

middle-class flight. The benefits of this are enjoyed not just by lower-income families who have access to a wider choice of places to live but by a large number of county residents who can be more secure that they won't one day feel forced to sell their homes out of fear of an encroaching ghetto.

"These policies represent a win-win solution all the way around," David Rusk explains. "You integrate lower-income families into middle-class communities and middle-class schools. And you don't add to the concentration of poverty in the older, more humble middle-class neighborhoods." ■

BATTERED BY WARS AND A HURRICANE, THE REGION STRUGGLES TO BUILD DEMOCRACY.

# Central America's Agony

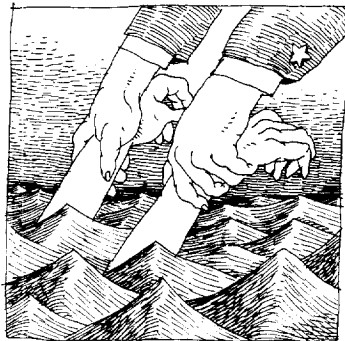
WILLIAM M. LEoGRANDE

**A**n old adage among Latin Americanists holds that the United States pays attention to the region only when it's wracked by revolution or natural disaster. The revolutionary wave that swept through Central America in the eighties has subsided, but the catastrophic floods and mudslides unleashed by Hurricane Mitch a few weeks ago have put this small region back in the morning headlines and on the evening news.

For six days last fall, Hurricane Mitch meandered across the isthmus, drenching Nicaragua, El Salvador and Guatemala with four feet of rain. Streams turned into torrents, and rivers rose up and swept away bridges, roads and villages. Hillsides denuded of vegetation by drought and deforestation spawned avalanches of mud. Across Honduras and northern Nicaragua—the areas worst hit—the number of the dead reached more than 10,000. Disease and starvation will claim more in the months ahead. By all accounts, Hurricane Mitch was the worst disaster to hit Central America in this century, with damage amounting to billions of dollars—more costly than a decade of war in the eighties.

It is a bitter irony for Central Americans that the storm struck just as the region had begun to recover from those wars. In Guatemala the 1996 peace accord that ended the thirty-year guerrilla struggle seemed to be holding, despite the unsolved murder last year of Bishop Juan Gerardi Conedera, an outspoken human rights advocate. Tourism was up dramatically, producing foreign-exchange earnings second only to coffee. In Nicaragua the economy was growing at a brisk 5 percent annual rate after stagnating through the first half of the decade. In El Salvador, too, the economy was doing well, fueled in part by \$1.2 billion in remittances sent home each year by Salvadorans living in the United States. In Washington, however, Central America's postwar reconstruction had gone largely unnoticed.

"Central America is the most important place in the world," avowed then-US ambassador to the United Nations Jeane Kirkpatrick in 1981. Over the next decade Ronald Reagan spent



\$8.6 billion trying to prevent Marxist guerrillas from coming to power in El Salvador and Guatemala, and trying to throw them out of power in Nicaragua. A quarter of a million Central Americans died in the fighting, and the region's economy was left in ruins. But once the cold war ended Washington lost interest in almost all of Latin America. Until then US policy had been built around one central strategic imperative: Preserve Washington's economic and military hegemony by keeping the Soviet Union out of

the region. During the cold war that imperative extended to cleansing Latin America of governments and political movements of the left that might align themselves ideologically with Washington's global adversary. Now, absent its guiding principle, US policy toward Latin America has lapsed into incoherence. Aside from spasmodic reactions to headline issues of the day—narcotics trafficking, immigration, democracy promotion—there is no vision of Latin America's importance to the national interest of the United States.

President Clinton sought to craft a foreign policy based mainly on economics, especially the promotion of free trade, although Central America accounts for less than 1 percent of total US trade. His plan to extend the North American Free Trade Agreement (NAFTA) into a hemispheric free trade zone, the Free Trade Area of the Americas (FTAA), would have guaranteed US economic hegemony in the hemisphere against any future challenge from a reinvigorated Japan or an expansive European Union. But Congress killed the FTAA when it refused to grant Clinton "fast track" authority to negotiate an agreement impervious to Congressional amendment. Without the FTAA as its centerpiece, Clinton's policy is little more than a collection of unrelated initiatives, punctuated by emergency responses to impending crises—the latest being the threat of a financial meltdown in Brazil and the hurricane in Central America.

