# **AUTOCRATS AND ACTIVISTS**

How Hugo Chávez and Fidel Castro use Venezuela's Citgo Oil to Mobilize U.S. Leftists to Subvert Free Enterprise at Home



GIVING BLUE STATES WHAT SHOULD GO TO SHANTYTOWN CARACAS



## Warning!

# Do not discuss, debate, or distribute this report in the Bolivarian Republic of Venezuela.

### This report contains statements critical of President Hugo Chávez, a criminal offense punishable by fine and imprisonment there.

The Law on the Social Responsibility of Radio and Television went into effect in Venezuela in November 2004, followed by amendments to Venezuela's Criminal Code that went into force in March 2005. These measures make it a criminal offense to insult or show disrespect for the president and other government authorities.

Those who must not be insulted or disrespected ("*desacato*") include the president, vice-president, government ministers, state governors, members of the Supreme Court, legislators of the National Assembly, members of the National Electoral Council, the attorney general, the public prosecutor, the human rights ombudsman, the treasury inspector, and members of the high military command.

Anyone convicted of offending these authorities faces a prison term of up to 20 months. Anyone who gravely offends the president can incur a penalty of up to 40 months in prison.

Penalties for defamation and libel have also been increased. Defamation penalties grew from a maximum of 30 months of imprisonment to a new maximum of four years if the statement is made in a document distributed to the public, such as this one. Those convicted would also have to pay a fine of up to 2,000 tax units (currently equivalent to more than US\$ 27,000). The penalty for libel grew from a maximum jail term of three months to a new maximum of two years.

*Desacato* could include any accusation of wrongdoing, criticism of behavior or policy, or rude language including name-calling.

In 2004, Venezuelan President Hugo Chávez called U.S. President George W. Bush a *pendejo*, a vulgar term indicating a worthless fellow. Under no circumstances in Venezuela should you ever reciprocate and say

### Hugo Chávez is a pendejo.

You have been warned.

### **Autocrats and Activists**

THE SITUATION: Venezuela's President Hugo Chávez has made headlines for giving millions of dollars worth of heating oil to poor families in the United States during the winter of 2005-06.

Praise has been heaped upon Chavez for his generosity, while critics drub President George Bush for failing to care for America's poor.

Citgo has been cheered for being the only oil company to comply with a Senate request

to donate oil profits for the poor, while all the rest have been blasted for making windfall profits and refusing to donate.

Nothing about this story is as it seems.

Chavez appears to be a kind-hearted foreign leader who wants to help America. He's not. Citgo appears to be a civic-minded American company giving heating oil to the poor. It's not. The senators who asked all major oil company executives in America to donate their profits to the poor appear to have only a charitable intent. They don't.

The chorus of public praise for Chavez and damnation for Bush appears to be a spontaneous outpouring with no prior arrangement. It's not.

The truth is a tangle of domestic partisan politics and foreign subversion.

Senators who urged petroleum executives to give profits to the poor knew Citgo would comply and were preparing a bill to impose "windfall profits" taxes on the oil industry.

Citgo is owned by the government of Venezuela and was taken over by Chávez in a strike that ended with his firing of 20,000 skilled but dissenting oil workers.

Chávez is using oil money to integrate Latin America economically, politically and militarily into a huge socialist bloc to dismantle U.S. policy.





He has formed close ties with Cuban communist dictator Fidel Castro to implement his plan.

In 2002, Chávez began a lobbying and public relations campaign in the United States to form a political base for himself and recruit American leftists in hopes they would subvert free enterprise from within.

In 2005, more than 80 mostly minor U.S. groups came to his aid in "solidarity evenings," eager to back his "How Venezuela is Keeping the Homefires Burning in Massachusetts" oil-for-the-poor project. A dozen or

more larger groups funded by left-wing foundations also support Chávez.

Activists in his revolutionary "Bolivarian Circles," who have been criticized for beating opposition legislators and intimidating voters, have unexpectedly gone far out of control, saying "the revolution, with or without Chávez." More than a dozen Bolivarian Circles now operate in U.S. cities.

Nothing about Hugo Chávez is what it seems. This report tries to fill in some of the blanks.





