Brazil: Fire in the Forest
Anthony W. Pereira, Anna Luiza Ozorio de Almeida, Maria Teresa Fernandes Serra, José Sarney, Paiakan Kayapó, Orlando Valverde, The Group of 100

Superpowers and Latin America
Alexei Izyumov, Andrei Kortunov, Rafael Angel Calderón, Augusto Varas, Gilbert W. Merkx

Hemispheric Controversy
Mark Falcoff, Rosario Green

Station on Crisis and Carnival in Rio de Janeiro
Bilby on Crisis and Music in the Guianas
Ortiz on the Two Brady Plans
Loncan on Argentine Prospects
Lombardi on Stories of Foreign Language
Discover Latin America with American Express


The American Express® Card can help you enjoy all of Latin America.

The Card is welcomed at fine shops, luxurious hotels and charming restaurants throughout Latin America. And at our Travel Service Offices* you have a variety of unparalleled services, like emergency Card replacement, American Express® Travelers Cheque refunds and personal check cashing.

Enjoy the enchantments of Latin America. And remember, if you need us, we're here to help.

COMMENTARY

Accountability in Cuba and Puerto Rico  by Anthony P. Maingot  2
Life (and Death): An Andean Saga  by Mark B. Rosenberg  4

REPORTS

Crisis and Carnival: Rio de Janeiro  by Elizabeth Station  6
War, Peace, and Music: The Guianas  by Kenneth Bilby  10
Two Plans, No Solution  by Edgar Ortiz  13
Argentine Prospects  by Enrique Loncan  15
Stories of Foreign Language  by John V. Lombardi  16

FAXFILE

FEATURES

Amazonia: Contending Voices
Brazil: Fire in the Forest  by Anthony W. Pereira  20
Colonizing the Amazon  by Anna Luisa Osorio de Almeida  24
Planning Hydroelectric Projects  by Maria Teresa Fernandes Serra  26
Declarations on the Amazon  by José Sarney, Paiakan Kayapó, The Group of 106, and Orlando Valverde  28

Superpowers and Latin America
Redefining Soviet Foreign Policy  by Alexei Izyumov and Andrei Kortunov  30
Perestroika and Central America  by Rafael Angel Calderón  33
Moscow and Latin America  by Augusto Varas  36
Bordering on Consensus: US Policy  by Gilbert W. Merks  38

REVIEW FORUM

Hemispheric Controversy
Hard Choices  by Mark Falcoff  42
Common Ground  by Rosario Green  44

PUBLICATIONS UPDATE

Perestroika and Latin America, Recent Books on the Region  by Marian Goslinga  46
in 1991 the Puerto Rican Estado Libre Asociado will enter its fourth decade, and the Cuban revolution will observe its 32nd anniversary. Historically speaking, both experiments are young. Yet they both have a great deal to tell us about crucial elements of Caribbean and world politics.

Increasing the political accountability of those in power has been the goal of political movements since at least the Magna Carta. Whether the issue is trial by jury, taxation without representation, regularly held elections, or universal suffrage, the movements are facets of the quest for a responsive elite and a responsible public. This quest certainly appears to be at the heart of the monumental changes taking place in the USSR and parts of Eastern Europe, and it underscores the fact that in the 20th century the search for accountability transcends differences in political systems. What then can Cuba and Puerto Rico show us about this universal trend?

Castro’s Record

For the past 30 years Fidel Castro’s record on this score has been a matter of concern. In the early stages of the revolution “charismatic mobilization” was sociologically understandable—no matter what one’s ideological predilections. But the notion falls short of elucidating ideological predilections. But the notion falls short of elucidating.

This Castro, of course, is a different Castro from the one who consistently claimed that neither elections nor plebiscites were needed in Cuba because the Cuban people exercise a daily referendum on government actions. In a country without the slightest pretense of a free press or independent interest groups, much less independent opinion polling, Castro’s assertion of Leninist principles reflects Cuban reality more accurately than his previous claims to an original and sui generis form of accountability.

Castro’s problem is that there no longer exists much of an audience for the Leninist formula of governance. One has the distinct impression that he is experiencing that most debilitating of political ailments: isolation. A major cause of this isolation might well be “cognitive dissonance.” Holding on to a belief system that is sharply at odds with movements and changes occurring in the real world can bring about psychologically disturbing and disorienting effects. When, not surprisingly, politicians so inclined are unable to harmonize the world with their beliefs, the resulting psychological discomfort spurs isolation from that world-in-change.

The process is all too evident in contemporary Cuba. It started years ago when Castro prohibited Cuban students from studying in several Eastern European countries. They were, he said, in danger of being “corrupted.” In 1986 the free agricultural markets were closed because they were “corrupting” the peasants. Today he regards perestroika and glasnost as little more than corruptions of socialist practice. Finally, he accuses the “internationalist” missions in Angola and Nicaragua—to say nothing of Panama—of being riddled with corruption.

Those who oppose this change—withdrawal from the corrupting world currents—appear to be falling by the wayside. To be sure, Albanian and North Korean leaders have survived long-term national hermeticism. But perhaps a more suitable analogy to the “reign of virtue” that seems to be approaching in Cuba, is the France of Maximilien (“The Incorruptible”) Robespierre.

What is the difference between Castro’s recent discourses on Cuba’s lonely stand on principle from Robespierre’s notorious peroration on “the two opposite genii,” locked in combat “to determine irrevocably the destinies of the world”? And what differences are there with Robespierre’s conclusion that “we have to strangle the internal as well as the external enemies of the republic, or perish with her!”? In a world in which Hungarian, and possibly even Soviet, observer status in the EEC is being discussed, Cuban puritanical hermeticism has nothing to contribute to the pan-Caribbean debate. History has demonstrated all too often that reigns of virtue end as reigns of terror.
Puerto Rico's Choice

In Cuba the revolution continues to consume its children, and no one seems to know what the future holds. In Puerto Rico there is a massive, multifaceted mobilization aimed at reaching a definite decision on the island's status by 1991. In Cuba, Castro—and only Castro—announces every July 26 where Cuba will be heading for at least the next year. In Puerto Rico the people will decide the course of the future through a referendum.

Any choice in Puerto Rico will involve material and psychological costs. Two of the choices, improved commonwealth status and statehood, raise the issue of cultural integration. A third choice, independence, entails economic costs. In all cases, moreover, there remains the issue of reconciling a popular Puerto Rican choice with an all-significant act of Congress.

There are those who might be smitten by the "totalitarian temptation": "let one charismatic leader decide." Puerto Ricans, however, have not chosen this route. They have made their choice despite considerable disdain from much of the intellectual world and uncertainty concerning how the US Congress will respond to their 1991 decision.

Compared to the shelves of books on Fidel Castro and his revolution, there are only a few modest volumes on the father of the Puerto Rican experiment, Luis Muñoz Marin. The fascination of academics and journalists alike with revolution goes on and on. Yet there is little international knowledge or understanding of a revolution in constitutional doctrine and international relations that the father of the Puerto Rican state wrought. His repeated calls for a "breakthrough from nationalism," for "flexibility," "adaptability," "audaciousness," and for "the will to experiment, to adapt and revise" helped prepare the ground for the peaceful and democratic decision that Puerto Rico will make in 1991.

Whether Puerto Ricans vote for independence, statehood, or an improved commonwealth status, they will do so after one of the great political debates of our century. Gordon Lewis, certainly no friend of Muñoz Marin's political formula, struck a blow for academic and intellectual honesty when he called the Puerto Rican debate "a magnificent obsession." But it was more than a debate on the type of status the island should have; it was also a debate on how a people, any people, can peacefully arrive at a decision as momentous as what their national and international regime should be.

Attention to public opinion and concern over accountability have been central to Puerto Rican politics. Plebiscites, political parties (each promoting a different status), elections every four years, free and unencumbered execution of public opinion polls, and a plethora of independent interest groups and news media, all form part of Puerto Rico's concept of governance. It is not that Puerto Ricans have invented much new in terms of democratic politics. It is, rather, they have given new life and meaning to timeless democratic principles.

Puerto Ricans have reminded the world that any political system must fundamentally be an instrument for the securing of a better life with the greatest freedom for the greatest number. They have also reminded us that, since there are various ways to achieve that goal—some of them probably not yet even conceived—it is important to keep open the avenues of democratic discourse. Both principles lead to an important juridico-political point much overlooked in the heady postcolonial days: political independence is a purposeful creation of positive law. It is not a natural right but a remedial right. True, independence was universally and quite unambiguously accepted as the sole remedy to the wrongs of colonialism, racism, exploitation, and general oppression. But, logically, if these ills can be remedied by other political statuses, the latter clearly have equal footing as a "right." This is so especially if they can make a case for doing a better job of governance. Thus no particular status enters the 1991 referendum with the aura of being a natural or inherent right. Each option will have to convince the voters—in both Puerto Rico and the US—of its overall empirical and emotional merits.

Whether Puerto Rico's 1991 decision should be held up as the model of self-determination is not the issue here: the real issue is what the Caribbean and the world can learn from the process that led to 1991. The days of willy-nilly imitations of a particular "model," Puerto Rican or otherwise, are over.

Puerto Ricans of all political parties have agreed on the 1991 referendum. It is a reasonable and democratic decision that merits our attention, understanding, and admiration. Unfortunately, since words and not bullets will decide the outcome, the world will probably pay little attention. Be that as it may, this indifference will not make the process one iota less significant for those sincerely seeking more accountability from their leaders.
Afflicted by violence and a bleak economy, Peru stands as testimony to the perseverance and depravity of humankind in the last decade of the 20th century. This dichotomy was pervasive in the life and death of Bárbara D’Achille, a European refugee who made her home in this Andean nation of 21 million people after fleeing the horrors of World War II.

As a Peruvian resident, D’Achille became an accomplished environmental and wildlife specialist, using Peru’s print media to establish her reputation as a professional dedicated to the preservation of the country’s rugged backlands. A regular contributor to the newspaper El Comercio, D’Achille became the nation’s ecological conscience and an indispensable resource on Peru for the global network of environmental organizations such as the 20th Century Fund and the World Wildlife Fund.

D’Achille’s efforts were remarkable given Peru’s extraordinary hardships of daily survival. Government incompetence, economic decay, and relentless capital and human flight are set against the backdrop of a merciless terrorist movement, Sendero Luminoso.

Traveling through Huancavelica on May 31, 1989, D’Achille and her companions, according to Peruvian press reports, were intercepted by a group of Senderistas. The terrorists released most of her fellow workers, warning them never to return. But they did not release D’Achille, ordering her to interview them on the political visions of Sendero. She refused. They persisted. Her body was discovered a day later: her skull crushed by a heavy rock.

In a country accustomed to terrorism, the impact of D’Achille’s murder was profound—perhaps because she was a European and a woman, or possibly because of her commitment to environmentalism, which even in Peru has growing support. Some wondered why she was traveling in an extremely dangerous district. After all, Sendero had broadcast its intention to seize control of Huancavelica by murdering development workers and officials.

Unfortunately there was little time to contemplate the larger meaning of D’Achille’s life and death. On June 3, on a narrow downtown street choked with Lima’s usual mix of vehicles, tricycle carts, and people, a street vendor pushed a dynamite-laden cart under a bus carrying guards to the presidential palace. Six died and 19 suffered serious injuries. The force of the explosion ripped a six-foot crater in the road. Shortly after the bombing, on June 16, a 29-year-old priest was called out of his religious sanctuary by passersby who, to the horror of nearby parishioners, gunned him down. Less than a week later, the well-regarded 35-year-old mayor of another town was shot pointblank in the back as he carried fresh fruit to his home for lunch. Sendero took credit for the murders.

What can Peruvians do to protect themselves? One US-educated Peruvian says logic collides with ethics: the former dictates that terrorists must be physically eliminated. But moral and ethical values make this response unpalatable. At any rate, such a policy would probably be impossible to carry out under a democratic regime.

Democracy affords the possibility for pluralist dialogue, even among the most contentious of forces. But its premises are unity of purpose among groups and consensus about the rules of the game. In Peru there is neither unity of purpose nor consensus about the rules of the game. The administration of Alan García is in disarray, its policies having led to the breakdown of the economy and the dispersion of political power. In this setting institutions are giving way to violence in the conduct of politics. The options of Peruvians are becoming distressingly narrow. How can they tame terrorism without sinking into Sendero’s violent agenda?

Throughout their history Peruvians have suffered and inflicted violence on themselves. Today’s calamities are the newest thread in this historical and social tapestry. Although we prefer stories with happy endings, for Peru no such ending is in sight. We must celebrate those whose daily lives become heroic. D’Achille and other victims in Peru must be remembered if the nobility of the human spirit is to survive—and eventually triumph.
Letters to the Editor

_Hemisphere_ welcomes letters to the editor. Letters must be typed double-spaced, and are subject to editing for clarity and length.

Please address letters to:
The Deputy Editor
_Hemisphere_
Latin American and Caribbean Center
Florida International University
University Park
Miami, FL 33199
FAX (305) 554-3593
Many Brazilians would argue that Rio de Janeiro has been sliding into financial, administrative, and moral decadence ever since Juscelino Kubitschek moved the national capital from Rio to Brasilia in 1960. Events in 1988-89 seem to have pushed the Cidade Maravilhosa even further towards the abyss. In September 1988, with Mayor Saturnino Braga struggling under a 60-billion cruzado deficit and a 142-billion cruzado debt, Rio was declared bankrupt. In the following weeks, municipal health and education workers protested shrinking salaries and 30% monthly inflation with a strike that paralyzed public schools and hospitals for 162 days.

Empty city coffers and a lack of new investment have hastened the process of physical deterioration. Local residents are growing so used to the city’s estimated 20,000 potholes that they baptize them with colorful names and signposts. The feeling of malaise seemed most apparent just before last November’s municipal elections. Disillusionment with corruption and old-style politicians led many Cariocas to indicate “Macaco Tião,” a belligerent chimpanzee from the Rio zoo, as their preferred candidate for mayor.

The people of Rio de Janeiro traditionally make a heroic effort to abandon their troubles during the holidays, but this year forgetfulness was harder to come by than usual. Just days before Christmas, the brutal assassination of rubber tapper

Elizabeth Station is a free-lance journalist in Rio de Janeiro.
Chico Mendes in faraway Acre sent shock waves through the local ecology movement. Next, on New Year's Eve, 55 tourists drowned when an overloaded and unseaworthy pleasure boat, the Bateau Mouche IV, sank at the entrance to Guanabara Bay. Closer to the shore, the legendary girl from Ipanema had to think twice before taking a dip at the beach of the same name. According to the weekly magazine Veja, 460 tons of untreated sewage and hundreds more of toxic industrial wastes are dumped into Rio oceans daily, rendering both the sand and the sea unsafe.

Carnival Endures

Reeling from the punches, Rio de Janeiro raised its head in February to face the last Carnival celebration of the decade. "Carnival is the only serious thing left in Brazil," a hardcore reveler told TV Globo on the eve of the four days of festivities, and so it would seem. The top escolas de samba, or neighborhood samba clubs, begin training for the pre-Lenten event as early as August. Handsomely paid and highly professional carnavalescos design elaborate costumes, sumptuous floats, and catchy choreography to illustrate the club's theme song (samba de enredo) for the annual parade. Neighborhood entrepreneurs, politicians, and bicheiros (who run the numbers racket) put up the capital to underwrite each club's entry in the pageant. Meanwhile, two or three thousand club members scrape together the money for their costumes, called fantasias, and steel themselves for endless rehearsals.

The spectacular two-day parade by the 18 biggest and wealthiest samba clubs helps Rio, despite its difficulties, to remain the tourist and media mecca of Brazil. In 1988 Carnival was marred by heavy rains and landslides that left nearly 300 dead around the state. This year the dearth of funds for public-works projects meant that shoring up the city against a similar disaster would be impossible. The fear the rain might return, coupled with the realization the public hospital shutdown would deny emergency services to any accident victims, added to the verge-of-apocalypse feeling among already melodramatic Cariocas.

The opening minutes of this year's parade provided television viewers all over Brazil with high drama. Spectators gasped when in the opening minutes of the spectacle, a faultily-constructed float carrying 52-year-old beautician Neusa Monteiro collapsed and she plummeted headfirst onto the pavement. In a typical show of Carioca excess, Monteiro had planned to parade in full regalia with 15 different samba clubs. She had rented a special bus to tote her costumes to the sambodromo. She had rented a special bus to tote her costumes to the sambodromo and a motorcycle to ferry her between points of the parade. After Monteiro was rushed to one of the city's few functioning hospitals, traumatized TV announcers provided up-to-the-minute reports on her condition. (When she died of her injuries two weeks later, her daughters promised not to sue the builders of the float.)

The rest of the marathon continued without further incident and, arguably, without a great deal of emoção, or biting political commentary. One club, Unidos da Ponte, perforfuritorily performed an environmental samba that lamented urban air pollution, the burning of the Amazonian forests, vanishing wildlife, and destruction-for-profit.

The Acadêmicos do Salgueiro, a club that traditionally treats racial themes, delivered a not-too-angry assessment of black Brazil 100 years after abolition ("My samba takes away pain and brings joy/Yes, I'm black/liberty and poetry"). São Clemente, one of the only samba schools of the white, middle-class Zona Sul, paraded to protest Brazil's obedient payment of its foreign debt. Club members dressed as coffee beans, bananas, and petroleum—all national exports—intoned a boisterous samba that decried the declining terms of trade for Brazilian products on the world market. "I cry, I shout, and I speak because I love my country," bumbled and wiggled Sáo Clemente. "The only thing they can't export is the people's hope to be happy."