Absent governmental initiative, US policy has been privatized, in effect; the relationship between the United States and Central America depends mainly on the vicissitudes of the international market. Some private US capital has flowed into the region in search of cheap labor, but even in this arena, the Central Americans are at a disadvantage. The tariff preferences granted them by Reagan's 1982 Caribbean Basin Initiative (CBI), designed to strengthen the region's economies, thereby reducing the appeal of

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socialist alternatives, have been vitiated by NAFTA. Under NAFTA Mexico has greater access to US markets than Central America has under the CBI. Ever since NAFTA was adopted, the Central Americans and their Caribbean neighbors have been lobbying Congress for a revision of the CBI that would at least restore them to equal footing with the Mexicans, but to no avail. Central America is so unimportant that no one in Washington has been willing to expend any political capital to give it relief.

Nothing is a better indicator of Central America's declining importance over the past decade than the foreign-aid budget. The mantra of Clinton's foreign economic policy, especially toward Latin America, has been "trade, not aid," and scarce foreign-aid dollars have flowed away from Central America. For fiscal year 1999, President Clinton requested just \$145 million in economic assistance for the region (excluding Panama)—down 88 percent from the peak level of US aid: \$1.2 billion in 1985. Military assistance virtually disappeared after Central America's wars ended. In 1996, for instance, each country received just a few hundred thousand dollars in military training funds—a total of only \$1.6 million regionwide. By 1998, however, the drug war had begun to create a new rationale for military assistance, and the Pentagon's 1999 aid request to Congress was up to almost \$20 million—but still far, far below the hundreds of millions that poured into the region during the eighties.

Costa Rica "graduated" from US Agency for International Development (AID) programs in 1996 and no longer receives any economic assistance. Nicaragua and El Salvador have suffered dramatic declines in aid despite the danger that postwar economic difficulties could undermine their fragile democratic institutions. Nicaragua, which received almost \$300 million after the Sandinistas lost the 1990 election, was slated for just \$24 million in 1999. El Salvador, which received almost \$500 million annually in the late eighties and \$230 million as recently as 1993, was slated for just \$35 million.

To its credit, Washington responded quickly to the emergency created by Hurricane Mitch, pledging more than \$265 million in food, water, sanitation and rescue services. And that was "simply the first major tranche of aid," pledged J. Brian Atwood, the head of AID. "We really are going to have to be engaged in the reconstruction of these countries." One can only hope that such generosity will prove to be more sustained and reliable than in the past.

The economic damage done by Mitch will certainly aggravate two problems that are near the top of Washington's agenda these days: narcotics trafficking and illegal immigration. Both have proved nearly as effective at loosening Congressional purse strings as the red scare arguments of old. Drug traffickers have found postwar Central America hospitable because it is awash in weapons and unemployed ex-combatants, and its civilian governments have demonstrated they are less adept at internal security than their military predecessors. Central American migration to the United States has slowed considerably since the return of regional peace, but economic privation in the hurricane's aftermath may well spur a new surge.

For Central America, migration has become a more reliable source of external capital than either US foreign aid or direct foreign investment. The remittances sent home by Salvadorans,

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Nicaraguans and Guatemalans who came north a decade ago total nearly \$2 billion annually—more than their countries' most profitable export commodities. These expatriate communities have already been extraordinarily important to the emergency relief effort in the aftermath of Mitch.

While it is far too early to assess the political ramifications of Hurricane Mitch, previous Central American disasters have had the effect of mobilizing the popular sectors against ineffective and corrupt governments. The 1972 earthquake in Nicaragua is the best example; popular disgust at Anastasio Somoza's theft of foreign aid set the stage for his overthrow in 1979. The 1976 earthquake in Guatemala also occasioned an upsurge in popular political mobilization, and the 1986 earthquake in El Salvador accelerated the decline of José Napoleón Duarte and his Christian Democratic Party.

