

Bush's recipe for Latin America: austerity, repression and more US militarism

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In his four-day, three-nation tour of Latin America, George W. Bush reprised all of the familiar homilies about hemispheric “partnership” and mutual progress that have been the stock-in-trade of every US president for 50 years. In the wake of September 11, Washington has refurbished the rhetoric slightly. It has replaced the old invocations of an alliance against “communist subversion” used to justify the military interventions, CIA-organized coups and US-backed dictatorships that characterized the region for most of the twentieth century with a new slogan—the “war on terrorism.”

The US president's first trip south of Mexico took place in the context of his administration's drive to escalate the American intervention in Colombia. The White House is pressing Congress to lift all restrictions on the use of the more than \$2 billion in arms aid that Washington has poured into the South American nation over the last two years. Up to now the US intervention has been limited by a congressional mandate confining military aid to anti-drug efforts.

The administration has also unveiled plans for a new military operation to protect the pipelines of US oil companies. The proposal would scrap requirements that the Colombian military observe human rights standards as well as the existing cap on the number of US military personnel that can be deployed in the country.

Bush began his trip by addressing the United Nations conference on global aid and development in Monterrey, Mexico, where he directly linked the promise of a paltry \$5 billion increase in US foreign aid over the next five years to Washington's global military aims. “We fight against poverty because hope is an answer to terror,” he said. Hope clearly takes a back seat to cruise missiles and cluster bombs in his administration's budgetary plans, which include a \$48 billion increase in military spending in a single year.

The UN had estimated that an additional \$50 billion a year—just slightly more than the Pentagon's planned budget increase—would be required in aid from all of the wealthiest nations to meet the conference's stated goal of halving by 2015 the number of people worldwide who struggle to survive on less than one dollar a day.

Bush made it clear that the US has no intention of dispensing its largesse to the “undeserving poor” among the nations of the world. “The lesson of our time is clear,” he told the UN conference. “When nations close their markets and opportunity is hoarded by a privileged few, no amount—no amount—of development aid is ever enough. We must tie greater aid to political and economic reforms. And by insisting on reforms, we do the work of compassion.”

This president, installed in office by a right-wing majority of unelected Supreme Court justices, whose administration reeks from the Enron scandal, added a sanctimonious insistence on “democracy” and “transparency” from those seeking new US aid. Many at the UN

conference saw the call for “selectivity” in awarding aid grants as a revival of the Cold War policy of assisting those countries that back Washington's military actions and strategic interests, while boycotting those that do not.

The US president insisted that “free trade” and “economic reform,” based on the subordination of the Latin American economies to the needs of US-based transnational corporations, constituted the only road to economic development. His treasury secretary, Paul O'Neill, was somewhat more blunt, dismissing foreign aid generally as “welfare,” and declaring that “real economic development” would take place solely through “capital coming into those countries to create jobs.”

According to press reports, Bush had threatened to boycott the conference when the US learned that the governments of Chile and Brazil were planning to advance a resolution on emergency aid to Argentina. That Latin American country, which epitomizes the policy of open markets and “economic reforms” proposed by Bush, is presently in a state of economic free-fall, having seen its annual per capita income drop by \$8,950 in the last five years, declining to the dismal level of \$3,190. The country, which Washington held out as a model in the 1990s, now confronts 25 percent unemployment and unprecedented poverty while its currency has lost 75 percent of its value in just two months.

For obvious reasons, Bush did not put Buenos Aires on his itinerary. His “free market” sermons were not likely to have decreased the social tumult that is gripping the country. Nor could the US president land in Brazil, the continent's largest country. Preaching “free trade” there would have been unseemly, given the trade war tariffs that Washington has imposed against Brazilian steel exports.

In the three countries he did visit, Bush arrived empty-handed, proposing no new substantive aid, and presenting a picture of the economic and social health of these nations wildly at odds with reality. In Mexico itself, according to a report from the country's National School of Social Work, poverty has increased by 300 percent since 1994, affecting 40 million people, with 26 million of them indigent.

In Peru, Bush's second stop, the government of Alejandro Toledo prepared for the US president's visit by imposing a virtual state of siege, deploying 22,000 soldiers and police in the streets of Lima and outlawing all demonstrations. Police quickly broke up a small anti-Bush protest in the center of the city, using tear gas and arresting 18 people. Meanwhile, two US warships armed with cruise missiles and carrying elite Marine and Navy Seal units took up positions off the port city of Callao for possible intervention.

Bush hailed Toledo as a symbol of Latin American democracy for

his successful electoral challenge to the corrupt and authoritarian regime of Alberto Fujimori, who had been one of the closest allies of the first President Bush. Caught in the same economic whirlpool that has dragged down Argentina, Peru has seen its jobless rate soar, sparking widespread worker unrest. Polls put support for Toledo, elected after Fujimori fled the country last year, at under 30 percent.

