

President forced into exile--crisis grips Paraguayan regime

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The tumultuous events in Paraguay over the past week--beginning with the assassination of the country's vice president, followed by mass protests and massacres in the center of Asuncion, and finally the resignation of the president and his ally, a powerful political general--have underscored the intense political crisis which is spreading throughout the Latin American continent as the result of mounting economic dislocations.

The assassination of Vice President Luis Maria Argaña was the immediate trigger for the intense crisis and violent clashes that erupted over the weekend. But the killing itself had its source in the bitter internecine warfare within Paraguay's narrow ruling clique, the product of the unresolved conflicts between the political heirs to dictator Alfredo Stroessner and the intense backwardness and corruption of the country's capitalist economy.

While the crisis saw popular mass protests, a general strike and shocking bloodshed--reaching its peak on March 26, when paramilitary sharpshooters killed six demonstrators and wounded scores of others occupying the Plaza de Armas outside the Paraguayan Congress--its resolution was the working out of a protracted power struggle within the Colorado Party, the political machine built up by Stroessner during his 45-year military dictatorship.

While the resistance of the demonstrators, led by the so-called Youth for Democracy, an amorphous group that includes factions of the ruling Colorados, is widely credited with preventing a seizure of power by the military and even greater loss of life, the outcome of these events was influenced decisively by direct pressure on the part of the US Embassy, as well as an aggressive intervention by the Brazilian government aimed at achieving a political settlement within the

ruling elite and an "orderly" end to the tumult in the streets.

Argaña, who was assassinated; president Raul Cubas Grau, who was forced to resign and leave the country for exile in Brazil; his political ally General Lino Oviedo, accused as the author of the assassination who was likewise forced to flee to Argentina; and finally Luis Gonzalez Macchi, the congressional leader who has emerged as the new president of a "national unity" government; are all members of this same ruling party.

The intra-party conflicts that erupted into bloodshed and provided the impetus for mass popular protests date back to the former regime of President Juan Carlos Wasmosy, the country's first civilian leader following the ouster of Stroessner.

Wasmosy, who is accused of misappropriating close to \$6 billion during his five years in power, a sum equal to 60 percent of Paraguay's annual gross national product, named Oviedo to head the army shortly after assuming the presidency 1993. The former cavalry colonel was the man who had personally arrested the dictator Stroessner three years earlier, walking into his office with a pistol in one hand and a grenade in the other.

Oviedo gained increasing political stature in Paraguay, emerging as a military populist with not only a base in the military, but also support among the impoverished Guaraní-speaking Indian peasants who make up the vast majority of the country's population and remain virtually excluded from political life.

Wasmosy accused his military commander of plotting a coup against him, but then reached an accommodation and dropped the charge, only to revive it after Oviedo resigned from the military and emerged as the front-runner in the campaign to replace him in the 1998 presidential election.

Within 24 hours of Oviedo winning the Colorado Party primary, the only real political contest in Paraguay, then assistant secretary of State Thomas Pickering flew to Asuncion to tell Wasmosy that he could not be allowed to become president. Wasmosy had the general arrested and tried on the old coup charges, with a military court sentencing him to 10 years in prison.

Cubas, Oviedo's running mate, took his place as the presidential candidate, and was voted in on the slogan, "Cubas to the government, Oviedo to power." He was in turn forced to accept Argaña, Oviedo's principal rival, as his vice president. Three days after his inauguration last August, Cubas freed the military strongman.

The latest crisis began in February when Paraguay's Supreme Court ordered Cubas to re-arrest his ally. After he defied the ruling, the Congress, supported by Vice President Argaña, who had been Oviedo's principal rival during the Colorado primary contest, moved to impeach him.

When Argaña was assassinated by three gunmen dressed in camouflage fatigues, the vice president's Colorado supporters as well as opposition parties in Congress charged Cubas and Oviedo with ordering the murder. The protesters took up their position outside the legislature to defend the impeachment proceedings against what was seen as an imminent military coup.

For their part, supporters of Cubas and Oviedo claimed that the assassination was the work of a mafia inside the Colorado Party linked to former President Wasmosy and was aimed at destabilizing the government.

The US Embassy in Asuncion played a key role in brokering the agreement between Cubas, the military and the Congressional opposition that led to the defusing of the near-civil war confrontation. Meanwhile, Brazil's President Fernando Henrique Cardoso made a personal appeal to Cubas to resign, together with a promise of protected exile. At the same time, the Brazilian military mobilized on its border with Paraguay, activating contingency plans to seize the Itaipu dam, the largest hydroelectrical facility in the world and a jointly run enterprise that supplies 27 percent of Brazil's population with electricity. In the end scores of heavily armed Brazilian commandos were sent into Asuncion to evacuate the Paraguayan

president.

His successor, Luis Gonzalez Macchi, has been a member of the ruling Colorado Party for 33 years and is the son of the longtime Justice and Labor Minister in General Stroessner's dictatorship. With the acquiescence of the opposition parties, he has quashed calls for new elections and has instead indicated that he will stay in power for the remainder of the ousted Cubas' term, until 2003.

Despite the celebrations in the streets of Asuncion, Paraguay's political crisis has ended for now merely in a redivision of the spoils between the competing factions of ruling class gangsters in the Colorado Party, with the masses of workers and peasants more politically disenfranchised than ever.

Nonetheless, following on the heels of the mass upheavals against the austerity measures imposed by President Mahuad in Ecuador and the series of financial and monetary tremors that have rocked the continent in recent months, the Paraguayan events are a further indication that Latin America is heading into a new period of revolutionary confrontations.



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