Central America faces the daunting task of post-Mitch reconstruction without much in the way of political consensus. The authoritarian regimes of old have been replaced by electoral democracies of a sort, but politics in most countries remains polarized. In both El Salvador and Guatemala the once-formidable Christian Democrats have virtually ceased to exist as serious political contenders, and other incipient "centrist" parties have been ineffective in attracting support. Across the region, the left has confronted conservative parties head to head, and usually lost.

Central America's revolutionaries have had trouble making the transition from politico-military vanguards to mass-based electoral parties. The Sandinistas split in 1994 when former

Vice President Sergio Ramírez led a dissident group out of the FSLN because the party's old guard refused to accept internal democratic reforms. In 1996 the Sandinistas renominated party leader Daniel Ortega as their presidential candidate, only to see him decisively defeated by rightist candidate Arnaldo Alemán. Last year Ortega was accused of sexual abuse by his stepdaughter, intensifying calls for him to step down from the party's leadership. Yet when the FSLN held its national convention in May, not only was Ortega re-elected party secretary general but no mention of the scandal was even made during the proceedings. Reformists' efforts to insure more internal democracy and accountability were soundly defeated.

In El Salvador the coalition of five guerrilla groups that formed the Farabundo Martí National Liberation Front (FMLN) did not survive the coming of peace. In 1994 the People's Revolutionary Army split to form a party of its own and promptly concluded a political alliance with the far-right Nationalist Republican Alliance (ARENA). The remaining guerrilla groups, which continue to use the FMLN name, scored a major success in the 1997 elections when they doubled their representation in the National Assembly, winning twenty-seven seats, just one behind ARENA. Hector Silva, a prominent member of the civilian opposition during the war, ran on the FMLN ticket and won election as mayor of San Salvador—traditionally a stepping stone to the presidency. But with presidential elections looming this coming March, the FMLN was unable to unite behind Silva; faced with opposition from radicals in the party, he withdrew his candidacy. The FMLN's presidential nomination went instead to guerrilla commander Facundo Guardado, who is unlikely to

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have as broad an appeal among the electorate as Silva.

In Guatemala the guerrilla coalition—the Guatemalan National Revolutionary Unity (URNG)—has just begun the transition from guerrilla army to political party. Its task will no doubt be complicated by the death of Ricardo Ramírez, URNG secretary general and architect of the transition. Ramírez, whose nom de guerre was Rolando Morán, had been a guerrilla since the beginning of the war in 1960 and was a founder of the largest insurrectionary group, the Guerrilla Army of the Poor. No one of comparable stature is likely to emerge to guide the URNG's transition.

The weakness of the left (including the social democratic left in Costa Rica and Honduras) has enabled conservative parties to capture the presidency in every Central American country. But reconstruction will not be easy for conservative governments committed to neoliberal economic policies—free trade, open markets, deregulation and minimalist government. Instinctively, they prefer fiscal austerity to spending on social welfare and private-sector initiative to state investment in the economy. Hurricane Mitch devastated Central America's roads, bridges, dams, power stations—the sort of things that rarely attract private investors. If these conservative governments hope to avoid a popular backlash, they will have to act against their own instincts by taking massive state action to rebuild the economy—and to help people survive in the meantime.

In the seventies and eighties, Central America's revolutions grew out of two basic flaws in the social order: deep and persistent social inequality produced by oligarchic agro-export economies and authoritarian states that responded to popular demands for social change with repression. The revolutionary struggles of the eighties managed to destroy the authoritarian states and construct the foundations of democracy on the rubble. The taming of

the military is not a finished task, but in most Central American countries more has been accomplished than one might have imagined a decade ago. Despite these far-reaching political changes, the negotiated peace agreements that ended the region's wars left the social structure essentially intact. The test for Central America's incipient democratic institutions is whether they are sturdy enough to allow the poor majority to organize and press for redress of their economic grievances. Will the right and the military sustain their commitment to democracy if the left begins winning the electoral game? The challenge for the left is to offer an effective political vehicle for the expression of popular demands and a workable alternative to neoliberal economic policy. The terrible suffering inflicted on the people of Central America by Hurricane Mitch probably means that the test of everyone's political skill and commitment to democracy will come sooner rather than later.