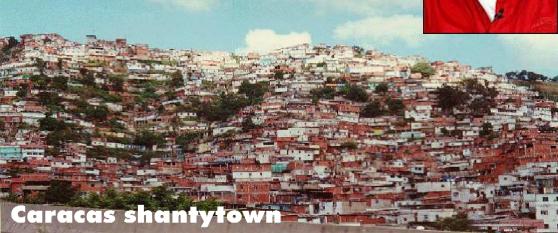


## The Autocrat

Hugo Rafael Chávez Frías was elected President of the Republic of Venezuela in 1998 on promises of aiding the poor majority, and reelected in 2000. Chavez is a revolutionary socialist and a radical critic of capitalism and United States foreign policy.

Venezuela is the world's fifth-largest oil producer, but its per capita income is \$4,768. According to the World Bank, 49 percent of all Venezuelans lived in poverty in 2000—household income of less than \$2 a day. About 24 percent lived in extreme poverty—less than \$1 a day.





Venezuela's capital city, Caracas, is a modern downtown surrounded by prosperous barredwindow residences looking out on a mountain jumble with thousands of shanty shacks piled one atop another, warrens made of found materials by the poor, using makeshift water, open sewers and diverted electricity. Chávez is giving land title to squatters there and on other private property, as well as putting up subsidized grocery stores and Cuban-run medical clinics. He's also spending millions - that locals resent - giving *their* oil to the U.S.poor to make the Bush administration and American corporations look stingy despite America's own social programs and huge charities.

The U.S. oil firm, Citgo was sold to Petróleos de Venezuela, the national oil company of Venezuela, half in 1983, the remainder in 1990. Citgo has over 4,000 employees and annual revenue in excess of \$32 billion. Venezuela supplies 12-15 percent of U.S. oil imports per year.

When Chávez took over the independent state oil company for his political purposes in 2002, workers struck, and Chávez purged 20,000 employees. Production has never recovered, but Chávez has turned oil revenues to his social programs for the poor, leaving machinery to decay and the technical problems of recovering Maracaibo's heavy oil unsolved for an uncertain future.



Chávez has mentored socialist Evo Morales, first indigenous president of Bolivia, who calls himself, "America's nightmare." He vows to respect private property, but increase state control over the nation's energy industry and reverse an American-backed crusade against coca, having been a coca farmer himself.

Morales's party, the Movement Toward Socialism, won nearly half the 27 seats in the Bolivian Senate and half the 130 seats in the lower house. The MAS, as the party is known, also won at least two of nine governorships. But the nation's labor movement demands expropriation of energy installations or threatens to continue the protests that brought down two previous presidents.

Chávez now fosters a potentially powerful bloc of leftist nations in Latin America, including Brazil, Uruguay and Argentina.

## The Autocrat Rising

**ORIGINS:** Chávez was born on July 28, 1954 in the town of Sabaneta, Barinas, of mixed Amerindian, African, and Spanish descent. At age seventeen, Chávez enrolled at the Venezuelan Academy of Military Sciences. Over the course of his college years, he developed a fervently left-nationalist doctrine "Bolivarianism", inspired by liberator Simón Bolívar, and Chávez's idol, Ernesto "Che" Guevara, Argentine-born Cuban communist revolutionary.

The central points of **Bolivarianism**, as defined by Chávez, are:

- 1. Venezuelan economic and political sovereignty (anti-imperialism).
- 2. Grassroots political participation of the population via popular votes and referenda (participatory democracy).
- Economic self-sufficiency (in food, consumer durables, et cetera).
- 4. Instilling in people a national ethic of patriotic service.
- 5. Equitable distribution of Venezuela's vast oil revenues.
- 6. Eliminating corruption.



**MILITARY CAREER:** After college, Chávez entered active-duty military service as a member of a counter-insurgency battalion stationed in Barinas. Chávez's military career would last 17 years, taking him to the rank of lieutenant colonel. Chávez also taught at the Military Academy of Venezuela, where he was noted for his authoritarian lecturing style and harshly radical critique of Venezuelan government and society.

