

# Venezuela “strike”: the anatomy of a US-backed provocation

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Leaders of the right-wing umbrella group seeking to overthrow Venezuelan president Hugo Chavez have dropped their demand that Chavez resign immediately as a condition for calling off the business shutdown that has dragged on for more than six weeks.

Representatives of the Democratic Coordinator also suggested that doctors, restaurant owners and other small businessmen were free to end their participation in the so-called general strike that began on December 2. Rafael Alfonzo, a leader of Fedecamaras, the Venezuelan chamber of commerce, said that many businesses were faced with bankruptcy if they remained closed. “We feel that the right decision is not one that kills the private sector,” he said. The question of whether to reopen is “pretty much at the individual level now.”

The sporadic lockouts by employers supporting the anti-Chavez campaign have had relatively little impact on the Venezuelan economy. Far more significant is the shutdown of the oil industry by executives and managers of PDVSA, the state-owned company that accounts for most of Venezuela’s exports and half of total government revenue.

PDVSA officials, most of them appointed by previous right-wing governments and hostile to Chavez, had the support of the union representing white-collar workers and lower-level management. Many blue-collar workers remained on the job and expressed opposition to the shutdown.

The Chavez government succeeded in restarting oil production on a limited basis despite the sabotage at the top, as lower-level workers began to replace their bosses at the helm of two of the country’s three main refineries. Production has reached the level of 400,000 barrels per day, enough to meet the country’s domestic needs, although not enough to resume export shipments on any serious scale. These efforts have been supplemented by stopgap shipments of petroleum from Brazil, Russia and other countries opposed to the US-backed campaign to oust the Venezuelan president.

The real class divisions in the oil “strike” were clearly revealed in an account published in the *New York Times* December 29; one of the few honest pieces of reporting on events in Venezuela to appear in the North American press. *Times* reporter Ginger Thompson visited the PDVSA refinery at Puerto La Cruz and wrote:

“Nearly a month into Venezuela’s devastating national strike, all systems were back up and running close to normal this week at the refinery here that supplies gasoline to the eastern half of this country. Night shift workers were bursting with the pride of war heroes.

“Félix Deliso, who has worked at Petróleos de Venezuela, the state-owned oil company, for 12 years, stood watch over a console with so many blinking buttons and computer screens that it looked like the bridge of a spaceship. Mr. Deliso monitors 3,000 machines and processes that turn crude oil into gasoline. Though he has a high school education, he has been trained to be a specialist here, and he considers his job as delicate as disarming a live bomb.

“With skeleton crews working lots of overtime, Mr. Chavez is getting

gasoline trickling back into Venezuela’s pumps. Officials here said that since the beginning of last week, this refinery had produced 60,000 barrels of gasoline a day, about 70 percent its normal capacity and almost a fourth of the 225,000 barrels normally consumed by this country each day....

“The refinery here at balmy Puerto La Cruz has become a showcase of the government’s comeback. Almost all high-level executives at the plant joined the strike. But officials said fewer than 20 percent of the operators, mechanics and technicians walked off the job. ‘We are prouder now than ever,’ said Wilfredo Bastardo, a 17-year oil veteran. ‘We have shown our supervisors that we can run this plant without them’”.

Chavez has dismissed 1,000 employees of PDVSA, most of them middle- and high-level. He suggested that the company will be broken up into two divisions in order to shake up the entrenched management, which has long used the company as a slush fund for Venezuela’s ruling elite distributing billions in kickbacks and sweetheart deals.

The resumption of oil refining and the failure of the “general strike” to spread beyond the largely upper class neighborhoods on the east side of Caracas made it possible for Chavez to leave the country without immediate danger of a coup. He traveled to Brasilia for the inauguration on January 2 of Brazil’s new president, Luis Inacio “Lula” da Silva, where he denounced the right-wing campaign as a “coup attempt disguised as a strike,” organized by “terrorists who are blocking oil and food distribution and sabotaging refineries.”

