America's efforts to negotiate with, and influence, each nation directly.

Washington's divide-and-conquer tactics have worked well in the past, but Latin American nations are showing increasing restlessness with the arrangement. As the Contadora Group evolved into the Group of Eight that met in Mexico in November and as Central America developed its own peace plan, Latin leaders have developed a new sense of regional self-reliance.

The stage is set for a central figure to pull the region together, and Carlos Andres Perez is waiting in the wings.

Merrill Collett is a regular contributor to *In These Times*.

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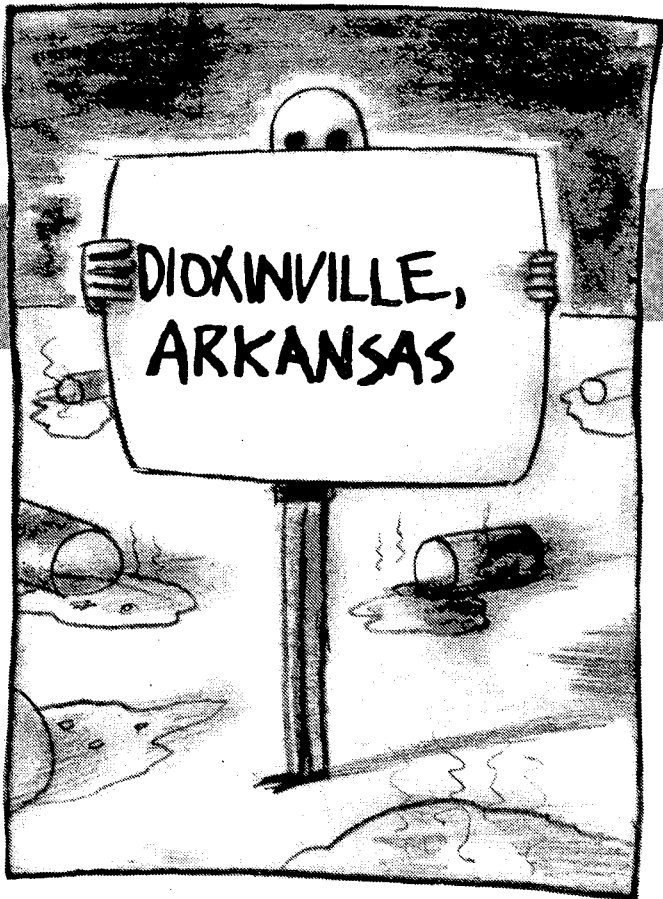
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PASSING THE BUCK, BURNING THE EVIDENCE

Last week *In These Times* began a three-part investigation into the chemical contamination of Jacksonville, Ark., a situation more dire than the notorious Love Canal. Part two focuses on the state of Arkansas' reluctance to address one key part of the tragedy—the cleanup of a dioxin-tainted factory. It examines this “burning question”: can barrels of dioxin-contaminated waste at the plant be incinerated without posing an even greater threat to the surrounding area?

By Dick Russell

JACKSONVILLE, ARK.

IN THE HEART OF THIS CITY OF 30,000 PEOPLE, THE chemical plant that the Environmental Protection Agency (EPA) has called “one of the most serious uncontrolled hazardous waste sites in the U.S.” is now abandoned and secluded behind locked iron gates. Inside the plant, some 30,000 barrels of poison, including many containing dioxin-laden waste from the cancer-causing herbicides, await disposal. Many of the barrels continue to leak into local groundwater.

The city sewer system, a creek adjacent to the plant, a flood plain, parts of the nearby Little Rock Air Force Base and two city dump-sites have already been severely contaminated.

TCDD dioxin has been detected here at the highest levels ever found in U.S. soil. An unwanted contaminant byproduct of the herbicide 2,4,5-T, it is the deadliest man-made chemical known—about 500 times more toxic than strychnine. Many residents who live near the chemical plant or the two dump-sites suffer severe health problems ranging from birth defects to cancer. The EPA has put all three contamination spots on its Superfund list of toxic site priority cleanups.

Jacksonville used to be a quiet community, a semi-suburban enclave of tree-lined streets only 12 miles from Arkansas' state capital of Little Rock. The air base and chemical plant were considered among the hallmarks of the local economy. Shortly after World War II, Reasor-Hill Chemical began production of a wide range of pesticides, three of which have since been outlawed due to their toxicity. In the '60s Hercules, Inc. took over the site and went on to make 25 percent of the Agent Orange defoliant that the Pentagon shipped to Vietnam. Vertac Chemical Corporation was the most recent plant owner, manufacturing Agent Orange's component 2,4,5-T and 2,4-D herbicides for use in domestic agriculture. 2,4,5-T has since been banned by the EPA, and 2,4-D is now facing similar scrutiny for its damaging effects to human health.

The powers that flee: In January 1987 Vertac declared itself unable to fulfill its financial responsibilities for maintaining the corroding waste drums and left Arkansas be-



Arkansas Gov. Bill Clinton: Keeping a safe distance from the Jacksonville situation.

Arkansas Democrat/Alex Brandon