Just before eight in the morning on Fat Tuesday, when all but two of the escolas de samba had sung and danced their way to the end of the runway, a weary crowd blinked and stretched and waited for Beija-Flor of Nilópolis to appear. An expectant air hung over the concrete bleachers of the sambodromo. For two nights fans had witnessed a lavish display of glitter, ostentatious costumes and towering, Disneyesque floats.

Yet Beija-Flor, the club that had sparked controversy when it introduced such luxury into the spectacle over a decade before, had announced a puzzling title for its 1989 theme. In "Rats and Vultures, Let Go of My Costume," carnavaleresco Joãozinho Trinta promised to "let the grande confusão between luxury and poverty shine." Months before he had announced plans to unleash the "common people of the street today—beggars, alcoholics, street kids, lunatics, and the unemployed," as the protagonists of
**Beija-Flor**'s entry in the parade.

The result was a cleverly calculated blend of popular art, excellent music, and stinging social criticism. Hundreds of convincingly shabby sambistas, dressed in tatters and garbage, opened the parade singing "In life I'm a beggar/But I'm king of carnival." A mob of toothless bag ladies gleefully danced around a float crowned by a gigantic Christ figure swabbed in black plastic. Evoking the famous Corcovado statue that symbolizes Rio de Janeiro, the monument's outstretched arms protected a horde of ragged street boys and a *favela* school. Next came deranged, Dickensian madmen, followed by fat, decadent popes and bishops and politicians on the take.

Further along, atop a float depicting a "beggar's banquet," the rich savored tempting delicacies while the poor pulled decomposing scraps of food out of trash cans at the bottom. Later, a scantily-clad *mulata* gyrated on the highest tier of a towering fountain, while barefoot street urchins romped in the spray of water below. An enormous, tattered banner invited the crowd to join the march of the disenfran-

garis, sambistas, Beija-Flor's of water below. An enormous, tat-

day heroism of the underpaid public while the poor pulled decomposing

Thus far, people were not pleased, and corruption in Brazil. "I made an

bolized the need to wash away decay

and bishop would be divided, henceforth, into two periods—before and after

Four days of revelry, Brazil offered a king.

This year's performance forced the intellectuals to forget their feud with Trinta, and left and right began to heap superlatives upon him before the last *sambista* stepped off the stadium floor. *Beija-Flor* completely changed the aesthetic of Carnival," gloved the conservative *O Globo*. Fernando Gabeira, a 1970s guerrilla who now leads the Brazilian Green Party, praised Trinta for possessing "a more practical, personal sense of justice than the Socialists... and a broader ecological intuition than many ecologists."

Others claimed the history of Carnival would be divided, henceforth, into two periods—before and after *Beija-Flor*.

Two days later the revelation that *Beija-Flor* had not won the samba club contest came as a great shock. First-place honors went to *Imperatriz Leopoldinense*, a three-time champion who had performed an elegant, noncontroversial samba depicting the history of Brazil from independence to the declaration of the republic. *Imperatriz* edged out *Beija-Flor* by a single point, allegedly because one of the judges felt *Beija-Flor*'s use of an African dialect in its *samba de enredo* made the song inaccessible to the audience. Skeptics remarked that the club's second-place finish was no coincidence. Uninvited, Trinta had brought a giant mirror to the *sambódromo*, inspiring the magazine *Isto É* to declare "Brazil is afraid of its own reflection." Instead of embracing Carnival as a time to forget, Trinta used the festival to put poverty, corruption, opportunism, and waste on center stage.

**Now What?**

When the party was over, Brazil woke up to a reality both better and worse than the one Trinta had painted. Rio had not flooded or fallen into the sea, the ailing hospitals had functioned well enough to meet demand, and, despite the city's international reputation for violence, crime was down 20% from the previous Carnival. Yet during the four days of revelry, Brazil offered exile to Paraguayan dictator Alfredo Stroessner and 18 inmates died when a sadistic Sao Paulo prison warden stuffed 50 men into a tiny cell meant for one. Inflation crept upward despite a government freeze on prices and wages, and Brazil adopted its third currency revision in three years.

Politically some bright spots dotted the horizon. A pugnacious former housewife named Regina Gordilho led an anticorruption crusade in the Rio de Janeiro city council. Just after Carnival, Councilwoman Gordilho found and fired 388 "ghost employees," beneficiaries of old-time patronage practices that enabled them to collect city paychecks without working a single day in the chambers. Organized labor in Rio showed new combativeness during a two-day, nationwide general strike to negotiate salary hikes in March. Brazilians will directly elect a president in November for the first time in nearly 30 years. The favorite candidate among Cariocas is veteran populist and former governor Leonel Brizola. His claim to fame in Rio de Janeiro? He built the *sambódromo*.
Publicaciones recientes de FLACSO

Solicítelos al:
Ap. 5429-1000
San José, Costa Rica
Tel. (506) 531811
War, Peace, and Music: The Guianas

by Kenneth Bilby

Music must change life in a big way," says Django. "I'm learning music to call attention to our grievances by singing about them. Then others will realize what's really happening."

Django is a young Ndjuka Maroon, a member of one of the six Guianese tribes descended from African slaves who escaped from Surinamese plantations during the 17th and 18th centuries. Now in his early twenties, he has lived in the coastal French Guianese border town of Saint-Laurent-du-Maroni since the age of two. Django is one of several hundred Maroons inhabiting the shantytowns scattered across the outskirts of this overseas French municipality with a population of roughly 9,000. In late 1986 he watched from across the river as the Surinamese town of Albina was reduced to cinders, another casualty in the bitter struggle pitting the Maroon guerrillas led by Ronnie Brunswijk against the military government headed by Lieutenant Colonel Desi Bouterse. Since then Django has been paying close attention to the plight of the more than 10,000 Maroon refugees who fled their homes in Suriname after government forces began their massacres of Maroon civilians. Many of these refugees, including some of Django's own relatives, are still living in temporary camps in French Guiana.

Like many young Maroons in Saint-Laurent, Django grew up alongside Alukus, Paramakas, and Saramakas, as well as his own Ndjuka people. He belongs to the first generation of town dwellers, whose parents migrated from the Maroon villages that line the interior rivers of Suriname and French Guiana. These urban and semi-urban Maroons have been busy evolving a musical subculture much like those that thrive in many parts of contemporary urban Africa. Starting in the 1970s the young Maroons of Saint-Laurent adopted a new drumming style called Aleke and began to form volunteer associations. These drumming groups could almost have been lifted from the pages of an anthropological monograph on life in a modern West African city. Sporting imaginative names and hierarchies of officers, the Aleke bands of Saint-Laurent were at first composed of young Maroons from the same tribe, and often the same clan. More recently bands with an interethnic membership have emerged, as young Ndjukas, Paramakas, and Alukus come together to make music expressing the experiences they share.

Political Rhythms

Maroons have always used song as a vehicle for social commentary and criticism. When the civil war in Suriname broke out in 1986, and thousands of refugees came streaming into Saint-Laurent, the Aleke bands were quick to set the traumatic events to music. One popular song, delivered by a leader and chorus in the Ndjuka language and usually interspersed with biting improvisations, went as follows: "Our Suriname Hemisphere Summer 1989
must have freedom/peace/Bouterse has ruined Suriname."

By early 1987 the refugees themselves—who were now swelling the Maroon population of Saint-Laurent and bringing with them tales of atrocities committed against family and friends—were forming their own Aleke bands. The names of these bands made powerful statements of protest: A Gi Tjali (It Grieves Us), Mi No Be Wani (I Didn’t Want This), and Fii Lon (Flight to Freedom). As the carnage across the river continued, the Maroon enclaves of Saint-Laurent vibrated with the defiant performances of these bands. The targeting of Maroon civilians by Surinamese army patrols was provoking an upsurge in ethnic consciousness. Young Aleke performers came together in a ritualistic dance, donning the abandoned loincloths and wraparound skirts of their parents as symbols of resistance.

The Aleke phenomenon is one facet of a buzzing Maroon musical subculture in Saint-Laurent. The age-old rhythms of traditional funeral ceremonies and African-based religious cults coexist with the new sounds of dance bands using amplifiers, imported electric guitars, keyboards, and drum kits. Young Ndjuka, Aluku, Paramaka, and Saramaka musicians are trying their hands at everything from kaseko, the contemporary dance music of Paramaribo, to reggae, French Antillean zouk, African soukous, and various combinations of these sounds. On weekends the nightspots frequented by Maroons—makeshift nightclubs, rented dance halls, and spruced-up yards—throb with life. The crowds are large and almost exclusively Maroon. Not surprisingly most of the French civil servants and the Creole majority in Saint-Laurent remain oblivious to the robust subterranean culture that lives and breathes in their back yards. The two worlds, one dominant and the other powerless, seldom come into meaningful contact.

It was not long before the electric dance bands added their voices to the protests of the Aleke singers. Django, a veteran of several Aleke groups, helped to form a mixed Ndjuka/Aluku dance band called Local Song in 1986. The band’s name expresses its members’ desire to counter the tendency in French Guiana to glorify anything that comes from afar, especially from France, while devaluing everything local. Although there are several popular Maroon dance bands in Saint-Laurent, with engaging names such as Switi Skin, Ennymo Stars, Lifemo Stars, and Music Explosion, Local Song seems to be the most vociferous about the war next door. Among their songs are “Feti Taanga” (“Struggle Hard”) and “Jungle Commando,” a blistering militant-style reggae recounting the attempts of Brunswijk’s guerrillas to defend Maroon civilians from persecution by Bouterse’s troops. Both songs are in the Ndjuka language, which itself is an act of cultural resistance. But it was “Revolution ina Saanan,” also sung in Ndjuka, that became a local protest anthem for Maroons suf-
fering the effects of war in 1987 (see box, p. 10).

Although Local Song has never been inside a recording studio, cassettes of live performances have been informally copied and circulated within the Maroon community. By late 1987 even Ndjuka and Aluku children could be heard singing “Revolution ina Saanan” as they played in shantytown alleyways. Django, it seems, was succeeding in his goal: his musical message was getting across.

**Bouterse and the Maroons**

The music of Django and others like him gives voice to the indignation and frustration of a victimized and disenfranchised people. Those in power have yet to persuade most Maroons that the long history of discrimination against them is ending. The vast majority of Surinamese Maroons were not represented in the November 1987 elections that took place in their country, since they were either cut off from the coastal region or stranded in refugee camps in French Guiana. Judging from the sentiments expressed by the Aleke singers and Maroon dance bands of Saint-Laurent, the political coalition that won could not have counted on much support from these people had they been able to vote.

Although Bouterse’s own party, the Nationale Democratische Partij, was soundly defeated in the elections, many, if not most, Maroons suspect the new government still takes orders from the military. Their suspicions are supported by allegations, widely reported in Dutch newspapers such as De Volkskrant and Het Parool, that the civilian authorities have been unable to act against the wishes of Bouterse. Brunswijk, the rebel leader, has made repeated overtures to the new government, but until recently Bouterse has vetoed all attempts to begin serious negotiations. It has been alleged that the civilian government is “powerless to defy Bouterse” (The Washington Post, January 4, 1989).Little wonder then the Bouterse government has failed to make amends for the slaughtering of Maroon civilians and the massive destruction of property that have taken place since 1986. There are indications, however, that this situation may be changing, as the desire for a nonmilitary solution continues to grow in Paramaribo (The Miami Herald, July 23, 1989).

Django and his companions belong to a great Afro-American tradition of musical protest. They and thousands like them in other parts of this hemisphere are the anonymous counterparts of famous social critics such as Bob Marley, The Mighty Sparrow, and Stevie Wonder. They share with these artists a common creative urge, a cultural penchant that runs as deep as the long drums of Aleke. Their political critique is driven by a musical impulse that has time and again proven its remarkable capacity to endure. As long as Django and the Maroon people he represents have legitimate grievances, their anger will not be silenced. Any government in Suriname interested in restoring harmony would be well advised to lend them an ear.
Two Plans, No Solution

by Edgar Ortiz

The debt-relief plan by US treasury secretary Nicholas Brady is a palliative to two kinds of Latin American threats: widespread debt repudiation and political instability. Mass uprisings and the electoral victories of populists Carlos Andrés Pérez in Venezuela and Carlos Menem in Argentina underscore such threats. The specter of such challenges in neighboring Mexico is particularly troubling to US policymakers.

In many ways the Brady proposal breaks new ground. First, it urges private banks to reduce their debt portfolios, ease the interest burden of debtor countries, and absorb much of the cost of both. Second, it calls for active efforts by the World Bank and the International Monetary Fund (IMF) to promote debt relief. Third, it recognizes the debt crisis as a political issue by linking US national security to sociopolitical conditions in the debtor countries. This recognition potentially opens the way to negotiations between lender banks and debtor countries that integrate criteria of economic growth and social welfare.

Yet the Brady proposal—even as modified by the July accord between Mexico and its foreign creditors—is fundamentally flawed. As its Mexican critics point out, no such plan can be successful unless it focuses on the structural causes of the hemisphere’s debt crisis.

Mexican Reactions

Mexico is one of several debtor countries that have proposed similar measures in recent years. Since 1985, when the price of oil plummeted, Mexican officials have maintained that lenders should share with borrowers the responsibility for the debt crisis. President Carlos Salinas de Gortari stresses that economic recovery should be based on domestic savings, but that without a substantially reduced debt load, his programs of economic readjustment cannot succeed. These two suppositions underlie not only his team’s international debt policy but its domestic “Economic Growth and Stability Pact,” which Mexican business, labor, and peasant representatives have pledged to support. Hence the lenders should ease debt payments as a catalyst to Mexican, and by extension Latin American, economic recovery.

Mexican officials and leaders of the private sector thus look kindly on the fundamentals of the Brady plan. Their responses to its specific measures, however, have ranged from cautious optimism to hostile criticism. On the optimistic side are the Treasury Ministry, the National Association of Manufacturers, and the Coordinating Council of Entrepreneurs. The unknown ingredient, they maintain, is whether private lenders and multilateral institutions will support the plan. The July “new plan” only marginally addresses this doubt, as the extent and form of support by private banks is unclear.

Expressing criticism are elements of the public sector, labor groups such as the National Federation of Labor Syndicates, the Car- denista wing of the Institutional Revolutionary Party, and opposition parties like the Popular Socialist Party and the Mexican Socialist Party. They object to the Brady plan’s emphasis on loan condi- tionality, debt payment, and debt swaps. They also object to its vague handling of debt-market exchange and, even as modified by the July accord, its inadequate debt reductions and incentives to private lenders.

On the subject of conditionality, critics observe the Brady plan diverges almost imperceptibly from previous US policy. It requires debtor countries, under close supervision by the World Bank and the IMF, to continue opening their borders to free trade and foreign investment, while imposing wage and salary discipline and trimming their public sectors. Detractors of the Brady plan point out that these requirements, along with the emphasis on debt payments, compromise the sovereignty of Mexico and other Latin American nations and divert both financial and human resources from the task of national development.

Perhaps more widely opposed by Mexicans is the Brady plan’s emphasis on debt swaps. Their opposition revolves around several factors: the negative impact of debt swaps on foreign reserves and inflation (based on the conversion of dollars to pesos); the relative success of the government’s heterodox adjustment program that (partly because of the large accumulation of foreign reserves) has lowered Mexico’s rate of inflation; and the fact that since 1986 debt swaps in Mexico have amounted to $6.9 billion, or about 56% of total foreign investment.

The high volume of debt swaps has contributed to the decline of
Mexico's foreign reserves from $15 billion in 1988 to, according to some estimates, as low as $3.5 billion in 1989. This volume indicates, moreover, that the debt-swap alternative in Mexico is nearing exhaustion. In any case, recent experience suggests that Mexico's stabilization plans should aim for high volumes of foreign reserves and limited debt swaps.

The question of market exchange is also crucial, since debtor nations seek to exchange their debt at current market prices. This would lead to a major debt reduction of 67% for Mexico. As for Brazil and Argentina, the two other mammoths of Latin American debt, it would mean a reduction of 73% and 82%, respectively.

Mexico's program of economic readjustment requires that its yearly debt outlays be slashed by at least 50%. This reduction, however, would not guarantee economic recovery in Mexico or elsewhere without complementary renegotiations of the terms of international trade and technology transfer. The Brady plan's original goal of 20% debt reductions, and even the new plan's goal of a 35% reduction in principle on Mexico's privately held foreign debt, would bring little benefit to Mexico or any other debtor nation.

Although the new plan proposes the lowering of interest rates, doing so is at the option of the banks, and eventual rises in interest rates would erase the gains of debt reduction. Further, Mexico and other debtors would need financial resources beyond those resulting from debt reductions. Yet the Brady initiative does not mention specific tax incentives or regulatory changes that would lead private banks to make available such resources. The July accord, insofar as it provides for new loans at lower interest rates, essentially piles new loans on top of old ones.

**Will Things Get Better or Worse?**

Although leading business sectors and high government officials in Mexico consider the Brady plan a fair, if vague, proposal for debt relief, the critics must be taken seriously. At best the plan's initial and revised versions would ease Mexico's debt burden, and probably that of other Latin American countries, for just a few years. As such they can do little more than recent bailout programs, which have simply added more wood to the fire.

As things stand, we can expect either debt repudiation in the short run or a more profound debt crisis in the long run. Future generations will pay for the mistakes of today, such as substituting runaway borrowing for sound taxation in Latin America and postponing reductions in US domestic and foreign deficits.

There are alternatives, however. The Brady plan could play a significant role if it were revised to call for greater reductions in the debt burden of Mexico and Latin America. Yet even the increased reduction proposed in the new plan is not enough, especially because of the weak incentives for banks to support the reduction. North Atlantic political leaders and bankers must recognize the need for structural reforms.

What we need is a comprehensive approach to the debt crisis, which stresses equitable terms of international trade and technology transfer. Such an approach could serve as the basis for establishing broader accords for international development and social welfare. From the standpoint of Mexico and Latin America, anything less is doomed to fail.