There were several attempts to revive the anti-Chavez campaign. On January 3, two men were shot to death during a confrontation between pro- and anti-Chavez groups on the streets of the capital. The Venezuelan media, which is completely controlled by the right wing, denounced the killings as an atrocious act of repression by the government. It later emerged, however, that both victims were supporters of Chavez, one of them a security guard at the Education Ministry, the other a poor street peddler with two children.

On January 8, as many businesses began to reopen, the Democratic Coordinator announced that a 48-hour strike of bank workers had been called to reinforce the anti-Chavez protests. Only one union, however, representing 30 percent of bank employees, endorsed the action. The remainder of the bank workers’ organizations opposed the walkout, which was imposed by the senior management of the banks, including US financial institutions like Citibank.

The bank lockout undermined rather than strengthened the right-wing campaign, since it denied small businessmen and sections of the middle class access to their funds, while having little impact on the largely cash economy of the *barrios*.

In both the rise and the apparent decline of the anti-Chavez campaign, the US government has played a decisive role. The Democratic Coordinator announced it was scaling back the “general strike” almost immediately after US officials expressed concern over the protracted shutdown of the Venezuelan oil industry—which supplies 1.3 million barrels a day to the US market.

The Bush administration has twice in the past year thrown its backing behind the anti-Chavez campaign. During an April military coup, the US government was the only one in the Western Hemisphere that supported the overthrow of an elected president and his replacement by a junta. The newly installed head of state, Pedro Carmona, the president of Venezuela's chamber of commerce, promptly announced the dissolution of the National Assembly and sought to rule by decree. Chavez was returned to power by the military after 48 hours, in the face of popular uprisings against the coup d'état.

His right-wing opponents, however, regrouped and launched the employer lockout of December 2. The action was portrayed as a strike by the Venezuelan and North American media, a pretense sustained only by the support of the right-wing CTV union confederation, an outfit of stooge union leaders financed by the American AFL-CIO and the US State Department.

On December 13, the Bush administration again expressed its support for extra-constitutional action in Venezuela, as press secretary Ari Fleischer declared that the White House supported the holding of new elections, despite the fact that Chavez' term runs through 2006. Three days later the administration retreated from this position, calling for an unspecified "electoral solution" to the Venezuelan crisis, but dropping the demand for Chavez to step down as demanded by the right-wing opposition.

Several foreign policy concerns drove this more cautious approach. The US was prepared to support an opposition shutdown of the oil industry if it resulted in the rapid ouster of Chavez. But once the Venezuelan government had succeeded in mitigating the immediate crisis of supply, by restarting production and obtaining emergency imports, the biggest effect of the shutdown was on the US oil market, where prices began to rise rapidly as supplies tightened. Loss of Venezuelan supplies for a long period would greatly exacerbate the expected effects on oil markets from the impending US invasion of Iraq.

As in the case of North Korea, the Bush administration seeks to avoid an immediate political showdown in Venezuela that would distract from its focus on war with Iraq. In addition, with the intervention of Brazil, Ecuador and other Latin American oil producers to provide emergency supplies to Venezuela, the campaign against Chavez threatened to become a larger crisis for US relations with the entire southern continent.

The *Washington Post* reported on January 10 that the administration was now seeking to defuse the crisis in Venezuela, in order "to head off a budding Venezuela initiative by Brazil's new left-leaning government." The newspaper said that in the State Department "concern about wider fallout from the upheaval there has overtaken its worries about Chavez's politics." One official told the *Post* bluntly, "We were getting 1.5 million barrels of oil each day, and we're not getting it now."

This pullback in no way means that the Bush administration has given up on a right-wing coup in Venezuela. But in the face of the opposition's manifest failure to mobilize the public against the Chavez regime, the White House and State Department will return to their first choice: conspiring behind the scenes with sections of the military.