Bush emphasized military aid in his visit to Lima, drawing a connection between September 11 and a bomb blast at the US embassy just days before his arrival. Representatives of the two main Peruvian guerrilla groups—Shining Path and the Tupac Amaru Revolutionary Movement (MRTA)—denied responsibility for the car bomb, which claimed the lives of nine Peruvians. Both groups were largely wiped out in a campaign of repression by the Fujimori regime, and those who survived have called for an end to armed actions and participation in a “truth commission” formed to gather evidence on the crimes of the Fujimori regime.

Police have yet to name any suspects, while some in the Peruvian left have attributed the explosion to Fujimori supporters in the military and suggested possible CIA involvement.

Declaring the US and Peru “partners in the fight against terrorism,” Bush vowed to “help in Peru’s military effort to avoid the infiltration of terrorists like the FARC (Revolutionary Armed Forces of Colombia).” For his part, Toledo confirmed that Peru has transferred military bases it had maintained on its contested border with Ecuador to the Colombian frontier. Following Bush’s visit, the Peruvian foreign minister denied reports that the two sides had agreed on setting up US military bases in Peru.

The Toledo government made no progress in its request that Washington grant access to CIA files on the Fujimori regime’s hated secret police chief, Vladimiro Montesinos, who directed massacres, assassinations and torture, while bribing or blackmailing much of Peru’s political establishment and embezzling hundreds of millions of dollars. Montesinos, cashiered from the Peruvian army for handing military secrets to the CIA, was a long-time asset of US intelligence.

Both US and Peruvian officials revealed that Bush and Toledo did discuss the plight of Lori Berenson, an American citizen who was convicted by a secret, hooded military court of “treason to the fatherland” in 1996 for her alleged ties to MRTA members. Peruvian officials said the case is “totally closed” as far as they are concerned. They described the US president as “respectful” of a second rigged trial in which the 32-year-old New Yorker was convicted on the basis of the same illegal evidence used by the military tribunal and sentenced to 20 years on charges of aiding the guerrillas. Berenson has steadfastly proclaimed her innocence, insisting that she has been victimized solely for her political views and her sympathy for those persecuted by the Fujimori regime.

Given the Bush administration’s aim of securing the Toledo government’s support for US intervention in Colombia, the US president had no interest in interceding on Berenson’s behalf. Bush was, no doubt, all the more reluctant to press her case in light of the Organization of American States’ recent censure of the US for denying basic human rights to the Afghan War POWs it is holding without charges or hearings at the Guantanamo naval base in Cuba.

Bush’s final stop was El Salvador, which he described as “one of the shining lights of Latin America.” Having suffered 70,000 deaths—most of them workers and peasants killed by US-trained military death squads—in the civil war of the 1980s, the Central American nation is today more socially polarized and impoverished than when the civil war began in 1979. According to the UN, 48

percent of the 6.1 million Salvadoreans live in poverty. With the per capita gross domestic product lower than it was a quarter of a century ago, the wealthiest 20 percent of the population controls 55.3 percent of the wealth, while the poorest 20 percent accounts for just 3.7 percent.

Throughout Central America, a series of natural disasters has exacerbated the social crisis produced by a century of US economic exploitation. Drought has killed off crops of subsistence farmers in rural villages, leaving hundreds of thousands without food. In Guatemala, a recent study by the country’s health ministry found that in the worst-hit areas, 80 percent of the population is malnourished, while nationwide 46 percent of the country’s 5 million children are chronically undernourished.

In a five-and-a-half-hour stopover, Bush held a “working lunch” with the Central American presidents, but offered no new programs for the millions of the region’s people who have little or no food.

Thousands of workers and students, meanwhile, protested the US president’s visit in marches that also commemorated the twenty-second anniversary of Archbishop Oscar Romero’s assassination at the hands of a right-wing death squad. The killing of the Catholic prelate came just weeks after he called for an end to US military aid that he said was being used to murder unarmed civilians.

In El Salvador as in Peru, Bush was pressed to enact free trade agreements that would allow the region’s products unrestricted access to US markets. The US president made no commitments. While extolling “free trade” as a lofty principle, Washington’s real concern is the smashing of all impediments to US-based banks and multinational corporations looting the national economies of Latin America, while at the same time freezing out their European and Japanese competitors.

Decades of pursuing this policy have created a social catastrophe throughout the continent. The region’s combined foreign debt has risen to nearly \$800 billion and now consumes a large share of every government’s budget in the form of interest and service fees alone. According to the Economic Commission for Latin America (CEPAL), the number of poor in the region rose from 200 million to 224 million between 1998 and 2000. Many more millions are being plunged into misery as national economies feel the impact of the deepening recession in the US and internationally.

These conditions must produce social explosions throughout Latin America. Bush’s trip, with its emphasis on spreading the “war on terrorism” to the continent, is a clear warning that Washington is preparing another round of counterrevolutionary violence to protect its grip on what it has long claimed as US capitalism’s “backyard.”



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