---

**PUBLICACIONES**

**EL COLEGIO DE MÉXICO**

- **Pilar Gonzalbo**
  - Las mujeres en la Nueva España. Educación y vida cotidiana

- **Daniel Cosío Villegas (coord)**
  - Historia general de México (2 tomos)

- **Varios**
  - Historia mínima de México
    - (versión en inglés)
  - A Compact History of Mexico

- **Ana Pizarro (coord)**
  - Hacia una historia de la literatura latinoamericana

- **Gerardo M. Bueno (comp)**
  - México-Estados Unidos, 1986

- **Soledad Loaeza y Rafael Segovia (comps)**
  - La vida política mexicana en la crisis

- **Takabatake Michitoshi, Lothar Knauth y Michiko Tanaka (comps)**
  - Política y pensamiento político en Japón, 1926-1982

- **Joseph Hodara**
  - Prebisch y la Cepal. Sustancia, trayectoria y contexto institucional

- **Carmen Ramos (comp)**
  - Presencia y transparencia: la mujer en la historia de México

- **Varios**
  - Hacia una renovación del crecimiento económico en América Latina

Para mayores informes: Departamento de Publicaciones de El Colegio de México, A.C.

Pedidos por correo: Camino al Ajusco 20, 01000 México, D.F. Pedidos por teléfono: 568 6033 Ext. 388 y 297
since 1979 annual growth in Argentina’s GDP has plummeted from 67% to 0.4%, and its rate of poverty jumped from 76% to an estimated 30% of the nation’s population. Can Carlos Menem’s administration reverse the economy’s decline and forestall mass unrest and political instability?

In asserting his leadership Menem named to his cabinet a combination of moderates from within and outside the Peronist ranks. One of Menem’s shrewdest moves was to appoint as minister of economy Miguel Roig, former vice president of Bunge y Born, an Argentine multinational that is traditionally a scapegoat for Peronist resentment. Following Roig’s death on July 14, Menem appointed in his place Nestor Kapanelli, a former chief executive of Bunge y Born. These two appointments allayed the widespread fears within the business sector of a resurgence of traditional Peronism. So did the appointment of Domingo Cavallo, an economist inclined to the promotion of export trade and improved relations with the US, as minister of foreign affairs. Still another key appointment was that of Italo Luder, a Peronist, as minister of defense. As interim president in 1975, Luder played a key role in mobilizing the armed forces against domestic subversive activity. His credibility with the armed forces promises to ease tensions between the government’s civilian and military wings.

Not to be overlooked is that Menem’s overtures to business and the military have taken place in a context of political splintering within the opposition Radical Party. The electoral loss by the Radical Party and the divergent views between ex-president Alfonsin and defeated presidential candidate Eduardo Angeloz have resulted in intraparty divisions, which widen Menem’s margin for political initiative.

The Economy: Is There Hope?

After selecting the non-Peronist, orthodox Roig as economic minister, Menem declared that Roig’s program would be based on a neo-Keynesian econometric model developed by American Nobel laureate Lawrence Klein. This approach points of inconsistency raise fundamental questions. Will the Menem administration pursue an economic policy of traditional Peronism? Or will it pursue a modified policy, at least during the current economic emergency? Can either approach gain the confidence of investors and reactivate the economy?

Menem has surprised doubters and supporters alike by embarking on a disciplined course of austerity. Among the likely economic policies are these:

- Foreign investment will be favored, particularly in the export sectors.
- Existing industries will receive substantial protection.
- The public sector will be reduced only marginally, and limited privatization of public enterprises will take place.
- Fiscal reform will be introduced.
- The foreign debt will be a source of friction, but not rupture, in international relations.
- Interest rates will remain high, but flexible, subsidized credit lines will be created to support small and medium enterprises.
- Wage measures will be restrictive, and union demands will be addressed through concessions in social services.

- Financial pressure on agriculture will be eased, yet the sector will continue to subsidize the rest of the economy.

A Call for Realism

This scenario does not promise quick recovery, though the initial signs give reason for qualified optimism. Menem’s most urgent challenge is to implement the unpopular measures that, while necessary to stop Argentina’s hyperinflation, could quickly erode his political capital. Menem’s early policies indicate he is prepared to take the political risk.

On the political side, then, the following policies can be anticipated:

- Assertion of presidential authority over union bosses and the leadership of the Justicialista Party.
- Improvement of Menem’s relations with the military as a safeguard against the possible resurgence of subversive activity.
- Promotion of a constitutional amendment to reduce the presidential term of office from six to four years, but allowing reelection and incorporating Peronist social rights.
- A foreign policy that seeks improved dialogue with the US.

In the midst of crisis Argentina’s electorate found in Menem an alternative to its feelings of frustration and resignation. The new government took office with a vote of confidence as large as the hopes of the populace. The greatest risk is not failure, but that achievements will be measured with a yardstick of unrealistic expectations.

Enrique Loncan is a lawyer and economist in Buenos Aires.

(Translated by Hemisphere staff)
Stories of Foreign Language

by John V. Lombardi

In the beginning there was foreign language and culture. "Foreign language and culture," we educators said, "will save the US. They will bring the US to the world and maintain the American dream."

Our patrons looked upon our words and found them persuasive. Ford Foundation largess rained down on a favored cohort of US universities and developed expertise in international studies. Funding through the National Defense Education Act Title VI built programs in the less commonly taught languages. The international education constituency thrived from the late 1950s through the glorious 1960s, and on into a less bountiful 1970s. By the 1980s, however, the constituency had fallen on hard times.

What happened to our dreams? Did we teach badly? Did we fail to produce expertise? Or did we just fail?

A Two-Story Perspective

It is not obvious, at first glance, that there are problems in the teaching of foreign languages. Enrollment is up, classes are full, requirements are tougher, and everybody is talking about foreign languages. Why then are we worried? The answer is easy.

Let's first look at the story we used to tell, one that worked. That story went like this: foreign language lets US citizens understand other people—what they are talking about, what they are doing, and why they are doing it. Knowledge of foreign languages is a utilitarian tool. In a dangerous world, it is a defense. It permits us to understand our friends and our enemies. It is therefore vital to national defense. Based on this essentially correct set of postulates, we proposed the US government create a program to bolster the nation's language capabilities. We watched as our elected officials lined up to salute the flag and support the program, appropriately called the National Defense Foreign Language Act.

Perhaps the greatest fraud is the notion that learning foreign languages can make the US more competitive. Will fluency in Japanese improve US products?

The program was a winner. So what happened? We learned that some officials had used programs for unsavory purposes and that our colleagues overseas looked askance at our close connection to the defense establishment. No longer could we tolerate the association of language and defense.

Thus we shifted the rationale for teaching foreign languages from defense to education. There was nothing inherently wrong in doing so. Nevertheless, language programs began competing for funds with other worthy priorities, such as student loans and science education. In addition we lost the crisp precision of our original story. The new, less convincing story goes something like this: study foreign language to learn about the world, to become disciplined, and to reassert US competitiveness in the world market.

With rare exceptions, however, studying foreign language as we do in US universities teaches less about the world than a one-semester course on Latin America. Likewise it requires a minimum of two to four years of study before our students achieve the requisite facility to appreciate foreign literature. A decent course on great works in translation would do a better job of educating our students. As for teaching discipline, a semester of ROTC would do it much more quickly and effectively.

Perhaps the greatest fraud of all is the notion that learning foreign languages can make the US more competitive. True, we would improve our access to the Japanese market if we learned more about the Japanese and employed some people in our firms who spoke passable Japanese. So why were we so competitive in the fifties and sixties? Why did US cars, radios, electronics, and heavy equipment set the international standard? Did more people at General Motors speak Spanish? Did IBM officials discuss the virtues of their technology in fluent Japanese? Of course not. Competitiveness is a function of quality and price. Language allows us to talk about competitive products, but it does not make the products more competitive.

All of this would be more tolerable if we actually taught students...
who are not language majors to speak another language. The truth is we rarely do so. We give our students a little grammar, a little vocabulary, and some inadequate training in the language laboratory. We then send the fortunate few to a good program abroad. If they work hard and avoid other Americans, they return speaking passable German, French, Spanish, or whatever as a result of their immersion in the culture, not as a result of our university curriculum.

We the educators are to blame. We know how to teach foreign language, but we refuse to do it right. Why not? Because doing so would create an autonomous department of language instruction brings down the combined wrath of literary academia. The response often takes the form of a collaborative attack by the chairs of Spanish, Portuguese, French, Italian, and German departments—characters whose previous relations resembled those of Arab and Israeli leaders.

Writing a New Story
Why don't we put the graduates of our language classes through a competency test to discover whether they speak the language or not?

Because competency testing throws a scare into most literature establishments. After all, it is based on the academically unpopular notion that language is a relatively straightforward skill. The results of such a test might lead us to reallocate money away from the four-hundredth rectification of the meaning of the "Quijotesque" in Cervantes's minor novellas.

Deans and other sensitive administrators have not given up, however. They have called for the use of competency testing and the creation of think tanks for the development of language instruction. One such think tank operates at The Johns Hopkins School for Advanced International Studies. Its dedicated instructors of language are busy with subversive investigations of new teaching methods. Complemented by demonstration projects at participating universities, this approach offers a test environment that may show us the way to improved language teaching.

What should educators do? We can begin by recognizing that language requirements mean nothing without exit-proficiency requirements. We must also recognize that proficiency requirements cannot be fulfilled without budgets and without rewards—pay, promotion, and prestige—commensurate with the task. Neither the federal government nor private foundations should give a dime to any international program that lacks serious commitment to language teaching and competency testing. A benchmark of such commitment, and thus a high priority for funding, are yearlong programs of overseas study that incorporate before-and-after testing.

Educators must listen to the public. When people do not buy goods there is usually a reason: the product is too expensive, it does not work, or both. The public does not buy our foreign-language story because it's too expensive, it does not teach people how to speak the language, and it wastes their time.
In the beginning there was foreign language and culture. "Foreign language and culture," we educators said, "will save the US. They will bring the US to the world and maintain the American dream."

Our patrons looked upon our words and found them persuasive. Ford Foundation largess rained down on a favored cohort of US universities and developed expertise in international studies. Funding through the National Defense Education Act Title VI built programs in the less commonly taught languages. The international education constituency thrived from the late 1950s through the glorious 1960s, and on into a less bountiful 1970s. By the 1980s, however, the constituency had fallen on hard times.

What happened to our dreams? Did we teach badly? Did we fail to produce expertise? Or did we just fail?

A Two-Story Perspective

It is not obvious, at first glance, that there are problems in the teaching of foreign languages. Enrollment is up, classes are full, requirements are tougher, and everybody is talking about foreign languages. Why then are we worried? The answer is easy. Let's first look at the story we used to tell, one that worked. That story went like this: foreign language lets US citizens understand other people—what they are talking about, what they are doing, and why they are doing it. Knowledge of foreign languages is a utilitarian tool.

In a dangerous world, it is a defense. It permits us to understand our friends and our enemies. It is therefore vital to national defense. Based on this essentially correct set of postulates, we proposed the US government create a program to bolster the nation's language capabilities. We watched as our elected officials lined up to salute the flag and support the program, appropriately called the National Defense Foreign Language Act.

Perhaps the greatest fraud is the notion that learning foreign languages can make the US more competitive. Will fluency in Japanese improve US products?

The program was a winner. So what happened? We learned that some officials had used programs for unsavory purposes and that our colleagues overseas looked askance at our close connection to the defense establishment. No longer could we tolerate the association of language and defense.

Thus we shifted the rationale for teaching foreign languages from defense to education. There was nothing inherently wrong in doing so. Nevertheless, language programs began competing for funds with other worthy priorities, such as student loans and science education. In addition we lost the crisp precision of our original story. The new, less convincing story goes something like this: study foreign language to learn about the world, to become disciplined, and to reassert US compet-

in our firms who spoke passable Japanese. So why were we so competitive in the fifties and sixties? Why did US cars, radios, electronics, and heavy equipment set the international standard? Did more people at General Motors speak Spanish? Did IBM officials discuss the virtues of their technology in fluent Japanese? Of course not. Competitiveness is a function of quality and price. Language allows us to talk about competitive products, but it does not make the products more competitive.

All of this would be more tolerable if we actually taught students
who are not language majors to speak another language. The truth is we rarely do so. We give our students a little grammar, a little vocabulary, and some inadequate training in the language laboratory. We then send the fortunate few to a good program abroad. If they work hard and avoid other Americans, they return speaking passable German, French, Spanish, or whatever as a result of their immersion in the culture, not as a result of our university curriculum.

We the educators are to blame. We know how to teach foreign language, but we refuse to do it right. Why not? Because doing so would mean breaking the hammer lock that literature has on teaching language in most US universities. Literature, which should be the greatest incentive for language acquisition, has become the most powerful inhibitor of language learning. Literature professors do not like to teach language, which they regard as the work of academic untouchables. Yet they will not give up language teaching because it pays for literature studies. So they hire a few dedicated language professionals, saddle them with hostile and disinterested graduate-student instructors, pay them a miserable wage, and deny them tenure. When effective language teaching does not result, literature professors complain about the quality of the language professionals.

The mere suggestion that we create an autonomous department of language instruction brings down the combined wrath of literary academia. The response often takes the form of a collaborative attack by the chairs of Spanish, Portuguese, French, Italian, and German departments—characters whose previous relations resembled those of Arab and Israeli leaders.

Writing a New Story

Why don't we put the graduates of our language classes through a competency test to discover whether they speak the language or not? Because competency testing throws a scare into most literature establishments. After all, it is based on the academically unpopular notion that language is a relatively straightforward skill. The results of such a test might lead us to reallocate money away from the four-hundredth rectification of the meaning of the "Quijotesque" in Cervantes's minor novellas.

Deans and other sensitive administrators have not given up, however. They have called for the use of competency testing and the creation of think tanks for the development of language instruction. One such think tank operates at The Johns Hopkins School for Advanced International Studies. Its dedicated instructors of language are busy with subversive investigations of new teaching methods. Complemented by demonstration projects at participating universities, this approach offers a test environment that may show us the way to improved language teaching.

What should educators do? We can begin by recognizing that language requirements mean nothing without exit-proficiency requirements. We must also recognize that proficiency requirements cannot be fulfilled without budgets and without rewards—pay, promotion, and prestige—commensurate with the task. Neither the federal government nor private foundations should give a dime to any international program that lacks serious commitment to language teaching and competency testing. A benchmark of such commitment, and thus a high priority for funding, are yearlong programs of overseas study that incorporate before-and-after testing.

Educators must listen to the public. When people do not buy goods there is usually a reason: the product is too expensive, it does not work, or both. The public does not buy our foreign-language story because it's too expensive, it does not teach people how to speak the language, and it wastes their time.
Insider briefs on people and institutions shaping Latin American and Caribbean affairs

El Compadre Wins Big in Bolivian Elections

Carlos Palenque, popularly known as "El Compadre," led CONDEPA (Conciencia de Patria) to victory in the department of La Paz and to a fourth-place finish nationwide in the May 1989 presidential election. His victory in La Paz was remarkable considering CONDEPA's many handicaps. The party was founded only eight months before the election. Its candidate, Palenque, was accused of having close ties to cocaine king Roberto Suárez, and his widely watched television station was closed down by the government. CONDEPA's showing was enough to elect Remedios Loza, popularly known as "La Comadre," as deputy of La Paz. For the first time an Indian woman, who still dresses in traditional garb, will sit in the national congress.

The Feeling Is Mutual

In the last episode of the Elliott Abrams-Jim Wright story, former assistant secretary of state Abrams called the (now ex-) Speaker of the House "impossible." In an exit interview with the Washington Post (June 4), Wright gives his own version. According to the Post, Wright was "pleased" his peace efforts on Central America won him the "enmity" of the Reagan administration. Wright even cited a date, November 13, 1987, when his diplomacy got "under the skirt" of Abrams. On that day Wright opened his office to Nicaraguan president Daniel Ortega as well as to contra leaders.

For Your Calendar

The annual Miami Conference on the Caribbean will be held November 28-December 1. Billed as a "town meeting on the Caribbean," the gathering features leading Caribbean, US, and Canadian officials involved in bilateral and multilateral trade. Last year, Caribbean/ Central American Action, the conference's sponsor, made a special effort to involve Far Eastern trade representatives. An even higher profile can be expected at this year's meeting for Japanese and Taiwanese officials, who may be looking for new investment outlets.

Heir Apparent?

Edward Seaga, whose Jamaica Labour Party was defeated in the general election of February 1989, has relinquished his shadow cabinet's finance portfolio. Replacing Seaga is Bruce Golding, who served as construction minister during the Seaga years. Golding may be the heir apparent to lead JLP into the 21st century.

Technology Makes It Possible

Radio Havana Cuba is sending a friendly letter throughout the US to market its services. According to the missive, "at the touch of a button" shortwave listeners can now tune in on "moderately-priced digital radios." "Immediate, responsible" coverage with a "fresh look at the world [is] available." Thrown into the deal are a Radio Havana Cuba pocket calendar and a listener's card. The address is Box 7026, Havana.

Economy by Fax

Expreso, a Peruvian newspaper, reports ex-economy adviser Daniel Carbonetto sends advice on managing Peru's economy from Buenos Aires to President Alan Garcia. According to one report, Carbonetto follows lengthy phone conversations by faxing outlines of policy measures. Although Garcia is desperate for advice on managing the economy, Carbonetto's ideas may be part of the problem, not the solution. He was among the handful of advisers who played a role in Garcia's abortive measure to nationalize banks—regarded by many as the major policy error of the president's economic management efforts.