What might Washington constructively do to help Central America through this crisis and its political aftershocks? First, continue bilateral foreign assistance at increased levels for at least the next few years to help rebuild the region's infrastructure and alleviate poverty. Second, follow the good example set by France and Cuba: Cancel the bilateral debt Central Americans owe to the US government and support calls to reduce the multilateral debt as well. Third, give Central America the same trade preferences Mexico has under NAFTA. Fourth, extend to Central American immigrants in the United States temporary protected status so they can work without fear of deportation and can continue to help finance regional development with remittances. None of these policies would cost the United States very much, but together they could mean the difference between a Central America that rebuilds on a foundation of democracy, and one that descends again into political violence. ■

## LETTERS

C O N T I N U E D

(Continued From Page 2)

by writers whom Alan Wolfe dubbed "racial realists" in the *New York Times*—a group Klinkner tells us includes Tamar Jacoby, Shelby Steele, Stephan and Abigail Thernstrom and me. But Klinkner has airbrushed Orlando Patterson out of Wolfe's list and inserted Steele, perhaps to strengthen his portrait of a conservative campaign. He only reinforces *The Nation's* reputation as a locus of ideologically driven duplicity, a reputation I thought it was trying to shed.

Klinkner's "evidence" for such a campaign is that our books came out around the same time, two got conservative funding and the authors "blurb" one another. Wouldn't an "organized campaign" stagger the publications? And when have I ever sought or received any conservative funding or any blurbs from any "racial realists"? When has Wolfe? Or Patterson? I did blurb Jacoby's book and praised the Thernstroms' in a review because they're important, useful books that any real "racial realist" should read.

Klinkner wants readers not to read them. He calls my *Liberal Racism* a "confused rant." He says I insist that "anyone who mentions race is

a racist" and that I deny that "race is... a powerfully important influence" on the economy, politics and culture. Eric Foner made those same false claims about my book at a forum at The New School in June, also telling 200 people that "the person mentioned most often in this book is O.J. Simpson." Another blow to *The Nation's* reputation. Meanwhile, in the *Washington Post*, Eric Liu called my book "a critique of the left, not an endorsement of the right," and in the *Los Angeles Times*, Jackson Lears called it "resistant to ideological formula." Perhaps that explains Klinkner's problem. To ward off cognitive dissonance, the ideological mind leaps to contain, dismiss or enshroud responsible critics in specters of conspiracy.

In *Liberal Racism*, Randall Kennedy recalls Jon Wiener's implication ten years ago in *The Nation* that his assaults on critical race theory served a white-bread legal establishment: "I thought, 'How stupid,'" Kennedy tells me. "Here I am, a social democrat... yet, simply because of this, I'm called a conservative."

I think I know how he felt. I hope Kennedy does, too. Does *The Nation*? JIM SLEEPER

## KLINKNER REPLIES

Utica, N.Y.

■ Placing Jim Sleeper in the "racial realists" category seems eminently reasonable. Not only did Alan Wolfe include him when coining the phrase but Sleeper's book differs little from other neoconservative treatments of race. Furthermore, beyond his claim to be a social democrat, little in his response to my essay suggests how his views differ from the other "racial realists." Sleeper may in fact be a social democrat, but since when did that automatically entail a progressive stand on race? As my essay pointed out, in earlier eras many otherwise progressive people were often in the forefront of those calling for a retreat from previous efforts to achieve racial equality.

Finally, I have little sympathy for Sleeper's claim of hurt feelings for being labeled a conservative. This is, after all, the author of a book that labels as racists those who take a liberal stand on race. PHILIP A. KLINKNER

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