ATTEMPTED COUP: On July 24, 1983—the 200th anniversary of South American liberator Simon Bolívar's birth—Hugo Chávez established the Bolivarian Revolutionary Movement-200 (MBR-200), setting as its political goals a "Bolivarian Revolution" to clean up corruption in the military and government. He organized a coup d'etat against President Carlos Andrés Pérez on February 4, 1992, with loyalty of 10% of Venezuela's military forces, but bungled it at the last minute and was captured. He was imprisoned for two years, then pardoned by President Rafael Caldera in 1994. It made him a national hero.

**PRESIDENCY:** Upon his release, Chávez immediately reconstituted the MBR-200 as the Fifth Republic Movement, his political party. Later, in 1998, Chávez began to campaign for the presidency on a platform of ending corruption and poverty, ending the free market economy in favor of income redistribution and socialist welfare programs, and ending Venezuela's friendly relations with the United States. On December 6, 1998 Chávez won the presidential election with 56.2% of the vote. Chávez took the presidential oath of office on February 2, 1999 with Caldera watching.





AUTOCRACY: Chávez renamed the nation the Bolivarian Republic of Venezuela and called for a new constitution. His national referendum to create a Constitutional Assembly passed with a 71.78% "yes" vote. His candidates won 95% of the seats on the new Venezuelan Constitutional Assembly, which quickly gave itself power to remove judges and banned any meetings of the National Assembly, the elected legislature, effectively ending opposition and removing any checks and balances on Chávez.

The Chávez Assembly drafted one of the longest constitutions in history with 350 articles, giving dictatorial new powers to the president. He could dissolve the legislature by decree and even rule by decree upon Assembly vote. The new

constitution (Chávez holds up a miniature copy in the photo) reduced the bicameral legislature to a unicameral body stripped of most of its powers. Chávez embodied his revolution in the draft constitution. This draft was presented to the national electorate in December 1999 and approved with a 71.78% "yes" vote (identical to the earlier referendum vote). Four-year presidential terms were changed to six-year terms, two terms maximum; a recall vote could remove the president; and the two-party system abolished, allowing third parties, hoping to split the remaining opposition.

## **Problems and Paranoia**

**REFORM AND REVOLT:** Chávez had only been in office a little over a year when he and the new unicameral National Assembly faced elections on July 30, 2000. Chávez won re-election with 60% of the vote and his candidates won an overwhelming two-thirds of the Assembly seats. Now his reforms began in earnest.



• In November 2000 Chávez backed the "Enabling Act" allowing him to rule by decree for one year. He issued a set of 49 socialist decrees. He ordered oil production reduced to try boosting low oil prices and urged OPEC leaders to do the same. Fedecámaras, a national business federation, opposed the decrees and called a general business strike on December 10, 2001. The strike failed, but Chávez blamed the US for instigating it.

• In December 2000 Chávez proposed a law forcing Venezuela's labor unions to hold state-monitored elections. It was condemned by the International Labor Organization as undue government

hold state-monitored elections. It was condemned by the International Labor Organization as undue g interference in union affairs.

• By December 2001, Chávez had used oil revenue to establish social welfare reforms to lower infant mortality rates, introduce land reform, start a government-funded free medical system, increase primary school enrollment by one million students, and give free education through university degree. His capital-control policies reduced inflation from 40% to 12% while generating 4% economic growth. Things looked good for Chávez.

**RIOTS:** In early 2002, Chávez fired the management of Venezuela's state-owned oil company, Petróleos de Venezuela (PDVSA). Union leader Carlos Ortega called for a two-day general strike. Half a million people took to the streets in defense of the fired oil company managers, marching to the presidential palace, where they met a pro-Chávez crowd. They attacked each other. Chávez's national guard used tear gas to separate the protesters, but gunfire erupted, ending with over 100 casualties and 17 documented deaths. All sides accuse others of starting the gunfire.





**COUP:** Unexpectedly, in the midst of this turmoil, Lucas Rincón Romero, commander-in-chief of the Venezuelan armed forces, broadcast that Chávez had tendered his resignation from the presidency. Chávez was held at a military base while rebel leaders appointed businessman Pedro Carmona as Venezuela's interim president. Carmona immediately reversed Chávez's "Bolivarian Revolution," loosened Chávez's credit controls and ended his oil price quotas by raising production back to pre-Chávez levels.