Lima—by Night

Black humor is now helping Peruvians to cope with the nation's deepening economic and social crisis. One example is a five-page "Beginners Guide to Peru" circulating in Lima: "The population is about 17 million, of whom about 16.9 million live in the capital Lima, where they are employed selling each other things in the street. The main products of Peru are blank cassettes, car rings [piston rings] and snacks (seafood [sic]). Lima must once have been a very fine town—indeed every traveler who has visited Lima in the last four hundred years has commented on how fine a city Lima is, but so far he has not been found. The capital of Lima is Miraflores [the affluent suburb]."

Edited by Mark B. Rosenberg
Neither Rain nor Sleet... Nor Tropical Heat...

You can now send express mail packages to 14 Latin American countries for $10.75 through the US Postal Service's international express mail. One to three-day service is provided. Federal Express still offers the best service to the Caribbean: at almost twice the cost.

Making the Case for Puerto Rico

"Without sustained media coverage in the US, Puerto Rico has sometimes remained in the shadows. We believe it's time US opinionmakers saw Puerto Rico in a new light." So states the Council for Puerto Rico-US Affairs, which has opened offices in New York as a non-profit organization. The council's board of directors consists of notables from the island and the US, including Fernando Agrait and Peter V. Ueberroth. A council official, Roberto M. Soto, writes "Puerto Rico is well positioned to increase respect and understanding between the US and Latin America...and is well equipped to reinforce the struggle for democracy and development in the Caribbean."

A Democratizing District?

According to Mexican policy analyst Luis Rubio, the Federal District of Mexico is an anomaly in the nation's constitutional structure. Although the district comprises 25% of Mexico's population, its administrators are not elected officials. Rubio suggests a phased transition to the direct election of the district's mayor, or regente.

Southern Cone Competition

One of the best-kept secrets about the British is that they consume a lot of wine—50 million cases a year. When the Malvinas conflict ruptured Anglo-Argentine trade in 1982, thirsty Brits lost 2 million liters per year of imported Argentine wine. Chile is gradually replacing Argentina as Latin America's leading exporter of wines to Britain. In 1989 150,000 cases of Chile's finest will be sold in Britain. The March-April 1989 US embargo on Chilean fruit has encouraged Chilean growers to convert their orchards and fruit yards into vineyards. But looming on the horizon is the EEC of 1992, which may exclude the import of non-EEC wines.

Try It, You'll Like It

Beleza Tropical: Brazil Classics I (Fly/Sire Records, 1989) is getting hot reviews in the US. The pop music collection features some of Brazil's best musicians, including Gilberto Gil, Chico Buarque, and Maria Bethania.

SELA Via

SELA (Sistema Económico Latinoamericano) permanent secretary Carlos Pérez del Castillo announced in June a proposal to reduce the nominal value of Latin America's external debt by 50%. Two hundred billion dollars in commercial and official debt would be converted into long-term, low-interest bonds, thus reducing annual debt-service transfers by up to 75%. SELA called for a ceiling of 5% on debt-related international interest rates.

On the Move

Margaret Daly Hayes is now with the Inter-American Development Bank as director of public affairs. Formerly a staffer on the Senate Foreign Relations Committee and director of the Washington office of the Council of the Americas, Hayes's primary responsibility is to develop a stronger constituency base for the bank's president, Enrique Iglesias.

Stephen A. Quick, of the Congressional Joint Economic Committee, has written "Mexico's Macroeconomic Gamble." Available through the Columbia-New York University Consortium on Latin American Studies, the paper examines Mexico's new approach to economic stabilization and the odds of its success. The author suggests there are "few precedents" for success in the country's efforts.

Jeanne Robinson is the executive director of Jamaica's new private-sector initiative on education, the ICWI Group Foundation. A former science educator, Robinson directs the foundation's efforts to develop educational programs on business applications of science and technology. The ICWI Group is a consortium of insurance and finance companies from throughout the Caribbean.

Aaron Williams is the new director of AID for the Eastern Caribbean. Headquartered in Barbados, Williams is in charge of operations that extend to Trinidad, Guyana, and Suriname. His experience with AID in Costa Rica and Haiti should serve him well.
Brazil: Fire in the Forest

by Anthony W. Pereira

Much has been said about the dimensions and consequences of the rapid deforestation of the Brazilian Amazon, but little discussion has addressed its fundamental causes. Rarely mentioned are the origins of the problem in Brazil’s agrarian policies of the last 50 years. Understanding the policy origins of Amazonia’s deforestation is crucial to the search, in Brazil and worldwide, for ways of harmonizing demands on the environment with the need to implement programs of sustainable development. The matter of agrarian policy is equally important in drawing attention to another overlooked issue: the role of conflict over land reform in Brazil’s continuing transition from authoritarian to democratic governance.

Policy Origins of Agrarian Crisis

Contemporary agrarian policy in Brazil emerged during the country’s Estado Novo (1937-45), a period of authoritarian rule and state centralization. During the Estado Novo, Brazil’s state leadership, agro-export elites, and nascent industrialists forged an alliance that promoted the restricted unionization of industrial workers but favored the powerful rural oligarchy by excluding rural workers. This arrangement went unchallenged until the late 1950s, when rural labor organizations and a supporting cast of priests, students, lawyers, politicians, and communists began to demand land and labor reforms. But the military regime installed in 1964 silenced these demands by imprisoning, torturing, and killing peasant leaders, and by replacing the officials of rural trade unions with quiescent substitutes. After the 1973-74 and 1979 oil shocks, a skyrocketing foreign debt exacerbated Brazil’s agrarian problems by intensifying the state’s commitment to large-scale export agriculture.

During most of the military period (1964-85) the value of agricultural production grew, albeit at a pace much below that of the rest of the economy. Agricultural growth, which centered on exports such as cocoa, oranges, soybeans, and sugar, was based on the commercialization of large estates, or latifundios. This process involved vigorous state intervention in all phases of production and marketing, including research on seeds and planting techniques, the expansion of road

What political forces are shaping Brazil’s conflicts over the social distribution of land and the economic exploitation of Amazonia? The politics of agrarian transformation holds a key to Brazil’s future.

---

Anthony W. Pereira is a doctoral candidate in government at Harvard University.
and utilities networks, and the sub-
vention of exports through favor-
able exchange rates and guaranteed
prices. Particularly important was
the provision of cheap capital
through a network of state banks;
from 1968 to 1978 rural credit
increased fivefold in real terms.

As the owners of latifúndios
purchased machinery, fertilizer,
pesticides, and other inputs, the
academic debate over whether the
latifúndio was capitalist or feudal
died out. Clearly the latifúndio
was capitalist, and large landowners
severed "feudal," patriarchal ties
with the peasantry as if to prove it.
Among the landowners involved
were cattle ranchers, whose
expanded holdings included vast
tracts cleared purely for speculative
purposes. As a result, in the
mid-1980s an estimated 737 million
acres of arable land lay unculti-
vated. Peasants, who were often
unable to obtain credit or other
forms of state assistance, became
displaced as land was concentrated
in the hands of a few.

The displacement of the rural
poor was a prime consequence of
agrarian commercialization. As ten-
ants, sharecroppers, and small
farmers lost land, the ranks of the
agrarian proletariat grew. Yet, in the
absence of adequate job oppor-
tunities on the modernized estates,
the rural poor tended not to stay in
the countryside but to seek employ-
ment in urban zones. For this rea-
son, between 1970 and 1980 the
number of rural poor increased by
no more than 4.3%: some 30 million
people exited the countryside for
urban shantytowns in São Paulo,
Rio de Janeiro, and other cities.

Given the export focus of com-
mercialization, another negative
consequence was that Brazil's food
production for the domestic market
decreased. Small farmers producing
staples such as beans, rice, manioc,
and corn lost either their land or
government resources. Thus from
1977 to 1984 food production for
the domestic market fell by 10%,
even as agricultural exports
increased.

Still another negative conse-
quence brings us back to the ques-
tion of migration. As indicated by
satellite photos of rain-forest fires,
the cities were not the only destina-
tion for rural migrants. Beginning
in the 1970s landless peasants began
to stream into Amazonia. Although
the Instituto Nacional de Colonização
e Reforma Agrária (INCRA) began
granting titles to Amazonian land,
millions of people—encouraged by
government slogans and traveling on
government-built roads—arrived to
clear rain-forest land without offi-
cial sanction. Eighty percent of set-
tler farms fail because of the poor
rain-forest soil. Nevertheless the
migration continues, especially to
western Amazonia. The reason is
simple: 10 to 12 million peasants
are landless.

Clearly the settlers cannot be
blamed for wanting to eat. Moreover
they are only one of many causes of
deforestation. There are, for exam-
ple, the hydroelectric dams, such as
Xingu, Tucurui, Altamira, and
scores of others in the planning
stages. The Grande Carajás pig-iron
furnaces, which burn charcoal
made from local wood, cause the
annual loss of 73,000 acres of forest.
Extensive additional damage is
caused by lumber operations and
mining projects, as well as by export
agriculture and the expansion of
cattle ranches. The "development"
policies of the Brazilian state, from
economic planning and the provi-
sion of infrastructure to fiscal sub-
sidies and the maintenance of law
and order, stand at the center of this
agrarian transformation. Because
these policies predate the economic
crisis of the 1980s, Brazil's foreign
debt of $124 billion can share only
part of the blame for their existence.
For the rural poor the upshot is that
such policies push them into a des-
perate quest for survival.

<table>
<thead>
<tr>
<th>LABOR FORCE</th>
<th>FOOD SUPPLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sectoral distribution, 1985</td>
<td>Brazilian output for local market</td>
</tr>
<tr>
<td>Percentage</td>
<td>Output 1977-1984</td>
</tr>
<tr>
<td>Agriculture</td>
<td>Industry</td>
</tr>
<tr>
<td>40</td>
<td>30</td>
</tr>
</tbody>
</table>
| Source: Inter-American Development Bank | Source: Meir Fernando Haiman, Primordial Agric toxicity of migration. As indicated by satellite photos of rain-forest fires, the cities were not the only destination for rural migrants. Beginning in the 1970s landless peasants began to stream into Amazonia. Although the Instituto Nacional de Colonización e Reforma Agrária (INCRA) began granting titles to Amazonian land, millions of people—encouraged by government slogans and traveling on government-built roads—arrived to clear rain-forest land without official sanction. Eighty percent of settler farms fail because of the poor rain-forest soil. Nevertheless the migration continues, especially to western Amazonia. The reason is simple: 10 to 12 million peasants are landless.

Clearly the settlers cannot be blamed for wanting to eat. Moreover they are only one of many causes of deforestation. There are, for example, the hydroelectric dams, such as Xingu, Tucurui, Altamira, and scores of others in the planning stages. The Grande Carajás pig-iron furnaces, which burn charcoal made from local wood, cause the annual loss of 73,000 acres of forest. Extensive additional damage is caused by lumber operations and mining projects, as well as by export agriculture and the expansion of cattle ranches. The "development" policies of the Brazilian state, from economic planning and the provision of infrastructure to fiscal subsidies and the maintenance of law and order, stand at the center of this agrarian transformation. Because these policies predate the economic crisis of the 1980s, Brazil's foreign debt of $124 billion can share only part of the blame for their existence. For the rural poor the upshot is that such policies push them into a desperate quest for survival.
Worsening rural inequality has not gone unprotested. In 1983 a national campaign for land reform was initiated, spearheaded by the 97 million-member Confederação Nacional dos Trabalhadores na Agricultura (CONTAG), the Comissão Pastoral de Terra of the Catholic Church, and the Confederação Nacional dos Bispos do Brasil. But relations deteriorated between CONTAG and the Church groups, and the campaign made little headway with potential urban allies, such as labor unions and leftist parties. A rural-urban alliance is politically crucial because Brazil is 70% urban and most of the migration to cities is probably irreversible.

Lower and middle-class city dwellers would benefit from agrarian reform, since it promises to increase the number of farms producing for the internal market and to reduce the cost of food. Nonetheless, despite the high volume of migration from the countryside, there is faint urban recognition of this linkage, and awareness of it could not possibly compete with political concern over urgent problems such as employment, housing, crime, and public services. Another potential urban benefit is that agrarian reform could lessen the influx of rural migrants into the painfully swollen cities. But again, like the cities themselves, the political agenda of urban residents is already crowded. The political rift between town and country has proved to be the Achilles' heel of the agrarian reform movement.

The 1985 Reform Proposal

Following the March 1985 death of President-elect Tancredo Neves, shortly after he won the electoral-college vote in Brazil's first election of a civilian in 25 years, Vice President José Sarney, a long-time supporter of the outgoing military regime, assumed the presidency. Trying to establish his credibility as a democratic reformer, Sarney soon announced a program of land reform patterned after an aborted 1964 land statute. In May 1985 he proposed the granting of land to 71 million people by the year 2000, based on the expropriation of 1 billion acres of unused and underutilized land from latifundios. Congressional representatives of the Partido dos Trabalhadores, the Partido Democrático Trabalhista, and, to a much lesser degree, the ruling Partido do Movimento Democrático Brasileiro backed the proposal.

But Sarney's announcement provoked countermeasures. In July 1985 large landowners formed the União Democrática Ruralista (UDR) to oppose any program that threatens private landholdings. Reports by the Brazilian press and the reformist wing of the Catholic Church link UDR to 458 assassinations of peasants, rural workers, indigenous people, and their supporters that took place between January 1985 and June 1987. UDR has worked as a lobbying group as well. Joining forces with traditional landowner associations, it pressured the congressional drafters of the new constitution to prohibit the expropriation of land from "productive" estates. This constitutional measure crippled the reform plan, since landlords can classify any tract of land with a few head of cattle or some machinery as "productive."

Mounting congressional, military, and executive opposition to land redistribution confirmed suspicions regarding official commitment to the program. For instance, by devolving decisions on land expropriation to state governments, the administration further exposed the reform to the opposition of estate owners. At almost every step the owners could block the process of expropriating and retitling land. Moreover, the provision of compensation to landlords was both expensive and bureaucratically cumbersome. In October 1987 the Sarney administration transferred authority over the program from INCRA to the Ministério da Reforma Agrária e Desenvolvimento (MIRAD). This transfer led to unsuccessful protests by CONTAG, which viewed the shift as a political blow to land redistribution.

The Guardian Weekly (Manchester, January 29, 1989) reports that by the end of 1988 Sarney's program had redistributed just 7% of the projected acreage of land, and just 4% of the projected number of families had received land. In January 1989 the Sarney administration, in a cost-cutting measure induced by Brazil's $70-billion internal debt, formally abolished MIRAD. The agrarian reform was dead, revealing this irony in Brazil's political transition to civilian rule: the last military government, that of General João Figueiredo (1979-85), redistributed more land than has the civilian government of José Sarney.

The 1989 Presidential Election

A presidential election is scheduled for November 15, 1989, exactly a century after the birth of the Brazilian republic. The first direct presidential election since 1960, it involves a dozen candidates and promises to be a watershed in Brazilian politics. Its potential impact on policies of agrarian reform and Amazonian conservation, however, is unclear.

A number of leftist and centrist parties support land reform, at least rhetorically. The position of the governing centrist Partido do Movimento Democrático Brasileiro (PMDB), whose candidate is Ulysses Guimarães, is ambivalent. As an opposition party in the 1970s it was clearly reformist. But in the 1980s, as PMDB gained a majority in Congress, its reformist commitment weakened as many politicians from the pro-military party, the Aliança Renovadora Nacional (ARENA), and its successor, the Partido Democrático Social (PDS), joined its ranks. For instance, of the two PMDB senators elected in 1986 in the state of Pernambuco, one was a large landholder and sugar-mill owner who had previously belonged to ARENA and PDS. Such politicians were among the large segment of the PMDB that voted against the consti-
A New Political Course?

Collor's popularity demonstrates that issues of land reform and rainforest protection will not be decisive in November's election. There is reason, nonetheless, for long-term optimism regarding agrarian issues. An honest election in November and a peaceful presidential succession would reestablish the right of the Brazilians to elect their president. This right, in turn, would lay the groundwork for permitting the citizenry to play an active role in shaping the nation's political agenda. Achievement of the latter should be the true measure of Brazil's transition from authoritarian to democratic rule.

The political power of the rural oligarchy has frequently blocked the path to democracy in Brazil. The oligarchy defeated the 1985 land reform and is substantially responsible for the environmental destruction of Amazonia. Yet Brazil has become overwhelmingly urban and increasingly industrial. If, in this setting, electoral mechanisms can be consolidated, then large landowners will eventually find themselves politically isolated. It is much too early to say goodbye to the Amazon, or to the idea of agrarian justice in Brazil.
Colonizing the Amazon

by Anna Luiza Ozorio de Almeida

Since the 1960s Brazil's agricultural frontier has been expanding into Amazonia. Migrants from the poverty-stricken northeast, who in the 1940s and '50s moved southward to the Paraná coffee belt, shifted their destination in the 1960s to the Amazonian territory of central Brazil. During that decade the focus of resettlement was the states of Mato Grosso do Sul and Goiás. In the 1970s the migration moved deeper into Amazonia via the states of Mato Grosso, Maranhão, and Pará. In the 1980s the migratory flow penetrated deeper into the region, reaching westernmost states such as Rondônia, Acre, and Roraima.

Not until the completion of the 1990 population census will we know the true magnitude of this decade's demographic growth in the Brazilian Amazon. In the 1970s Pará led the way in the zone's demographic expansion, distantly followed by Rondônia, Mato Grosso, Acre, and Roraima. Between 1960 and 1980 the most explosive population growth occurred not in the rural areas but in the urban areas of Amazonia.

