

# Venezuela shaken by threats of a coup

by Valerie Rush

Former Venezuelan President Rafael Caldera, the favored candidate to win the upcoming presidential election, convoked an unprecedented press conference on Oct. 2 to warn of coup threats from both the ultra-left and from the "criminal, secret, and encrusted mafia" of recently ousted President Carlos Andrés Pérez (CAP). He called on the population and Armed Forces of the country to be on the alert.

Caldera's dire warning reflects the escalating chaos and government paralysis in the country, the result of deliberate sabotage caused by CAP loyalists still "encrusted" within the Ramón J. Velásquez government. Their strategy was revealed on Sept. 23, when a large student demonstration in Caracas protesting tax hikes and demanding higher teacher salaries and a bigger university budget was fired on by police, killing one and wounding at least 30. There was also violence in six other cities, with many more wounded.

The crackdown was reportedly ordered by Defense Minister Radamés Muñoz León and not by President Velásquez, and coincided with reports that generals loyal to CAP were planning a coup, using the student unrest as a pretext. The Caracas city council immediately demanded Muñoz's ouster, charging excessive use of force and abuse of authority.

On Sept. 29, international news agencies reported on alleged statements of Interior Minister Carlos Delgado Chappellín to the effect that the government had uncovered a coup plot and made arrests. Despite later denials of such a statement, Caracas was awash with rumors the next day that the government had just stopped a coup planned by Defense Minister Muñoz.

It is widely rumored that Muñoz works hand-in-hand with CAP, who was in the forefront of those defending the defense minister from charges that he had mishandled the student protest. CAP insisted that had Muñoz not acted as he did, the results would have been "far more tragic," and that anyone attacking the defense minister was out to destabilize the country. It is equally significant that Vice Admiral Muñoz had returned from a lengthy, hush-hush visit to Washington, D.C. just days before the Sept. 23 crackdown, and had held a closed-door meeting with all of the country's top Air Force officers within hours of his return to the country.

On Sept. 30, Muñoz presided over an emergency closed-

door meeting of the military high command. By the next day, all of Caracas was militarized in response to both the coup rumors and fear of the unrest that would be triggered by implementation of a first-ever 10% sales tax in the country. Troops were sent to reinforce security at such key points in the nation's capital as the presidential palace, the Defense Ministry, several key television stations, water distribution sites, airports, and fuel depots. Hundreds of raids were conducted in various cities across the country, with both civilian and military arrests estimated at more than 70 people.

## A recipe for civil war

Any attempt by the military high command to carry out a coup against the Velásquez government will be opposed by the junior and middle-level officers, warned Gen. Carlos Santiago Ramírez (ret.) in an interview with the daily *El Nacional* on Oct. 1. This would fracture the Armed Forces "and push our civil society into chaos; that is, civil war." The general especially warned that the combination of the appearance of a power vacuum in the country and the imposition of a value-added tax which would devastate Venezuela's already swollen poorer class, would prove extremely dangerous. General Ramírez urged that the tax increase decree be rescinded and that Carlos Andrés Pérez's arrest be ordered.

Ramírez's call was echoed by Caldera in his press conference the next day. The presidential candidate insisted that he was not an "alarmist," and that the strong rumors of coups and insurrections which had been sweeping Venezuela in the previous days were "not the product of an overheated imagination" but were based on the desire of certain sectors in the country "to perturb the path of democracy that is clearly oriented toward holding the Dec. 5 elections." These minority sectors, he said, seek to create "a socially explosive situation, that could serve as a pretext for their objectives." Caldera also demanded an immediate retraction of the sales tax, arguing that neither the government nor the population were prepared to handle the economic and social ramifications of such a move.

## Sachs: Improve tax collection

Caldera's attack on both the sales tax and on what he calls "the illegitimate portion" of the foreign debt, is causing headaches for the international creditor community. Planning Minister Hernán Anzola, just returned from meetings with the International Monetary Fund and World Bank in Washington, insisted that Caldera's call for suspending the tax was "inconceivable," and Jeffrey Sachs, former adviser to CAP and mouthpiece for the "shock therapy" monetarists wreaking havoc around the world, told a forum in Caracas on Oct. 4 that such taxes were necessary to "modernize the economy." He added that the country should quit talking about the debt, and start worrying about improved tax collection and reduced government spending.