**RESTORATION AND RETRIBUTION:** Equally unexpectedly, loyal soliders rescued Chávez and ended the two-day coup. Chávez, returned to the presidency amid jubilant crowds of supporters, insisted that the US was behind the coup and began an endless string of accusations about repeated coup attempts, attempted assassinations and other alleged skullduggery by the US. It became a constant Chávez mantra and justification for a more strident anti-US stance.





• Chávez, furious at the coup and demanding more money for his social programs, took total control over the PDVSA in late 2002. Oil workers struck, trying to force Chávez out of office by blocking his access to the all-important government oil revenue. Venezuela ceased exporting its former daily average of 2,800,000 barrels of oil and imports were soon required. Chávez took total control, fired PDVSA's top management and dismissed 18,000 skilled PDVSA employees. A court ruled the firings illegal, but Chávez ignored it. Production fell more than 20%.

**RECALL VOTE:** Chávez opponents didn't give up. They began collecting signatures on a petition for a recall vote to remove him from power. Their first petition was rejected because some of the signatures were collected before the proper time. A second petition try succeeded and the recall election was held August 15, 2004. Chávez mobilized all the poor in the nation and survived the recall with a 59.25% "no" vote. Opponents claimed fraud, that the results had been exactly reversed. Chávez stayed in power despite protests. Chávez had the supporters of the recall, particularly election monitoring activist Maria Corina Machado, prosecuted for treason.

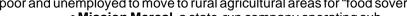
## **Elected Dictator**

**TRANSFORMATION AND TURMOIL:** With unchecked power written into his Constitution and direct control of the oil money, Chávez brought radical shifts, reversing the government's free market economy and capitalist reform principles, installing socialist income redistribution and welfare programs. He ended traditional foreign policy support for the U.S. and Europe and promoted integration programs for the Global South. "Chávismo," as his agenda is known, works through various "Missions" and grassroots worker councils called "Bolivarian Circles." In the past three years, programs imposed by Chávez's decree have cost more than \$20 billion of state oil money under his personal control, including:

• Plan Bolivar 2000: the military was assigned to distribute food in slums, build housing for the poor, and use military aircraft to transport the poor at cost, patterned after a 1990s Castro program, including road building and mass vaccination. The programs immediately filled with corruption, theft and fraud as clever people signed up for multiple benefits at different locations, avoiding the need to work.

• In reaction to severe criticism, the government criminalized broadcast libel and slander against public officials; prison sentences up to 40 months for character defamation against Chávez and other officials.

• Mission Vuelta al Campo, to move the poor and unemployed "voluntarily" from cities to rural areas. • The "Law of the Lands" decree, to expropriate private farm lands and give them to farmer collectives as an incentive for the poor and unemployed to move to rural agricultural areas for "food sovereignty."







 Mission Mercal, a state-run company operating subsidized grocery stores selling to 11.2 million people at more than 14,000 sites with 4,200 tons of food per day at discounts up to 50% (many products are wrapped in pro-Chávez slogans). Subsidies are to end if farm collectives can grow in "non-capitalist development from the bottom up." Most Mercal distribution points are open air markets.



 Mission Hábitat, to build tens of thousands of agreeable housing zones for the poor. The program is bogged in theft and slow work, with less than 10,000 units built in the six years since Chávez started it.

Education: Mission Robinson, free lessons to 1.5 million illiterate adults; Mission Sucre, free education to those who had not completed elementary-levels; and Mission Ribas, free remedial education and diplomas for 5 million high school dropouts.

• Mission Guaicaipuro, "protecting indigenous peoples' livelihood, religion, land, culture and rights" and giving non-transferable title to 6,800 square kilometers of land to various indigenous Amazon basin dwellers.

 Mission Barrio Adentro, a fetus-to-grave lifetime medical program, building thousands of new medical offices. Chávez's new Constitution forbade privatizing medicine and guaranteed medical care as a human right to be publicly funded. Venezuelan doctors went on strike, protesting the siphoning of public funds from their existing institutions to these new Bolivarian ones, run by Cuban doctors. Theft plagued the medical construction program.