Urbanization in the Amazon Basin occurs for two reasons. First, agricultural commercialization, which has given impetus to the development of large landholdings, has expelled many Brazilians from their rural places of origin and from the rural economy itself. In fact the agricultural frontier of the 1960s, Mato Grosso do Sul and Goiás,
became a zone of rural exodus in the 1970s. Second, many of the displaced small farmers are attracted to the Amazon’s urban opportunities in activities such as government services, transportation, retailing, and lodging, which cater to the region’s booming population. Yet the growth of the Amazon’s rural population has also been explosive. Hundreds of thousands of small farmers have entered territories whose economies formerly centered on low-density forest extraction. Many of the farmers harvest staple crops (e.g., beans, corn, manioc, bananas, and coffee) and raise one or two head of cattle for a few years, deforesting the land in the process. Newly arriving entrepreneurs then purchase the small plots or expel the farmers at gun point, eventually consolidating the collected holdings into speculative properties, large cattle ranches, or, rarely, productive agribusinesses. The displaced farmers move on to new agricultural frontiers or to the local townships that are sprouting throughout the region.

The small farmers who are pushing—or being pushed—into Amazonia comprise the same segment of Brazil’s population that previously moved from place to place, both in the Amazon Basin and in other areas. In the 1970s, for instance, public and private colonization projects in Amazonia resettled 100,000 small farmers. By the end of the decade, however, more than one-third of them had left their plots, as the concentration of landownership occurred almost as rapidly within the colonization projects as outside them. This pattern continues. Curiously the most successful settlers in the projects are often the most traveled ones, having bought and sold several parcels of land—commonly at a profit—as they moved with the shifting agricultural frontier. Neither landownership nor protection from expulsion, both of which the projects provide, has proved sufficient to bind these farmers to one locale.

The mobility of the small farmers is related to the low yield, land-extensive nature of their agricultural practices. Even in the colonization projects, farmers deforest their land and abandon it after only two or three years of harvests, and then repeat the cycle on other land within the same project or elsewhere. Rarely do the farmers practice techniques of land conservation, such as crop and land rotation. Low yield, land-extensive agriculture is slow to die on the frontier, where cheap, uncultivated land is plentiful.

This economic logic becomes apparent in comparing public and private colonization projects. In the public projects where, especially in Pará, land is cheap and plentiful, 60-70% of the deforested land lies not fallow but abandoned. In the private projects where, especially in Mato Grosso, land is three times more expensive, only 30% of the deforested land lies abandoned. The relationship between the real price of land and yield per hectare suggests that the rate of deforestation would decrease, and the rate of conservation correspondingly increase, if the real price of land were sharply raised.

The problem is not that simple, however, because access to cheap land substantially improves the income of small farmers. Farmers who purchase the inexpensive lands of the public projects fare significantly better (as measured by indices such as income per worker, indebtedness, and investment/yield ratio) than do those who purchase the more expensive lands of the private projects. In both cases, though, average earnings in the Amazon’s colonization projects are 60% higher than those of Brazil’s urban workers.

This difference in average earnings indicates that massive migration into the Amazon region is not likely to diminish in the near future. As long as Brazil’s economic crisis persists, rural migrants will continue to extend the agricultural frontier. The alternative, after all, is to try their luck among the swelling ranks of the urban un- and under-employed. In an economy characterized by chronic inflation, the profitability of land speculation will continue to pull into Amazonia the small farmers who are expelled from other zones by the economically and politically powerful large landowners. Insofar as small and large farmers alike regard land as plentiful, conservationist practices will not be implemented and land-extensive agriculture will continue to feed deforestation.

¿QUÉ PASA EN AMÉRICA LATINA?
Let the
JOURNAL OF INTERAMERICAN STUDIES AND WORLD AFFAIRS
Keep you informed
UNIVERSITY OF Miami
A GLOBAL UNIVERSITY
INSTITUTE OF INTERAMERICAN STUDIES
The North-South Center • P.O. Box 248134 • Coral Gables, FL 33124

Hemisphere • Summer 1989 25
Planning Hydroelectric Projects

by Maria Teresa Fernandes Serra

The Brazilian economy faces the formidable challenge of reversing its declining fortunes of recent years and achieving high rates of expansion during the next two decades. Pressure to do so stems not only from the heavy burden of the country's foreign debt, which generated interest payments in 1988 amounting to 30% of the value of exports. It stems also from the need to sustain a population that by the year 2010 will have grown by 150%—an annual increase of 208,000. By that year Brazil must quadruple its gross domestic product. During the next 20 years, then, Brazil's GDP must grow by an annual rate of 5.8%.

Brazil cannot achieve long-term economic dynamism without a greatly expanded supply of electricity, as articulated in Plan 2010 of ELETROBRAS, the state electric company. According to projections, by 2010 Brazil's consumption of electricity will be four times higher than its 1985 level. Even if energy conservation programs and slower population and economic growth lessen the rise in demand, the country's future needs will far outstrip its present capacity to generate electricity.

The cheapest of Brazil's energy sources is hydroelectricity, which supplies 90% of the country's needs. Thermal energy, based on coal and nuclear sources, accounts for 2% of the energy supply and is expected to increase to 5% in 2010. Other sources, such as gas, alcohol, sugar, cellulose, and paper, will continue to have specialized uses. The applica-

Maria Teresa Fernandes Serra is director of the Department of Environment, ELETROBRAS.
tion of solar energy, as well as energy from other sources, remains in the experimental stage. Thus hydroelectricity is the focus of planning for Brazil’s rapidly growing energy demands of the next 20 years.

**New Development Criteria**

Most of Brazil’s existing hydroelectric capacity is located in Amazonia. Even if Amazonia’s electricity consumption exceeds projections, the region’s productive capacity will enable it to supply electricity to other regions at competitive prices. Under Plan 2010, 13 complexes of hydroelectric dams are being developed in Amazonia, taking into account questions of environmental and social impact. Another 23 complexes are in the planning stages for construction between 2001 and 2010.

Until recent years the sole criterion for the selection of sites for development was the per unit cost of the electricity generated, including the costs of clearing and preparing the land. Regarding Plan 2010, however, ELETROBRAS is assessing a wide spectrum of costs, including the ecological, economic, and socio-cultural consequences of energy projects. To gain official approval a project must demonstrate a satisfactory balance between the energy objectives of ELETROBRAS and the needs and expectations of Brazilian society at large. The latter encompasses not only the segments of the population whose energy demands are addressed by the project, but also those that bear the project’s ecological, economic, and social impact.

As for Amazonian projects, ELETROBRAS is focusing on the socio-environmental problems that result from the necessary flooding of large areas of rain forest, which are often occupied by indigenous populations. The agency’s efforts include the 1988 founding of the Comissão de Planejamento de Transmissão da Amazônia (Amazonian Planning Commission). Such efforts, which promise to minimize the impact of future projects, may lead to the revision of plans. Recent examples include the suspended hydroelectric projects of Santa Isabel and Babaquara, whose impact was deemed excessive, and the Manso project, for which specifications were modified to improve the quality of water during the filling of the reservoir.

Essential to Brazil’s quest for conservation and sustainable development is a planning approach that does not isolate state enterprises and agencies from each other and from channels of political representation, but rather blends their ideas and resources. This approach promises to make energy policy responsive to the range of interests in Brazilian society. It also promises to minimize the costs—economic, environmental, and social—associated with the errors of one-sided planning. Since 1986 such a planning model has been under preparation in consultation with the World Bank.

The evolution of this approach has involved the founding of the Comité Coordenador das Atividades de Meio Ambiente do Setor Elétrico (COMASE, Coordinating Committee of Environmental Activities of the Electric Sector) and the Comitê Consultivo de Meio Ambiente da ELETROBRAS (CCMA, Consulting Environmental Committee of ELETROBRAS). COMASE is a vehicle for the interagency coordination of the electric sector’s environmental policy. CCMA comprises a blue-ribbon panel of environmentalists, planners, and physical and social scientists—with no other ties to the state energy sector—that evaluates the impact of ELETROBRAS projects and recommends policy improvements.

In short, the expansion of the Amazon’s hydroelectric capacity is a key to the next 20 years of Brazilian economic development. This expansion, however, must not be guided solely by the criterion of per unit energy cost. It must also be guided by the criteria of socio-environmental conservation and sustainable development. —

(Translated by Patricia Arena)

---

**Mexican Academic Clearing House (MACH)**

Materiales Académicos de Consulta Hispanoamericana/Mexican Academic Clearing House (MACH) has been exporting library materials worldwide since 1969.

- **MACH** sells single and multiple copies of Mexican books and serials, including government publications.
- **MACH** handles selective blanket order services for academic libraries.
- **MACH** gives free referral service and periodical book lists.

Write for further information to MACH, Apartado Postal 13-319, Delegación Benito Juárez, 03500, México, D.F. Telephone numbers (915) 674-0567 and (915) 674-0779.
Declarations on the Amazon

Speech on “Our Nature”

by José Sarney, President of Brazil
Brasilia
April 6, 1989

The sum of the actions we are setting in motion today demonstrates the intensity of our commitment to solving the ecological problem, in the face of both our limited resources and the campaign of scientific falsehoods and disinformation about what is going on in our territory.

Brazil has resisted colonial exploitation, the exploitation of its foreign debt and its mineral resources, and the virulent criticism meant to silence its rightful voice in world affairs. The international press has been denouncing, in alarmist fashion, the deforestation of Amazonia. It is not my administration that is being judged, but rather the very process of Brazilian nation-building. Our just indignation comes not from the president but from the Brazilian nation. The only thing we may be guilty of is our insistence on being free. The international community would like us to allow the superpowers or international organizations to tell us how to defend what we already accept as our duty to defend.

We are in the midst of a transition to democracy. It is ironic that, during all the years of darkness, the international community was silent about the environmental problem. And now, with everything else, they blame Brazil for polluting the atmosphere.

We, who are developing, who are underdeveloped or poor, don’t have the forces to destroy the Earth. Sadly this tragic and infernal capacity does exist: it lies in the hands of those who hold unbelievable atomic arsenals of destruction. They are the ones who are putting ozone into the atmosphere and opening “holes” for ultraviolet penetration. It is they who, through millions of tons of industrial waste, heat up the atmosphere.

We cannot accept the developed world’s manipulation of the ecology issue to restrict Latin America’s autonomy and progress. While we invite international assistance, we cannot accept conditions that exploit both nature and the people who suffer from the most damaging of all forms of pollution—the pollution of poverty.

We are prepared to prevent the ruination of the Amazon from worsening the global environment. We are ready to discuss and find solutions as long as our right to manage our territory and to make decisions is respected. But the developed world must recognize its obligation to take similar measures—to prevent acid rain and other forms of atmospheric pollution, to avoid damaging the ozone layer, to end nuclear peril, and to preserve national forests throughout the world.

If the world wants to help us to preserve the Amazon, then it should help us to reforest the damaged areas without charging for scientific assistance. It should transfer the technology without cost. It should not try to turn ecology into a business through either the foreign debt or commercialization. Let us gather up the stones being hurled at us and use them to pave a path of sincerity and cooperation.

(Translated by Alan Kobrin)

Press Conference

by Paiakan Kayapó, Spokesperson for the Kayapó Indians
Washington, DC
February 3, 1988

The Amazon region is being destroyed. Its lands and people are being lost. The forest—the very basis of Indian life—is fast disappearing.

What has happened to the Indian? As an Indian I worry about my people. I worry, too, about the fate of the rain forest and the land. Without these vital resources the Indians of the Amazon will cease to exist.

I went to speak with the Tucurui Indians, whose lands are threatened by government-built dams. To those about to lose their homes to the reservoirs, the reaction is universally hostile. The best agricultural land is near the river. So is the best hunting.

Needless to say, the fishing on which so many Indians depend will also be eliminated. As for the Carajás Indians, whose villages have already been flooded, there was no one left to ask. They had lost their land, and thus lost everything.

We Indians are unanimously opposed to the building of dams in the Amazon region. We must preserve our forest, and we must preserve our cultures. Without our forest our culture cannot survive. And without our culture there is no reason to live.

(Translated by Alan Kobrin)

Editor’s Note: Each declaration is based on edited excerpts of original statements.
Open Letter to President Sarney
The Group of 100
April 3, 1989

We, artists and writers of Latin America, believe the historic responsibility for the destruction of the Amazon jungle is great, and future generations of Latin Americans will not forgive you for not doing all in your power to avoid it. Our countries, and yours in particular, cannot be absent from the decisions being taken in the world to protect the natural patrimony of humanity.

We Latin Americans would like to see you, for your love of national sovereignty, defend the Amazon from local and foreign pillages, as well as from those who, in exchange for an irredeemable foreign debt, are willing to transform the lungs of the world into a wasteland—without even fully paying the debt!

Mr. President, we believe it is regrettable that member countries of the Treaty of Amazon Cooperation support Brazil in its eco-and ethnocidal politics. If our governments are individually incompetent to defend and conserve their ethnic riches and the animals and vegetation of our tropical forests, then the UN should take charge of them, and an international court should review and punish these crimes against ecological integrity.

Signed by: Adolfo Bioy Casares, Olga Orozco, Manuel Puig, Ernesto Sábat (Argentina); Isabel Allende, José Donoso, Nicanor Parra (Chile); Fernando Botero, Gabriel García Márquez (Colombia); Guillermo Cabrera Infante (Cuba); Lúis Cardosa y Aragón, Augusto Monterroso (Guatemala); Manuel Alvarez Bravo, Homero Aridjis, Feliciano Bijar, Fernando Cisarman, Gabriel Figueroa, Carlos Fuentes, Mathias Goeritz, Eduardo Matos Moctezuma, Ofelia Herrera, Carles Monistavás, Elena Poniatowska, Iván Restrepo, Rufino Tamayo (Mexico); Mario Vargas Llosa (Peru); Juan Carlos Onetti (Uruguay); Arturo Uslar Pietri (Venezuela).

Ecological Plea to President Sarney
by Homero Aridjis (Mexico),
President of the Group of 100
June 5, 1989

There is not a writer or artist among us who is not concerned about the fate of the trees in his or her own country. We also understand that to facilitate forest survival, our compatriots must reduce their voracious appetite for tropical hardwoods and hamburger meat.

The issue is not to prevent development in your country, but to put an end to the skewed relationship between developed and Third World nations, whereby the latter annually export $6 billion of raw timber and board and import $10 billion of processed wood products. Projects must be avoided that benefit only those few who enjoy political and economic power and that tend to convert traditional inhabitants into pariahs. Conservation and sustainable development must be emphasized.

For these reasons we, artists and writers from four continents, back the April 3 declaration by 28 Latin American intellectuals.

Signed by more than 200 intellectuals from Africa, Asia, Europe, and the Americas.

Brazilian Campaign for the Defense and Development of the Amazon

by Orlando Valverde, President
March 1989

The Amazon's deforestation is primarily the responsibility of those groups—mainly Brazilians but foreigners as well—that have benefited most from government incentives. At the center of such destruction is the government itself, which seems to consider the criminal destruction of the forest as an “improvement” of the region. Likewise standing at the center are cattle and farming projects, lumber and mining companies, poachers of valuable skins and furs, gold prospectors, drug traffickers, and others who care only about earning a profit.

Amazonia's hydroelectric potential sparks enthusiasm among those responsible for Brazil's energy supply, who are rarely disposed to environmentalism. And not too overlooked are those groups that seek to turn the Indians into a submissive, cheap labor force.

There is no doubting the legitimacy of international concern over the catastrophic consequences the deforestation of Amazonia is causing Brazil and the world. But the Brazilian Amazon is the rightful possession of the Brazilian people. The sovereignty of the Brazilian state over the lands within its boundaries cannot legitimately be called into question. It is up to us, the people of Brazil, to repudiate outside interference. Yet Brazil must recognize the validity of the criticism. In fact such criticism originally came from Brazilian scientists in Brazilian research institutes. We Brazilians must demand from our government a stop to the crimes being committed against the Amazon and its people, as well as against the entire nation.

Brazilian policy must implement the 1978 Treaty of Amazon Cooperation, signed by all the countries of continental Amazonia. Nevertheless, policy for the defense and development of our Amazon must be formulated for Brazilians and by Brazilians. Our Amazon is an integral part of the indivisible Brazilian homeland.
Redefining Soviet Foreign Policy

by Alexei Izyumov and Andrei Kortunov

What role does the USSR play in the modern world? Has its foreign policy contributed to fulfilling its mission? These questions are involved in the intense discussions of sociopolitical problems within the USSR, as well as in the elaboration of its domestic and international strategies for the future. The emergence of glasnost and self-criticism made Soviet citizens realize that the international image of the USSR was declining. The technology gap between the USSR and other industrial countries was widening, and we began to recognize a lack of realism in traditional domestic appraisals of our policies in the economic and social spheres. These problems, which the world public was well aware of, came as a shock to people who had long regarded the USSR as a symbol and model of socialism.

As has happened more than once in the country's history, some of the most ardent optimists plunged into desperate pessimism.

It is now claimed not only in the West but in the USSR as well that the nation is becoming a second-rate power, a "developing country with an A-bomb." Self-criticism is turning into self-castigation, and the recognition of mistakes is turning into a total negation of Soviet achievements.

This nihilistic attitude is no less dangerous than the mindless optimism of the past. Thus it is urgent to undertake an objective and comprehensive analysis of the USSR's role in the world, and to appraise the strong and weak points in our foreign-policy potential. In addition it is important to realize the inherent limits of Soviet influence in the world and their relationship to the nation's economic development.

Foreign Policy and Economy

It is no secret the foreign-policy difficulties of socialist countries in the 1980s, including those of the USSR, are intimately linked to the slowing impetus of their economic development. The West's attempts to erode the socialist bloc's military, political, and ideological influence are largely based on this fact. The interplay of domestic economy and foreign policy has long been ignored in the USSR. Yet a brief review of Soviet history underscores its importance. The dynamic development of the Soviet economy in the 1920s and '30s, when its rate of industrial expansion reached 20-30% per year, undergirded the country's growing international prestige. This economic dynamism was dramatic in view of the Great Depression in the West. After World War II the West, impressed by the pace of Soviet economic and scientific progress, began to seriously ponder the possibility of a socialist victory in the economic competition with capitalism.

