

average healthcare standards in Russia have fallen,” Åslund maintains. Indeed, the infant mortality rate fell by 17 percent between 1993 and 1998.

Slow as Russia’s reforms have been, Åslund says, they “have progressed far enough to keep the communists at bay.”

Many Russians and foreigners think that democracy is Russia’s problem, and that “a strong leader” is needed. On the contrary, Åslund maintains, “the unlawful enrichment of the elite is the problem. . . . The widespread disregard for democracy and the repression of media are the greatest dangers.

Venezuela’s Delusions of Wealth

“The Real Story behind Venezuela’s Woes” by Moisés Naím, in *Journal of Democracy* (Apr. 2001), 1101 15th St., N.W., Ste. 802, Washington, D.C. 20005.

Corruption, corruption, corruption—that’s the reason most people in oil-rich Venezuela are poor, President Hugo Chávez asserts, and a large majority of Venezuelans believe him. Lambasting the “politicians” and the “rich” for stealing the country’s wealth, the fiery former military officer promises to set things right. Unfortunately, the national “fixation with corruption” is as much of a roadblock to progress as corruption itself, argues Naím, the editor of *Foreign Policy* and a former Venezuelan minister of trade and industry (1989-90).

The focus on corruption encourages Venezuelans to believe that theirs is a rich country crippled by thieves. According to a recent public opinion poll, about 90 percent of Venezuelans believe that their country is wealthy. But despite occasional windfalls, oil income “has long been insufficient” to make Venezuela rich. Oil’s contribution to the national treasury fell from \$1,540 per person in 1974 to only \$200 two decades later. Sixty-eight percent of Venezuelans live in poverty today—more than twice the percentage two decades ago.

“Venezuela’s tax system, labor and social security laws, health, education, housing, state-owned enterprises (including the oil and petrochemical industry), agriculture, and almost all its public-sector institutions, as well as most of its regulatory frameworks, are in desperate need of reform and modernization,” Naím writes. Yet the national obsession with corruption precludes a debate. Indeed, thanks in

no small part to “the enormous role of the state” in Venezuela, “corruption has become pandemic,” he says. An experiment with neoliberal economic reforms during the 1990s was modest and short-lived, falling “far short . . . of what most other Latin American countries implemented.”

Even so, the reforms provoked widespread popular discontent. During the 1990s, Naím notes, “the two political parties that were the building blocks of Venezuelan democracy for more than five decades lost almost all of



A Chávez supporter demonstrates in the streets of Caracas last year, shortly after his landslide reelection.

their influence, as did the country's business, labor, and intellectual elites."

Elected president in 1998 and again last year under a new constitution, and backed by the military and the Left, Chávez now possesses immense powers, observes Naím. "The executive, legislative, and judicial branches of government, most state and local governments, the central bank, and the oil industry . . . are all under [his] direct and active control." Though it enjoyed an unex-

pected spike in oil revenues in 1999 and 2000, the Chávez administration has failed to come up with a "credible" plan for economic reform, says Naím.

"The real danger," he argues, "is that the government's poor performance may be aggravated by dwindling oil revenues, which in turn may lead to social and political turmoil." If that happens, Chávez might jettison democracy and become "just another third-world dictator."

Africa's Cursed Treasure

"Blood Diamonds" by Frédéric Barrault, in *African Geopolitics* (Spring 2001), 815 15th St., N.W., Ste. 506, Washington, D.C. 20005; "The Failure of Peacekeeping in Sierra Leone" by William Reno, in *Current History* (May 2001), 4225 Main St., Philadelphia, Pa. 19127.

Civil strife in Africa is often blamed on political grievances or ethnic hatreds. But there's another, perhaps more important factor: diamonds. The major civil wars in Africa today—in Angola, Congo, Sierra Leone, Liberia, and Guinea—are being fought in or near diamond-mining zones, notes Barrault, who teaches at the Institut Catholique d'Études Supérieures at La Roche-sur-Yon, France.

Africa holds more than half of the global reserves of diamonds and it supplies half of the \$7 billion world market in uncut diamonds. "Given their value, diamonds always have been an aim of conquest and power among the different powers and rival factions in Africa," Barrault says. Since African nations gained their independence, diamonds have been fueling civil wars. The first wars in the former Belgian Congo in the 1960s, for instance, were fought against a background of struggle for control of the Katanga and Kasai mines. The pattern continues today. "People in Africa fight over diamonds, and the diamond trade finances the insurgencies, thus supporting situations of permanent warfare," Barrault points out. "It is a vicious circle [and] a tragedy for the people of Africa." Hundreds of thousands have been killed.

In a detailed analysis of the decade-old war in Sierra Leone between the government and the Revolutionary United Front (RUF), Reno, a political scientist at Northwestern University, underscores the important

role diamonds have played in the conflict. The rebels have obtained weapons from Liberian president Charles Taylor in return for diamonds mined in Sierra Leone. This, Reno observes, has enabled the RUF to wage war against the country's "corrupt and inept government" without making an effort to develop popular support. "The RUF bases its political power on control over diamonds, much as had the corrupt Sierra Leone politicians that the RUF criticized."

Responding to reports of atrocities in Sierra Leone, the United Nations Security Council, at the request of Britain and the United States, voted unanimously in March to impose an embargo on Liberian diamond exports, with the aim of cutting off the RUF's resources. It was the third UN embargo against African diamonds in less than two years, notes Barrault. In mid-2000, at Britain's request, an 18-month embargo on all Sierra Leone diamonds was declared. A year before that the UN Security Council, at Canada's request, had targeted Angolan diamonds, which for 25 years have been fueling the civil war between Jonas Savimbi's rebel UNITA forces and the Angolan government.

"Not too much should be expected of these measures," Barrault says. Embargoes are rarely effective, he points out, and diamonds, being small and easily concealed, make circumvention a cinch. Africa's warlords, he says, will continue to make use of their cursed treasure.