• Mission Miranda, a popular militia composed of 1.5 million ordinary citizens given light arms, with payments and benefits to unemployed veterans and to soothe coupprone military officers. Chávez bought 50 advanced MiG-29 fighters, 40 helicopter gunships and 100,000 AK-47 rifles from Russia for his militia. He also bought military corvettes and other ships worth \$2 billion from Spain, which provoked technology transfer criticism from the U.S. government.

 Chávez banished the Christian missionary organization "New Tribes Mission" from the country, accusing it of "imperialist infiltration" and CIA connections.

 Chávez ended military cooperation with the US and ordered all active-duty US military personnel out of Venezuela. His militia was ordered to fight any American invasion.

RESULTS: In 2004, the average household income in Venezuela had increased 30 percent. Gross domestic product grew 17% in 2004, one of the highest in the world. However, government unemployment figures showed 12%, but some analysts believe it is actually several points higher. Inflation approached 15% in 2005.

• Datos polling firm in Caracas showed 2005 public approval of Chávez down from 70% in April to 50% in December.

• Turnout for the December 5, 2005 National Assembly elections was dismal, only 25% of registered voters.

• An opposition boycott gave all the National Assembly's 167 seats to Chávez's party (114 seats) or to his supporters (the remainder). By 2006, Chávez had gained absolute power over all branches of government.

• Supporters are calling for a constitutional amendment removing the two-term limit so Chávez can rule indefinitely.

### Hugo Chávez > **The Not-So-Odd Couple** < Fidel Castro Integrating Latin America into an anti-US Socialist Bloc

THEY MET IN HAVANA: The ongoing relationship between Chávez and Cuba's Fidel Castro began with Chávez's 1994



visit to Havana, significantly deepened after Chávez was elected president in 1998, and solidified in late 2004.

• Chávez, a long-time admirer of Castro's tenacity and of Havana's defiance of the US, has forged close ties with Castro because the Cuban leader is committed to helping him establish a socialist Bolivarian state.

• In late 2004, Chávez nearly doubled Venezuela's daily oil barrel deliveries to Cuba; Havana reciprocated, doubling the number of its medical professionals and teachers stationed in Venezuela.



• Venezuela's increasing subsidization of the Cuban economy has allowed the island to rebound from the devastation it suffered when the U.S.S.R collapsed in 1989.



**TEAMED AGAINST THE US:** The main reason for the tension between the US and Venezuela is that Chávez undermines US efforts to establish democracy in Cuba by propping up the Castro economy, making it more immune to sanctions.

• On April 29, 2005 Chávez and Castro renewed their call for a hemispheric unity pact, the **Bolivarian Alternative for the Americas (Alternativa Bolivariana para América - ALBA)**, not the US-led Free Trade Area of the Americas (FTAA).

**ALBA**, embracing far more than trade, is Chávez's plan to integrate Latin America economically, politically, and militarily, on the model of the European Union. First steps:



**PETROSUR:** In May 2005, Chávez, President Néstor Kirchner of Argentina and President Luiz Inácio Lula da Silva of Brazil signed an agreement creating **Petrosur**, a multistate oil company to comprise the national oil companies of Argentina, Bolivia, Brazil, and Venezuela. Petroecuador and Ecopetrol of Colombia may be invited later.

**PETROCARIBE:** In June 2005 Chávez launched **Petrocaribe**, a discount oil alliance with Caribbean countries Antigua and Barbuda, the Bahamas, Belize, Cuba, Dominica, the Dominican Republic, Grenada, Guyana, Jamaica, Suriname, St Lucia, St Kitts and Nevis, and St Vincent and the Grenadines. They can purchase up to 185,000 barrels of Venezuelan oil per day at market value but pay only a certain amount up front; the remainder payable over 25 years at 1% interest. Members can pay part of the cost with other products, such as bananas, rice, and sugar. Barbados, not an oil producer, and oil-rich Trinidad and Tobago refused to join Petrocaribe.