Nevertheless, economic dynamism alone does not provide a satisfactory explanation for the rapid consolidation of the USSR's global influence in the postwar years. The USSR was not the only country forging ahead. In fact Japan and many western European countries outpaced the USSR's economic development in the 1950s and '60s.

The success of Soviet foreign policy in developing countries in the 1960s and '70s was only in part due to the rapid growth of its economy. Much more important was the surge of national liberation movements in the Third World, the attractiveness of Marxist-Leninist ideology to such movements, and Soviet military aid to the fighting peoples. Thus the success of Soviet foreign policy revolved around the nation's military power—including its budgetary emphasis on military development and foreign relations—and to its social goals and catchy slogans for the masses. For a long time, then, the USSR carried out a vigorous foreign policy based on powerful military and ideological resources but on a somewhat limited foundation.
This situation could not last forever. Since the mid-1970s the rate of Soviet economic growth has decreased. The USSR has been falling further behind the US in the efficient use of primary materials and energy resources. The most telling fact, however, is the widening US-USSR gap in science and technology, which translates into lagging Soviet standards of living.

Soviet stagnation in production, science, and technology has weakened the country's military capacity, as frequently mentioned by the Soviet military establishment. NATO experts—who are hardly inclined to underestimate Soviet military might—observe that as of the mid-1980s the USSR was on par with the US in only five of 20 sectors on military technology. Equally obvious is the negative impact of Soviet economic problems on the international prestige of Marxist ideology, as well as on the political orientation and influence of communist and national democratic movements worldwide.

Thus, with perestroika in Soviet economy and society under way, the Western strategy of economically wearing down the USSR acquires particular significance. The Western strategy is to impede and, if possible, reverse the process of perestroika, thereby frustrating Soviet attempts to fortify the domestic underpinnings of its international power.

Who Gains from "Neo-Globalism"?

Western, and above all US, attempts to intensify geopolitical rivalry with the USSR are another facet of the strategy to undermine Soviet international power. The US does so by relying on its impressive technological, commercial, and financial advantages, as well as on its unequal economic relations with developing countries.

In providing aid to progressive regimes in the developing world the USSR cannot count on recouping its expenditures. From an economic standpoint, such aid is simply unprofitable. Neither is Soviet military and economic assistance to the developing world always profitable from a political standpoint. In the 1980s some Soviet allies such as Angola, Mozambique, and Ethiopia began actively seeking political and economic support from the West. The West not only shifted the main burden of sustaining "political stability" in these countries onto the USSR but managed to derive economic benefits from this stability. Sometimes the situation has been ridiculous: in Angola, for example, Cuban troops often defended installations of American oil corporations from attacks by UNITA gangs financed by the US itself.

The intended outcomes of Soviet economic and military assistance to developing countries are often restricted to the period of the struggle for power and to the first years of the progressive new state's existence. During the subsequent period of economic development, young states increasingly turn to the West, with the expected political consequences. Experience shows this trend can be reversed only if the USSR renders large-scale aid tantamount to the gratuitous subsidy of the economic formulations of such countries.

These problems were less pressing in the 1960s and '70s when the USSR primarily supported left-wing opposition forces in developing countries and the US was the main guarantor of the status quo. In the 1980s the roles have changed, with the USSR supporting the ruling national-democratic regimes and the US attempting to undermine them.

The US skillfully exploits the fact that in "low-intensity conflicts" it is much cheaper to support guerrillas than the government. Not surprisingly, then, the concepts of "new globalism" and "low-intensity conflicts" have become popular among US leaders. The conflict in Afghanistan is a graphic illustration of the "economic efficiency" of the US approach. The US spent, in supporting the Afghan antigovernment forces, six to eight times less per year than did the USSR on military operations in Afghanistan. Western estimates indicate that approximately the same ratio of American and Soviet expenditures occurs in conflicts involving Nicaragua, Kampuchea, Ethiopia, and Angola.

Consequently the USSR bears a much heavier burden of military aid than does the US. According to international statistics, in the mid-1980s the volume of economic and military aid to developing countries (Vietnam and Cuba included) amounted to 14% of Soviet GNP, while the corresponding US figure was less than 0.3%.

Meanwhile, the US is campaigning to discredit Soviet aid by pointing to its military focus, its political "strings," and its minimal scientific and technical content. US estimates show economic aid accounts for less than 10% of the volume of the Soviet aid to developing countries, while for the US this figure stands at about 40%.

Thus it has become increasingly difficult for the USSR to compete with the Western countries in the Third World. Direct or indirect Soviet involvement in "low-intensity conflicts," as well as more general attempts to deploy the Soviet armed forces in the Third World can only exacerbate the difficulties.

The Soviet Response

The current shape of international politics demands the USSR look for new ways to repulse the global imperialist offensive. Two options are apparent.

The first option is that the USSR compensate for its weakening economy by increasing its budgetary allocations to foreign policy and to the military, which implies "holding the position at any cost until the reinforcements arrive." The second option is that of rejuvenating the economy and thereby buttressing the economic foundations of foreign policy, that is, "retreating to the earlier position in order to cut losses and gather strength."
Until the replacement of the nation's leadership in 1985, the first approach characterized Soviet foreign relations. It attempted to compensate for domestic stagnation by implementing a vigorous foreign policy. Inevitably this approach produced stagnation in the Soviet economy, society, and politics, and it restricted the success of Soviet foreign policy. Since 1985, however, the second, and more realistic, approach has been coming to the fore. The final choice, nevertheless, has yet to be made. In this respect it is advisable to examine the possible consequences of these alternatives.

First, it is hardly possible to revert from the current "opening" of Soviet society to the previous mode of "Iron Curtain" secrecy. Further, the USSR is at a decided economic disadvantage relative to the US, Western Europe, and Japan. NATO's economic indices are 2.5 times better than those of the Warsaw Treaty Organization, while the indices of NATO and Japan combined are 32 times better. The West, moreover, has access to the growing economic reserve represented by the "new capitalist" countries emerging from the underdeveloped world. The USSR has access to no such reserves.

Second, the economy's limitations require that the nation's leadership clearly define Soviet economic interests abroad and examine the pros and cons of international initiatives. In other words, Soviet foreign policy must introduce the criteria of "cost-accounting" and "self-financing." In particular the gratuitous subsidizing of some of our Third World allies should be replaced by aid linked to programs designed to make them more economically viable. Perhaps socialist countries should establish an organization similar in purpose to the IMF. Establishments of the Council for Mutual Economic Assistance, for instance, could be useful.

Third, Soviet foreign policy in the underdeveloped world must systematically counter US attempts to entangle the USSR in new conflicts, thereby saddling the USSR with additional commitments and further scattering its resources. The USSR needs to adopt a doctrine that allows it the room to step back from potential new Third World commitments in the interests of restructuring its economy and making more attractive the socialist path of development. Along the same lines the USSR needs to become more cautious and pragmatic in identifying its geopolitical interests and goals throughout the world, the purpose being to harmonize its actions with the country's economic potential and international priorities.

Fourth, not only Marxist-Leninist theory but also recent history contradicts the notion that the USSR must deploy its armed forces to "counteract imperialist expansionism." In the 1960s—the period of most rapid development of national liberation movements and socialist ideology in the Third World—the Soviet armed forces did not perform this role. In contrast, by the mid-1970s, when the Soviet military did assume the role, the Third World unequivocally swung towards capitalist development.

Socialism neither can nor should be a "guarantor" of those regimes in developing countries that do not enjoy widespread social support and are unable to defend themselves. Attempting to be such a guarantor involves the wasting of scarce resources and the discrediting of the Third World regimes in question. In the final count, moreover, the outcome of the competition between socialism and capitalism will be decided not in Nicaragua or Afghanistan but in the world's centers of socialism and capitalism. The USSR's mistakes in the underdeveloped world have been costly. Glasnost in foreign policy is the primary guarantee that the USSR will avoid such mistakes in the future.

Editor's Note: Edited version of an article published in the Soviet journal International Affairs, no. 8 (1988).
Perestroika and Central America

by Rafael Angel Calderón

Perestroika has brought about increased contact between the USSR and Latin America. Soviet foreign minister Schedvardnadze's tour through Latin America in the fall of 1987 and the Moscow visits of Presidents Raúl Alfonsin of Argentina in 1988 and Jimmy Carter of the U.S. in 1989 indicate a new approach to Central America. The peoples of Central America are anxiously observing the contradictions between Gorbachev's "new thinking" and "old thinking," between the former's inclination to negotiate regional conflicts and the latter's inclination to promote class struggle and "revolutionary" violence. A principal obstacle to détente and peace in Central America and the Caribbean is the Cuban government's Marxist orthodoxy. Cuba's orthodoxy rejects perestroika and considers the new era of détente an opportunity to continue pursuing expansionism.

Gorbachev's statements, in his book Perestroika, cause considerable anxiety among Central Americans. For example, when he writes, "We sympathize with liberation movements..." is he referring to Soviet support for movements like El Salvador's Farabundo Martí Front for National Liberation? Similarly, when he assures us that "...what has hap-..." is he expressing the formation of as in Central America? Nicaragua and the surgey, have led to the spread of countries bordering in. In The Grand Fail-Death of Centuries: The Century (1989), zinski writes, "In the Communism may have re-cepts in Central America Mexico than elsewhere.ists there can take the anti-American, d radical impulses of oins both of the ma and peasantry"

Rodolfo Cerdas Cruz of Costa Rica points out, "Opportunist targets will continue to be a temptation for the CPSU [Communist Party of the Soviet Union] leadership, but they will probably tend to be much more selective and to weigh up situations more realistically" (Journal of Latin American Studies, February 1989, p. 12). Cerdas hints at some kind of Soviet interference in the...
Until the replacement of the nation's leadership in 1985, the first approach characterized Soviet foreign relations. It attempted to compensate for domestic stagnation by implementing a vigorous foreign policy. Inevitably this approach produced stagnation in the Soviet economy, society, and politics, and it restricted the success of Soviet foreign policy. Since 1985, however, the second, and more realistic, approach has been coming to the fore. The final choice, nevertheless, has yet to be made. In this respect it is advisable to examine the possible consequences of these alternatives.

First, it is hardly possible to revert from the current "opening" of Soviet society to the pre mode of "Iron Curtain". Further, the USSR is at a economic disadvantage relative to the US, Western Europe, NATO's economic indices better than those of the Warsaw Treaty Organization, while indices of NATO and Japan combined are 3.2 times better. West, moreover, has access to growing economic reserves represented by the "new" countries emerging from underdeveloped world. The USSR has access to no such reserve.

Second, the economy's transitions require that the nation clearly define Soviet interests abroad and examine pros and cons of international involvements. In other words, Soviet policy must introduce the concepts of "cost-accounting" and "self-financing." In particular the gratuitous subsidizing of some of our Third World allies should be replaced by aid linked to programs designed to make them more economically viable. Perhaps socialist countries should establish an organization similar in purpose to the IMF Establishments of the Council for Mutual Economic Assistance, for instance, could be useful.

Third, Soviet foreign policy in the underdeveloped world must systematically counter US attempts to entangle the USSR in new conflicts, thereby saddling the USSR with additional commitments and further scattering its resources. The USSR needs to adopt a doctrine that allows it the room to step back from potential new Third World commitments in the interests of restructuring its economy and making more attractive the socialist path of development. Along the same lines the USSR needs to become more cautious and pragmatic in identifying its geopolitical interests and goals throughout the world, the purpose being to harmonize its actions with the country's economic potential and international priorities.

Fourth, not only Marxist-Leninist theory but also recent historical events indicate the outcome of the competition between socialism and capitalism will be decided not in Nicaragua or Afghanistan but in the world's centers of socialism and capitalism. The USSR's mistakes in the underdeveloped world have been costly. Glasnost in foreign policy is the primary guarantee that the USSR will avoid such mistakes in the future.

Editor's Note: Edited version of an article published in the Soviet journal International Affairs, no. 8 (1988).

Subscribe now! And get a year (3 issues) of Hemisphere.

☐ $14 US, Canada, PR, USVI ☐ $22 elsewhere

Name
Address
City/State/Province/Zip
Country

Please make check or money order (US currency only) payable to:
Hemisphere
Latin American and Caribbean Center
Florida International University
Miami, FL 33199

Hemisphere is published three times a year (Fall, Winter and Summer).

Kal Wagenheim, Editor
Caribbean UPDATE
52 Maple Avenue, Dept. H
Maplewood, NJ 07040 USA
Telephone (201) 752-1565
FAX (201) 752-9585
Perestroika and Central America

by Rafael Angel Calderón

Perestroika has brought about increased contact between the USSR and Latin America. Soviet foreign minister Schedvardnaze's tour through Latin America in the fall of 1987 and the Moscow visits of Presidents Raúl Alfonsin of Argentina in October 1986, Julio Maria Sanguinetti of Uruguay in March 1988, and José Sarney of Brazil in October 1988 have given rise to unprecedented commercial, technological, and cultural accords. Simultaneously the Soviets have encouraged democratization, Contadora negotiations, and "independent" foreign policies, especially for Mexico and Argentina. Nevertheless, the "positive" consequences of perestroika for the people, for Asia, Africa, and Europe, and even for some Latin American states, stand in sharp contrast to the consequences of perestroika for Central America.

The Central American Challenge

As in the 1970s, détente has not reached Central America and the Caribbean. Indeed, the political actors of Central America and the Caribbean continue to be immersed in the dialectics of the Cold War, and the Marxist governments of the area are not yet employing the language of perestroika. The peoples of Central America are anxiously observing the contradiction between Gorbachev's "new thinking" and Fidel Castro's "old thinking," between the former's inclination to negotiate regional conflicts and the latter's inclination to promote class struggle and "revolutionary" violence. A principal obstacle to détente and peace in Central America and the Caribbean is the Cuban government's Marxist orthodoxy. Cuba's orthodoxy rejects perestroika and considers the new era of détente an opportunity to continue pursuing expansionism.

Unfortunately the Nicaraguan government of Daniel Ortega has displayed numerous signs of adherence to Cuban Stalinism. A Cuban-Nicaraguan equation has been formed, clinging to the traditional dogmas of Marxism-Leninism, and anxious to bring about new military victories. Further, Gorbachev's visit to Havana in April 1989 revealed that Soviet leadership is disposed to tolerate Castro's revolutionary intransigence as a means of keeping the strategic Soviet-Cuban alliance intact. If Gorbachev does so, then he likely would bet on democratization in the USSR and hard-line regimes in Cuba and Nicaragua. The Soviet bloc would employ a two-prong policy, with the USSR maintaining formal state-to-state relations, while the Cuban and Nicaraguan governments maintain informal relations with insurgent movements in countries like El Salvador, Guatemala, and Honduras. In this scenario the USSR would tone down its relations with Nicaragua, providing military aid indirectly through Cuba.

Gorbachev's statements, in his book Perestroika, cause considerable anxiety among Central Americans. For example, when he writes, "We sympathize with liberation movements . . .," is he referring to Soviet support for movements like El Salvador's Farabundo Martí Front for National Liberation? Similarly, when he assures us that " . . . what has happened in Nicaragua demonstrates what can be expected to happen in other countries," is he expressing sympathy towards the formation of new Nicaraguas in Central America?

Such statements, as well as Soviet military aid to Nicaragua and to the Salvadoran insurgency, have led to skepticism regarding the spread of perestroika to countries bordering the Caribbean. In The Grand Failure: The Birth and Death of Communism in the Twentieth Century (1989), Zbigniew Brzezinski writes, "In the near future, Communism may have better prospects in Central America and perhaps Mexico than elsewhere. Marxist-Leninists there can take advantage of the anti-American, nationalist, and radical impulses of significant portions both of the local intelligentsia and peasantry" (p. 222). Brzezinski does not seem to believe in the expansionist will of the Soviets, although he has reason to acknowledge the revolutionary adventurism of Cuban and Nicaraguan leaders.

Rodolfo Cerdas Cruz of Costa Rica points out, "Opportunist targets will continue to be a temptation for the CPSU [Communist Party of the Soviet Union] leadership, but they will probably tend to be much more selective and to weigh up situations more realistically" (Journal of Latin American Studies, February 1989, p. 12). Cerdas hints at some kind of Soviet interference in the...
Panamanian crisis: "The Soviets appear to be preparing ... for a possible settlement in Central America, with the Panamanian situation ... now working in their favor."

Along the same lines, US analyst Irving Louis Horowitz mentions increased Cuban participation in Latin American military activities following the Angolan accords, which call for the departure of Cuban troops from that country. According to Horowitz, "Havana also tends towards closer relations with Noriega, the Panamanian strong man, and towards active intervention in the internal affairs of El Salvador, Honduras and, of course, Nicaragua" (El Nuevo Herald [Miami], April 29, 1989).

Grounds for Optimism?

As Democrats and Christians, we should cling to the hope that the impact of glasnost and perestroika in Central America and the Caribbean will foster an ambiance of peace, détente, democracy, and development. In this respect the extension of perestroika to Central America would initiate a number of processes: democratization and glasnost in Cuba and Nicaragua; a negotiated settlement of the regional conflict; the suspension of military aid to insurgents; the reincorporation of a reformed Cuba within the inter-American system; and the strengthening of economic, commercial, diplomatic, and cultural ties with the Soviet Union. In such a context of peace and cooperation, a substantial reduction in defense costs for Cuba and Nicaragua would become viable. The latter would allow the Soviets to reduce their subsidies to those countries, thereby bolstering plans to restructure the Soviet economy. Finally, the extension of perestroika to Central America would create a climate favorable to a Social-Christian foreign policy, which is dedicated to the defense of liberty, peace, justice, and democracy. ■

(Translated by Ruth Gubler)
ANNOUNCING:
THE CENTRAL AMERICAN & CARIBBEAN RESOURCE CENTER

Who are we? We are the Joint Center for Environmental and Urban Problems, an applied research and public service facility at Florida International University’s North Miami campus.