Throughout this period a subterranean struggle has been waged for the support of the police and the military. More than one hundred top officers were removed from their commands and forced to retire after the collapse of the US-backed coup attempt last April, and no military units have mutinied during the current crisis, despite open appeals from the Democratic Coordinator for a second coup against Chavez.

The Caracas police, however, have been mobilized by the city's mayor, Alfonso Pena, a leading figure in the Democratic Coordinator, against pro-Chavez demonstrators. After the January 3 shootings, which the Caracas police either perpetrated or permitted, soldiers loyal to Chavez raided the police department headquarters to confiscate heavy weaponry, including submachine guns and shotguns, leaving the police only with sidearms.

Chavez, a former paratrooper who himself led a failed coup attempt against a right-wing government in 1992, has sought to balance politically between his popular support among the poor and oppressed, and his following within the military itself. Elected by a sizeable majority in 1998 and reelected in 2000, he has campaigned on the basis of populist demagoguery, while presenting the military as an instrument of the people for carrying out social reforms, including developing the country's social and economic infrastructure.

Chavez is not a socialist, but a Venezuelan nationalist and supporter of capitalism, whose reform policies have brought him into conflict with the entrenched privileges of the country's economic and social elite.

The hatred of Chavez on the part of these elements was well described by an American observer of the political scene, who wrote: "... much of the hatred for Chavez arises from visceral class antipathy. The son of small-town schoolteachers, Chavez is a powerfully built *mestizo* with a wide, almost meaty face and thick hands. He's the sort of man that upper-class Venezuelans expect to see hauling sacks of concrete at a construction site or driving a bus, not running the country. Many refuse even to sit in the same room as Chavez, let alone debate the details of macroeconomic policy or how to divvy up scarce state funds" (Barry C. Lynn, a former correspondent for Agence France-Presse in Venezuela, writing in the current issue of *Mother Jones* magazine).

The American media has played a particularly disgusting and criminal role in the Venezuelan events. The *Washington Post*, the *New York Times*, the *Los Angeles Times* and the Associated Press all maintain correspondents in Caracas who can see with their own eyes the social divisions underlying the right-wing campaign against Chavez. But all have reported the existence of a "general strike" as though it was a mass upheaval from below directed at the regime, rather than a mobilization of the upper ranks of Venezuelan society.

As in the United States, the media in Venezuela itself is monopolized by a handful of wealthy families. Gustavo Cisneros, believed to be the wealthiest man in the country with a fortune of \$5.3 billion, is a media mogul—and a prominent anti-Chavista.

The *New York Times* actually hired a representative of the opposition, Francisco Toro, an economic analyst with the firm Veneconomia, to work as a correspondent. Toro resigned this week as a *Times* correspondent after refusing to shut down the anti-Chavez web site he maintains. His letter of resignation to *Times* editor Patrick J. Lyons acknowledges "conflict of interest concerns" related to his "lifestyle bound up with opposition activism."

Sections of the extreme-right media in the US continue to push for an all-out attack on the Chavez regime. *National Review*, an influential organ of the ultra-right, published an online report January 8 claiming that Chavez had supplied funds to the Taliban regime in Afghanistan, after the September 11 attacks in the US, with the intention of aiding Al Qaeda. This echoes a false report by the *Chicago Tribune*, published during the abortive April coup, and later retracted, that Chavez had spoken favorably of Osama bin Laden.

The danger of a fascistic right-wing takeover in Venezuela is far from over. The oil industry may not recover from the current disruption for several months, and losses to national income and economic output are already severe. One economic forecaster warned this week that the Venezuelan economy would contract 40 percent in the first quarter and 9 percent for the entire year.

Chavez's combination of populist demagoguery and modest social reforms can neither significantly advance the social interests of the masses of Venezuelan workers and peasants, nor forestall indefinitely another round of US-backed subversion and violence. The implacable opposition of the Venezuelan ruling class and American imperialism can only be overcome through the mobilization of the working class—in Venezuela, Latin America and the US itself—on a common program of international

socialism.



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