What are our services? Our new Central American and Caribbean Resource Center houses a special lending library of more than 500 published and unpublished documents, and other materials. The focus is the economic, social, and political factors that may determine the success or failure of sustainable development and environmental conservation projects in the region. A computerized bibliography can be accessed by author, title, and subject on a for-fee basis.

How can you contact us? To learn more about the Resource Center and how you can use it, please contact M.J. Marvin, FIU Joint Center, ACI-370, North Miami, FL 33181, 305/940-5844.

Debt, Drugs, Democracy, Central America, and the Environment —
70 leaders speak out on the issues facing our Hemisphere

The Americas in 1989:
Consensus for Action
A Report of the Inter-American Dialogue
Under the auspices of The Aspen Institute

"An outstanding contribution to the policymaking process"
Rep. Lee Hamilton, House Foreign Affairs Committee

"The only sensible alternative"
The Miami Herald

"[A] model approach for foreign policy anywhere"
St. Louis Post Dispatch

The Inter-American Dialogue provides a vital channel for communication between concerned citizens from the United States, Latin America, Canada, and the Caribbean. Consensus for Action has been hailed by leaders of both U.S. political parties, and endorsed by newspapers throughout the United States. For policy-makers concerned with inter-American affairs, it is required reading. For students of Latin America, it provides a concise overview of the major hemispheric issues and concrete recommendations for tackling them.

$5 per copy paperback, $4 per copy bulk rate available for classroom use and organizations. Contact:
The Inter-American Dialogue, Suite 1070, 1333 New Hampshire Avenue, NW, Washington, DC 20036, (202) 466-6410
Moscow and Latin America

by Augusto Varas

Coupled with glasnost and perestroика, the relaxation of Washington-Moscow relations and the demilitarization of international politics have transformed Soviet policy toward Latin America. While the details have yet to be defined, the outlines of what the Soviet News calls the "restructuring" of USSR-Latin American relations are already evident.

An example of this new orientation was the October 1988 visit of Brazilian president José Sarney to Moscow. During Sarney's visit the USSR and Brazil signed an agreement for the joint exploration of space. Previous to the trip Moscow and Brazil agreed to exchange military attachés. What Sarney's diplomacy and the space agreement mean is that one of Latin America's most anti-Soviet military establishments, the Brazilian armed forces, has initiated a pioneering process in USSR-Latin American relations.

The thawing of US-USSR relations is the obvious source of these developments. Government and party leaders in Latin America have interpreted the peaceful accommodation of Washington and Moscow as presenting opportunities for the relaxation of Latin American foreign relations. No longer are the leaders obligated to align themselves in a bipolar East-West conflict. Latin America's governments and parties are free, therefore, to pursue non-ideological approaches to regional and extraregional politics.

Latin American leaders tend to see the US government's less militaristic stance toward the Central American conflict, its criticisms of Israeli policy in the Middle East, and its willingness to consider the reduction of conventional forces in Europe, as signs of a new chapter in hemispheric relations. They are inclined to believe that, in view of the relaxation of global tensions, a peaceful solution to Central American problems is more plausible than it was during the Reagan administration.

American conflict, its criticisms of Israeli policy in the Middle East, and its willingness to consider the reduction of conventional forces in Europe, as signs of a new chapter in hemispheric relations. They are inclined to believe that, in view of the relaxation of global tensions, a peaceful solution to Central American problems is more plausible than it was during the Reagan administration.

American countries in those activities in which the Soviets are weak. Hence the Soviets are interested in joint ventures with Argentina in petrochemical production, with Brazil in oil exploration and computers, and with Mexico in manufacturing. These evolving ties have led observers in the USSR to speak of "a new economic mentality in action."

Dramatic changes in Soviet diplomacy are taking place as well. The USSR has become more interested in developing relations with noncommunist leftist and social-democratic parties than with pro-Moscow communist parties. This posture is supported by Gorbachev's numerous statements on the obsolescence of an "international communist center" that monopolizes the truth. In the same vein the USSR has become interested in Latin America's most geopolitically significant countries. The latter, of course, are the same countries that interest the Soviets economically.

In short, Soviet policy toward Latin America is becoming increasingly pragmatic. As one observer writes, "In Latin America the Soviets are Capitalists" (International Herald Tribune, October 10, 1987). Whether or not this statement is precisely correct, Soviet policy toward Latin America is becoming oriented to the region's most economically-developed and diplomatically influential countries. Thus Argentina, Brazil, and Mexico are the countries most likely to benefit, economically and geopolitically, from Moscow's new Latin American initiatives. The economic and strategic implications of this emerging pattern, not only for Argentina, Brazil, and Mexico, but also for the rest of Latin America, are fundamental issues for the 1990s.
**MAJOR SUPPLIERS OF ARMS TO LATIN AMERICA**  
(Cumulative 1981-85)

**THIRD WORLD ARMS SALES**
(Billions of current US Dollars)

**LATIN AMERICAN/WORLD ARMS TRADE, 1981-85**  
(Millions of US Dollars)

<table>
<thead>
<tr>
<th>Recipient</th>
<th>Total</th>
<th>Soviet Union</th>
<th>United States</th>
<th>Western Europe</th>
<th>Eastern Europe</th>
<th>China</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>4320</td>
<td>40</td>
<td>1830</td>
<td>205</td>
<td>2845</td>
<td>80</td>
<td>310</td>
</tr>
<tr>
<td>Bolivia</td>
<td>85</td>
<td></td>
<td></td>
<td>5</td>
<td>80</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Brazil</td>
<td>280</td>
<td>90</td>
<td>140</td>
<td>220</td>
<td>50</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>Chile</td>
<td>870</td>
<td>70</td>
<td>665</td>
<td>110</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colombia</td>
<td>865</td>
<td></td>
<td>665</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costa Rica</td>
<td>20</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cuba</td>
<td>4010</td>
<td>3500</td>
<td></td>
<td></td>
<td></td>
<td>260</td>
<td>310</td>
</tr>
<tr>
<td>Dominican Rep.</td>
<td>30</td>
<td>10</td>
<td>20</td>
<td>10</td>
<td></td>
<td>90</td>
<td></td>
</tr>
<tr>
<td>Ecuador</td>
<td>750</td>
<td>50</td>
<td>440</td>
<td></td>
<td>260</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>El Salvador</td>
<td>285</td>
<td>250</td>
<td>10</td>
<td></td>
<td>70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guatemala</td>
<td>95</td>
<td>5</td>
<td>5</td>
<td></td>
<td>180</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Haiti</td>
<td>25</td>
<td>5</td>
<td>10</td>
<td></td>
<td>380</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honduras</td>
<td>130</td>
<td></td>
<td>10</td>
<td></td>
<td></td>
<td>70</td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td>360</td>
<td>130</td>
<td>50</td>
<td></td>
<td></td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Nicaragua</td>
<td>640</td>
<td>250</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Panama</td>
<td>35</td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paraguay</td>
<td>45</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>Peru</td>
<td>1150</td>
<td>300</td>
<td>110</td>
<td>540</td>
<td>110</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Uruguay</td>
<td>100</td>
<td></td>
<td>5</td>
<td>55</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Venezuela</td>
<td>1275</td>
<td>470</td>
<td>535</td>
<td></td>
<td></td>
<td>270</td>
<td></td>
</tr>
<tr>
<td>LATIN AMERICA</td>
<td>15970</td>
<td>4140</td>
<td>1315</td>
<td>4990</td>
<td>405</td>
<td>5120</td>
<td></td>
</tr>
</tbody>
</table>

Should Washington rethink its policy toward Latin America? With the advent of the Bush administration, several policy associations in the US authored proposals to change Washington's relations with its southern neighbors. The surprising feature of these proposals is that, despite diverse political points of departure, they substantially converge in their recommendations for a new US agenda in Latin America.

**PACCA**

Policy Alternatives for the Caribbean and Central America (PACCA) is an association of left-to-liberal scholars and policymakers that seeks "democratic alternatives" to US regional policy. The premise of PACCA's recommendations is that the US has brought neither peace nor development to the Caribbean and Central America. In taking issue with the national security, anticommunist thrust of US action, PACCA interprets the regional crisis in terms of "sharp inequalities between poor majorities and wealthy elites" (The Alternative in Brief, Washington, DC, 1988, p. 1).


The political practicality and strategic wisdom of many of these recommendations are questionable. Some of PACCA's recommendations imply an expanded US role in reshaping Central American societies and politics. Experience with the Alliance for Progress and other assistance programs makes doubtful the feasibility and desirability of such US involvement.

**A Time for Choices**

A product of the Inter-American Dialogue of the Aspen Institute, *The Americas in 1988: A Time for Choices* (Washington, DC, 1988) combines moderation and urgency in addressing the hemisphere's problems of Central America, debt, drugs, migration, and democracy. The report's moderation is no surprise given that the Dialogue comprises a panel of prominent US and Latin American public figures. What is surprising is the report's urgency, as well as the extent of consensus between the US and Latin American participants. *A Time for Choices* expresses a collective anxiety about hemispheric affairs, as might be found among the officers of a ship lost in the fog.

The document supports winding down the Central American conflict and favors intervention along the lines of the Contadora and Esquipulas initiatives, which seek peacemaking, democratization, and economic development. The contras should be resettled, refugees assisted, and foreign aid provided to rebuild economies. On economic questions, debt relief is endorsed as a first step by most of the participants and a last resort by the others. Calls are made to increase capital flows, to stimulate economic growth to the level of 5% a year, and for Latin American countries to adopt "sound" economic policies.

Regarding drugs the document emphasizes, first, the reduction of US demand, and second, technical assistance to Latin American governments for drug control measures. It opposes sanctions against Latin America and supports collaboration. It does not spell out what collaboration means in practice, other than controlling demand and cooperating in eradication efforts.

Regarding migration the report calls for improved mechanisms for the cooperative and joint formulation of policies. It also calls for US cooperation in the restructuring of Latin American civil-military relations. Such cooperation would include US investment in efforts to strengthen civilian institutions such as parties, legislatures, and the courts, as well as to instill democratic values among Latin American military officers.

*A Time for Choices* is boldest and most effective in its discussion of policy approaches in Central America. Its attention to the military question is a refreshing addition to the policy agenda. The discussion of economic issues is also effective, although the proposals for debt relief could be stronger. The sections on drugs, migration, and the security threat to democracy offer more diagnosis than prescription.

Gilbert W. Merkx is professor of sociology and director of the Latin American Institute at the University of New Mexico.
Unfortunately Miami II avoids controversial political issues, such as Cuba, Central America, and military assistance. The report's most original feature is its emphasis on "international education," by which it does not mean the manipulation of opinion through "public democracy," but rather a genuine elevation of US citizens' understanding of Latin America.

Mandate for Leadership III

Authored by the Heritage Foundation, one of Washington's most conservative think tanks, Mandate for Leadership III (1988) emphasizes a straightforward national security position: "United States global strategy is based on a secure southern flank. Central America, the Caribbean, and Mexico, in which 131 million people live, is [sic] the most crucial part of this flank" (p. 538). Mandate III points to the strategic importance of the region's sea traffic lanes and its "vast economic potential" (p. 538).

The document praises the Reagan administration for blunting Soviet expansion, spurring the spread of democratic institutions, and in the case of Nicaragua, "preventing the consolidation of another communist regime in the hemisphere" (p. 539). It follows this cursory praise, however, with pointed criticisms of Reagan's policies in the Caribbean Basin. The analysis faults the Reagan-Wright peace plan for undercutting contra successes and encouraging Central American presidents to pursue their own peace initiatives.

Mandate III blames Latin America's economic stagnation on "socialist and statist economic policies" (p. 542) and seeks to link economic aid to policies that protect private property and reduce the state sector. It also seeks a reduction in the debt burden and in trade and tariff barriers to Mexican and Caribbean products.

Mandate III's policy recommendations on Cuba are the most hardline of all the documents in this review. They call for the new president to unilaterally abrogate the 1962 Kennedy-Khrushchev US agreement, which guarantees that the US will not invade Cuba. The US should repeatedly denounce Cuba in international forums, pressure Western banks to cease loans to Cuba, stigmatize US companies that trade with Cuba, establish TV Marti, and support the growth of Cuban domestic opposition.

The recommendations concerning Nicaragua are similar in tone: Mandate III calls for giving Nicaragua three months to take concrete steps to "dismantle the Marxist-Leninist structure" (p. 550). Failing this, the US should break relations, obtain military assistance for the contras, and finance the Nicaraguan internal opposition.

A contradiction between Mandate III's indictment of Reagan's policy failures and the actions it recommends is that the latter represent a check list of the policies implemented by the Reagan administration in one form or another. Insofar as the administration's Latin American failures resulted from such policies, Mandate III's recommendations can only have similar results.

Third Century

The Third Century: U.S. Latin American Policy Choices for the 1990s (1988) reflects the deliberations of experts convened by the Center for Strategic and International Studies (CSIS), a moderately conservative Washington think tank. Third Century's premise is that the hemispheric problems of US policy are rooted in the policy process itself rather than in global or regional developments. Thus, "a policy stalemate in Washington" (p. 2) has prevented effective responses to challenges such as economic problems and the debt burden, immigration and refugee flows, and narcotics trafficking, as well as Soviet influence, regionalism, and political instability.
The report pins part of the blame for policy stalemate on Latin American specialists and their "irresponsible attitude" (p. 2), claiming "moderate Latin Americanists are few in number" (p. 3) and "hostile to Latin American policy in practically any form" (p. 3). Third Century recommends the creation of a "new generation of analysts and institutions" (p. 4) to sustain the US's Latin American policy process. Yet few Latin Americans played even minor roles in the formulation of US foreign policy under Reagan. They can hardly be blamed for the problems of a process in which they were not involved.

Third Century tends to avoid policy recommendations. Yet it does call for easing the debt burden, strengthening the international military education program and the National Endowment for Democracy, testing the antidrug capabilities of the Organization of American States (OAS), and facilitating the flow of foreign investment. The most decisive statements concern Cuba: "The next president should resist the temptation to break with long-standing policy towards Cuba by rescinding trade sanctions. . . . The goal of regional peace and prosperity is better achieved by a policy that highlights the antidemocratic character of contemporary Cuba" (p. 38).

Most likely to stir up controversy is the document's premise that the problem with US policy toward Latin America lies in the policy process itself. Many specialists would argue that Latin American problems like debt, drugs, and insurrection stem from causes unrelated to the conduct of US foreign policy.

Santa Fe II

Santa Fe II: A Strategy for Latin America in the Nineties (The Committee of Santa Fe, 1988) places Latin American problems in the context of a "communist conflict strategy" that seeks to involve "Western security forces in protracted operations simultaneously in several countries" (p. 3), with the strategic goal of "reducing US forwarded commitments on the Euro-Asian land mass and thereby enhancing Soviet coercive ability" (p. 3). Nevertheless, Santa Fe II centers on Latin American problems that are of hemispheric rather than Soviet origin. It treats the Soviet threat as an endemic disease: as the health of the patient deteriorates, the disease-communist subversion—will do more damage. The document's recommendations are designed to nurse the patient back to health.

LACC Studies on Latin America and the Caribbean

in conjunction with Lynne Rienner Publishers, Inc.

LACC Studies on Latin America and the Caribbean presents new perspectives on the contemporary and historical forces—political, economic, social, and cultural—that shape emerging realities in the region.

Forthcoming Volumes

Heraldo Muñoz and Carlos Portales, Elusive Friendship: A Survey of U.S.-Chilean Relations

Andrés Opazo Bernales, Social Crisis and Popular-Religious Movements in Central America

For information, contact Lynne Rienner Publishers, Inc., 1800 30th Street, Boulder, CO 80301, (303) 444-6684.

Santa Fe II identifies several policy problems, including debt-aggravated economic stagnation, narcotics trafficking, immigration, statism, and debilitated hemispheric institutions. Underlying its analysis of Latin American politics is a distinction between regime and society. Democracy occurs when a society holds its regime accountable. When a society loses this control and falls under the regime's sway, the result is "statism." Santa Fe II views Latin American statism as a cultural inheritance with affinities to Soviet statism. Accordingly US strategy should counter the statist threat culturally, such as through educational initiatives that target bureaucrats and the military, and by strengthening private and public institutional bulwarks against statism. Success in promoting democracy (i.e. reducing statism) will also reduce the Soviet threat.

This argument produces innovative policy recommendations. The section on economic strategy calls unequivocally for reducing the debt burden of Latin America as the first step in reviving economic growth. It also calls for US help in establishing national capital markets in Latin America, privatizing state enterprises, revitalizing the Caribbean Basin Initiative, and expanding reciprocal agricultural trade with Latin America.

Other proposals, however, reflect a traditional concern with national security. The report proposes to expand military assistance to Latin America to cope with low-intensity conflict, to support Nicaraguan democratization, to educate the US media and public to the hemispheric threat of communist subversion, and to develop bipartisan cooperation between Congress and the White House.

As for specific countries, the recommendations regarding Cuba are the most striking: negotiate directly with the Soviet Union on its military withdrawal from Cuba and open talks with Castro or his successor. In short, "the US should signal its desire to rapidly normalize
relations with a de-Sovietized Cuba—a normalization that would include the dropping of the trade embargo” (p. 33). The only recommendation at odds with this dramatic agenda is that of establishing TV Marti.

Santa Fe II's prescriptions raise operational questions. For example, how would the US inculcate democracy among Latin American bureaucrats? Would the US support the banning of noncommunist “statist” parties on the grounds that they are antidemocratic? Moreover Santa Fe II glosses over complex issues with allusions subject to double meanings (e.g., “democracy” in Nicaragua, which could mean the installation of a counterrevolutionary regime or reforms under the revolutionary regime).

Despite such caveats, Santa Fe II is remarkably progressive. The authors sum up their report as a proactive, rather than reactive, strategy for attacking Latin America's problems. Proposals to negotiate with Castro, reopen trade relations with Cuba, relieve debt burdens, save tropical rain forests, phase out sugar protection, and revitalize the OAS, are forward-looking. Santa Fe II shows that traditional emphasis on national security and opposition to big government can give rise to an innovative agenda.

A Bipartisan Mood

What is striking about these reports is that, in spite of the fundamental differences in their political premises, they present remarkably similar agendas for US policy toward Latin America. They agree on the inclusion of the issues of debt, democracy, Central America, narcotics, and immigration. And they agree on the need for a bipartisan Latin American policy.

The reports devote little or no attention, however, to the issues of communist subversion, the Soviet military threat, border conflicts, population, urbanization, human rights, dictatorship, direct foreign investment, and nonhemispheric (i.e. Asian) trade and investment. Santa Fe II stands more or less alone in emphasizing communist subversion, Latin American statism, and ecology.

If Santa Fe II and PACCA's Alternative epitomize the conservative and liberal perspectives, then convergence towards bipartisanship is under way. Even on US-Cuban relations Santa Fe II and PACCA's Alternative call for negotiations to lift the trade embargo and reestablish full relations with Cuba. Whether the objective is to detach Cuba from the Soviet orbit or to terminate the counterrevolutionary bias of US policy, the proposals are compatible.

A mood of consensus on US-Latin American relations has arrived. Has the failure of recent policy experiments meant the exhaustion of radical and reactionary options? Has the link between partisanship and policy incoherence stimulated a reconsideration of US policy? Are hemispheric events changing the historic parameters that have shaped policy, leading to greater agreement on the definition of issues? In any case, this is clearly a time of creative opportunities in US-Latin American relations.
Hemispheric Controversy

As world and regional developments reshape US-Latin American relations, what is the hemisphere's future? In reviewing a provocative book on the question, a US and a Mexican scholar present contrasting scenarios

Partners in Conflict: The United States and Latin America

Hard Choices
by Mark Falcoff

A book on US-Latin American relations by Abraham Lowenthal is bound to be worthy of serious reading and discussion throughout the hemisphere. This is so not only because of the author's scholarly expertise, which is among the highest in our profession, but also because of his active engagement in hemispheric affairs over many years. Such engagement is exemplified by his role in establishing the Latin American program at the Woodrow Wilson Center of the Smithsonian Institution, and more recently his role in the Inter-American Dialogue, a panel of US, Caribbean, and Latin American personalities who periodically frame policy alternatives. Partners in Conflict reflects this participation. The book is therefore a valuable synthesis of a particular approach to US-Latin American relations, which is shared, at least rhetorically, by important segments of the US political and intellectual community.

Precisely because Lowenthal and I hold very different points of view, let me begin by singling out some of what I particularly like about Partners in Conflict. First, though the book is a mere 240 pages, it is remarkably comprehensive. Anyone who attempts to synthesize a large and complicated subject such as US-Latin American relations deserves much praise and sympathy. Second, the book is moderate in tone, spirit, and purpose. Lowenthal deliberately distances himself from dependency theory and the notion—still prevalent in leftist academic circles at home and abroad—that what is good for Latin America must always be bad for the US and vice versa. In fact Lowenthal assumes the opposite: that there are, or at least should be, common interests between the US and Latin America. (Reading this book helped me to understand why, not at all to his discredit, Lowenthal was recently defeated for the presidency of the Latin American Studies Association.)

Third, the book is admirably detailed. While Lowenthal has a broad philosophical approach, he descends to the particular in chapters on Mexico, Brazil, and the Caribbean. He successfully moves from the general to the specific with fluency, authority, and in many cases a careful sorting-out of issues.

Finally, Lowenthal does not simply criticize but offers alternatives. While I often find myself at variance with his interpretations, or even his notion of the facts of the case, I am favorably impressed by the audacity and seriousness of the overall effort.

As the World Turns

More than a decade ago, Lowenthal wrote an important article in Foreign Affairs (October 1976) outlining a new approach to US-Latin American relations. The article urged us to abandon what Lowenthal called the “hemispheric presumption.” In some ways this approach became the informing spirit of the Carter administration’s policy, although in other ways it merely stated certain changes in the world that nobody had bothered to catalogue. Lowenthal said then what he repeats and develops in Partners in Conflict: there has been a qualitative and quantitative change in the position of Latin American nations towards the US. The US is no longer the sole or, in some cases, even the principal source of capital, technology, and investments. Nor is it necessarily the single most important market.

In Lowenthal’s view the US, particularly the Reagan administration, has failed to grasp this change, and instead seeks to restore US hegemony, especially in the Caribbean.

Mark Falcoff is a resident scholar in foreign policy at the American Enterprise Institute.
American capitals; when we are consulted, to persuade West Germany to consulting the Brazilian govern-
government attempted, without ing the Carter years: "First the US sion of US relations with Brazil dur-
ing into this trap even in his discus-
are not, that is "confrontation" or ioning, of course this is so, and what of it? I am not in the habit of recalling the Carter administration with nos-
talgia, but if, by its lights, nuclear nonproliferation and human rights were high enough on its agenda, it had every right to advance them in its bilateral relationship with Brazil. To be sure, this might actually harm the long-term interests of the US, but that would be an error of judgment, not an act of misconduct. The fact of conflict is hardly worth deploring in and of itself; what else are international relations made of? Differences between sovereign nations can be avoided altogether only if one side accepts the agenda of the other —surely not a realistic proposal.

Lowenthal also seems remark-

break its contract to provide sensi-
tive nuclear technology to Brazil. Then Washington aggravated relations by heralding its human rights policy in ways Brazil's government found offensive. These two specific irritants were considerably allevi-
ated in the course of the Carter period, but the underlying economic conflicts continued, and the nuclear issue also remained divisive. The United States and Brazil were still at odds at the end of the 1970s" (p. 129).

Why should the US abandon the pursuit of national self-interest in its relations with Latin America?

As I read this I found myself saying, of course this is so, and what of it? I am not in the habit of recalling the Carter administration with nostalgia, but if, by its lights, nuclear nonproliferation and human rights were high enough on its agenda, it had every right to advance them in its bilateral relationship with Brazil. To be sure, this might actually harm the long-term interests of the US, but that would be an error of judgment, not an act of misconduct. The fact of conflict is hardly worth deploring in and of itself; what else are international relations made of? Differences between sovereign nations can be avoided altogether only if one side accepts the agenda of the other —surely not a realistic proposal.

Lowenthal also seems remark-

former leverage with Washington. In the past the close (and in some cases even suffocating) relationship pro-
vided a climate in which successive US administrations felt a certain sense of responsibility for outcomes in the Southern Hemisphere. The traditional security rationale, which Lowenthal discards as outdated and irrelevant, guided both the Good Neighbor Policy and the Alliance for Progress.

To the extent Americans, par-
ticularly members of the US Congress, become convinced there is no serious security interest south of Mexico—or even north of it, for that matter—Latin America will simply drop off the face of the Earth. According to the world map implicit in the latest version of the US Foreign Assistance Act, El Salvador is larger than Mexico and South Korea is larger than Brazil. This is ridiculous, but then so is much of the way the world works.

Lowenthal actually believes the US does not fully appreciate the way in which Latin America's prosperity is tied to its own. He recites the usual statistics about US jobs lost because of the inability of Latin American nations to purchase our products, and more than once raises the guarded threat of unlimited immigration if Latin America's basic economic problems are not resolved. It would be easy to take issue with both extrapolations. The crucial points, however, seem to be that most Latin American governments are organized to distribute resources rather than create wealth; most are undermining business confidence and driving native capital abroad; most have public sectors that consume ever larger shares of the budget; and most are essentially bankrupt welfare states seeking an international bailout. These are
realities that any US policy must face and perhaps accept before advancing to more ambitious agenda.

Lowenthal recognizes many of these things, but his analysis does not give them their proper weight. They are not merely aspects of a complex situation but the central factors that broadly condition the international business environment and investors' perception of Latin America. Lowenthal sees vast possibilities in future US-Latin American economic relations. That is his privilege. Most bankers, entrepreneurs, and not a few members of Congress, however, look upon Latin America as a kind of economic black hole. The news that reaches us daily from, say, Peru and Argentina, does little to counteract this image. Lowenthal fears the growth of radical populism and nationalism, and he sees a need for the US to preempt both threats with a bold and imaginative new policy. But how seriously should we take such an eventuality? Once the hegemonic presumption has been abandoned, even the worst-case scenario loses its sting.

Choosing Carefully

In selecting US relations with Mexico and Brazil, Lowenthal rightly points out that the operative principles are pragmatism and a preference for settling issues on a case-by-case basis. Admittedly the results are not always exciting and, of course, anything can be improved upon. But to suggest, as he does, that somehow the best way to deal with such countries is to subsume our bilateral relations within a larger Third World framework is intolerably ambitious. Isn't the policy process in the US fragmented and disorganized enough without folding more countries and issues into a larger envelope?

Moreover, Lowenthal often oversimplifies policy choices, as if they were entirely discrete. Examples include economic equity versus private investment, military aid versus civilian control, "ideological pluralism" versus human rights, human rights versus nonintervention, and promotion of democracy versus respect for individual sovereignties. As Anthony Lake, a former Carter administration official, has pointed out, in the real world principles are often as much in conflict with each other as with pragmatism or realpolitik. In this sense Lowenthal's evaluation of Carter policy is ungenerous and unfair. I do, however, applaud his willingness to admit there are certain well-established parameters within which Latin American policy operates in the US regardless of administrations. This is a refreshing change from the notion, so often retailed nowadays by certain liberal Democratic academics, that all good things happen under one party and all bad things under another.

Given the unsatisfactory nature of public life in most Latin American countries, there will always be plenty to complain about. And given the continuing, though declining, importance of Latin America to the US as a major external power, there will always be a temptation to assign more blame and more responsibility to Washington than is appropriate. But as we enter into the fullness of the post-hegemonic age, the importance of Latin America to the US seems to be in danger of becoming purely negative.

Much of Congress's enthusiasm for "nonintervention" (or for "diplomacy," as it is sometimes called) in Nicaragua is a result of the impulse towards neglect of, and disinterest in, the region as a whole. Mexico, because it shares a long frontier with the US, will always get special consideration. The rest of the region, however, may find itself in a curious limbo. It has wandered too far from the US to exert much claim upon the latter's time, energy, and resources, but remains farther still from anywhere else. This is not a happy outcome for most countries, but something more than the admirable, controlled idealism of Partners in Conflict will be needed to avoid it.

Common Ground

by Rosario Green

Abraham Lowenthal's Partners in Conflict emphasizes a point that commonly escapes US academics and diplomats: Latin America is no longer a backward, agro-exporting, isolated area ruled by premordern caudillos in need of guidance by the Great Northern Power. As Lowenthal observes, contemporary Latin America, despite its myriad problems, is well on the road to democracy, modernity, and maturity. With this point of departure, Partners in Conflict focuses on how Washington has responded and how it should respond to its loss of hegemony in Latin America. The answers it provides make Partners in Conflict an indispensable book for scholars and policymakers alike.

Lowenthal argues that Latin American challenges to US hegemony—such as the Cuban and Nicaraguan Revolutions, Venezuelan leadership in formulating OPEC strategy, and the creation of the Contadora Group—reflect not only the region's maturation. They also reflect its diminishing relative importance as a site of US investment and as a trading partner.

How then has Washington responded? Most basically, according to Lowenthal, by alternating between policies of "positive" intervention, "negative" intervention, and indifference. Kennedy's Alliance for Progress and Carter's human rights diplomacy fall under the first category. Reagan's obsession with the Caribbean Basin falls under the second, and the Johnson and Nixon-Ford approaches fall under the third. Lowenthal contends that none of the three orientations acknowledged the loss of US hegemony, and that the traditional conception of US hemispheric interests is in need of profound revision.

Rosario Green is a political scientist at the Instituto Matias Romero, in Mexico City.
New Challenges, New Solutions

Lowenthal builds his case by marshalling evidence against US analysts and policymakers who consider Latin America a region of diminishing strategic relevance. To begin with, Latin America is exerting growing influence on the US economy, especially in terms of US exports and banking. Further, massive migration, particularly from Mexico, the Caribbean, and Central America, is significantly changing daily life in the US. Drug trafficking, terrorism, environmental degradation, and nuclear proliferation in Latin America pose escalating threats, while the region's economic and political conditions jeopardize the preservation of basic US values, such as human rights (p. 55).

With this evidence in mind, the author turns to what he regards as the priorities of US policy toward Latin America: trade, finance, and migration. Lowenthal's hypothesis is that regional economic problems, rather than the internal conflicts of Central America, are the fundamental threats to the hemisphere's security and stability. US policy, Lowenthal writes, should "respond to Latin America's needs" by focusing "much more on trade, finance, and migration—and less on MIGs and guerrillas" (p. 65).

Lowenthal discusses these priorities in light of the varying circumstances of the area's subregions and nations. This discussion interweaves rich description with Lowenthal's own proposals for improving inter-American relations. What stands out in these proposals is their moderation and pragmatism, as well as the ethical principles on which they stand.

Regarding Mexico, for example, this tone surfaces in the form of sensitivity to the country's legacy of antagonistic relations with the US. Lowenthal writes that US policy must avoid not only unilateral measures but also an asphyxiating "special relationship," both of which could inflame Mexican nationalist sentiment. As for Brazil, he stresses that it is no longer simply the economic power of South America, but rather one of the ten largest economies in the world. US policymakers must therefore recognize that Brazil's economic and geopolitical interests are becoming more diversified and independent, and that it possesses increasing leverage in its relations with the US.

The Caribbean Basin, in Lowenthal's view, consists of two zones, the Caribbean islands and Central America. Nevertheless, the US, he says, has rooted its policy in the notion that both zones constitute its "third front." Consequently Washington strategists have insisted on maintaining a high profile in the Caribbean Basin predicated on a diffuse concept of "national security," which in fact manifests a fundamental sense of "national insecurity" (p. 155).

From Lowenthal's standpoint, the Caribbean Basin poses only minimal threats to US security. Hence the appropriate US policy should be neither one of sustained or intermittent intervention, nor one of complete withdrawal. Instead he recommends a policy of "commitment to the economic and social development of the nations of the Caribbean Basin without a corresponding attempt to exercise tight control of their internal affairs" (p. 155). He goes on to say that this approach would permit the US to address its strategic interests in the Caribbean Basin without losing sight of its more serious concerns in Mexico and South America.


The Baker plan was a novel initiative for resolving Latin America's debt crisis. Since it failed, however, to address the root causes of the crisis, a bolstered version of the plan would be no panacea for the region's debt problems. No matter how comprehensive and well-intentioned, a program of financial assistance would not be enough. What the crisis demands is a debt-relief program (even more aggressive than the "second" Brady plan) and a large-scale reform of the international financial system that incorporates the premises of the "New International Economic Order," that is, an overhaul of the terms of North-South economic relations.

As for the Nicaraguan Revolution, Lowenthal insists on demonstrating that it poses no threat to US security. Nevertheless, he characterizes the Sandinista regime as "authoritarian and repressive of political freedom" (p. 193). To this characterization Lowenthal adds unsubstantiated claims, such as the following: "Nicaragua under the Sandinistas could harm the security of the Hemisphere. It has supported revolutionary movements elsewhere.... The question is not whether Nicaragua represents a challenge but how best to respond to it" (p. 193). This analysis, including its policy implications, is clearly in need of rethinking.

The fact remains that the strength of this book much outweighs its weaknesses. The US and Latin America face monumental, interlocking challenges that demand a combination of pragmatism and imagination. As Lowenthal asserts, a deepening of Latin America's economic and social crisis, as well as heightened US protectionism and interventionism, would touch off increased unrest, authoritarianism, and nationalism in Latin America. A result would be an "era of deep hostility in United States-Latin America relations" (p. 181). It is time for us to realize that the crisis in our relations implies risks and opportunities, and to act accordingly. At issue is nothing less than hemispheric peace, justice, and prosperity. Lowenthal's Partners in Conflict points us in the right direction. ♦

(Translated by Ruth Gubler)
Ever since Mikhail Gorbachev introduced the concept in 1985, *perestroika* has become the glamour word for Soviet economic policy—domestic as well as foreign. The Soviet leader's steadfast pursuit of economic reform not only has changed the course of East-West relations but has added a new dimension to Soviet-Latin American relations—especially where Cuba is concerned. Although Fidel Castro has chosen to deal with Cuba's economic problems by way of "rectificación," the course of Soviet-Cuban relations has unequivocally been altered.

This section lists publications in periodicals from 1988 to May 1989 on the impact of *perestroika* in Latin America. Since previous articles and information can be located in standard reference sources, this list refers only to the most recent literature and is not intended as a definitive bibliography.

<table>
<thead>
<tr>
<th>Title</th>
<th>Author/Reviewer</th>
<th>Source</th>
<th>Date</th>
<th>Pages/Pages cited</th>
</tr>
</thead>
</table>

---

Marian Goslinga is the Latin American and Caribbean librarian at Florida International University.
Recent Books on the Region

Anthropology and Sociology


Hemisphere • Summer 1989

Publications Update


Biography

The Admiral and His Lady: Columbus and Filipa of Portugal. Maria De Fretas Treen. New York: R. Speller, 1989. $1795. [Emphasizes Columbus’s association with Portugal and his marriage to a young woman of Porto Santo.]


Economics