**TELESUR:** In July 2005, Chávez's pan-Latin American TV channel began broadcasting to 23 Latin countries from its studios in Caracas. Backed by the governments of Venezuela, Argentina, Cuba and Uruguay, it is vital to Chávez to

promote ALBA by control of the media. In its first broadcast, the channel's president, Venezuelan communications minister, Andres Izarra, told viewers that Telesur was not directed against the people of the US. He did not say it wasn't directed against the government of the US.

**CHÁVEZ AND CASTRO BOTTOM LINE:** They each see the other as their key to defeating free enterprise in Latin America. Chavez is aware that the United States has both a strong anti-globalization movement AND a vigorous pro-Castro movement. The success of the Bolivarian Alternative depends in large part on gaining popular support in the U.S. to counteract the "Washington Consensus" promoting free trade. Thus Chavez has targeted the U.S. for programs that will win him popular political support.



## The All-Important Oil

Hugo Chávez has cast himself as Latin America's leading critic of American-style capitalism and repeatedly threatened to cut off oil shipments to the US. However, Foreign Minister Ali Rodriguez states categorically that Venezuela has no intention of steering supplies away from the US market. Venezuela is listed as the fourth largest oil supplier to the United States, providing about 1.5 million barrels a day of oil and oil products.



Chávez's 2003 mass firings of Petróleos de Venezuela (PDVSA) employees included 75% of the company's engineers, 70% of research scientists and 50% of its refinery employees. Daily production plummeted to 700,000 barrels. Although the Chávez government claims that production has largely recovered and is averaging 3.2 million barrels of crude a day, industry experts contend that the level is closer to 2.6 million barrels, a 25% drop from the 3.5 million that Venezuela was producing before Chávez took over the company.

More serious yet, average daily production has remained flat during 2003-2004 and may have declined by 120,000 barrels more in 2005. OPEC members have raised their daily production by an average 15% since 2002 to about 30 million barrels. Heavy crude makes up about half of Venezuela's oil reserves. This oil is thick as tar and difficult to pump, transport and refine. PDVSA is short the skilled manpower it needs, resulting in a reduction of refining capacity and increased numbers of accidents.

With Chávez's takeover of PDVSA complete, he uses its revenue to finance his socialist war on poverty. He also has signed preferential oil deals in Petrosur and Petrocaribe aimed at shoring up friendly leftist governments and reducing Venezuela's dependence on US sales for its primary source of income. The cost to Venezuela has been estimated at \$1.5 billion a year.

To decrease dependence on the US market, which in 2005 was buying about two-thirds of Venezuela's 2.1 million barrels of average daily exports, Chávez is investing in foreign refineries and shipping terminals to cut out United States operations. The largest so far is a \$2.2-billion refinery in Brazil's Pernambuco state, a joint venture with Brazilian state oil company Petrobras. He has also signed supply and investment deals with Russia, China, Brazil and India.

Chávez has studied liquidating part or all of Citgo, which receives 700,000 barrels of Venezuelan crude per day that are sold in the United States through Citgo's network of eight refineries and 14,000 service stations, at a discount of two dollars a barrel because its refineries can handle Venezuela's heaviest crude oils. Chávez has publicly griped, "We are subsidising the U.S. budget." He is already selling off unprofitable units in Europe, and analysts say Citgo will be sold or the discount will be eliminated. Citgo's annual profit is about \$1 billion.

But as Chávez spends money socializing Venezuela, PDVSA infrastructure is deteriorating, threatening his program. Many wells and much extraction equipment have fallen into disrepair through lack of investment, and natural gas needed to force up crude oil is in increasingly short supply in some fields.



Chávez is also attempting to roll back oil deals made before he came to power. He has told foreign oil companies, including Chevron Corp., BP and Royal Dutch Shell, which entered into agreements in the 1990s to upgrade the Venezuelan industry, that he will send troops to take over the projects, which account for about 500,000 barrels a day, or 19% of crude output, unless the companies agree to turn over majority interests to the government and to pay hundreds of millions of dollars in alleged back taxes.

The impact of the Chávez revolution is spreading, with the election of Bolivian President Evo Morales, a Chávez protégé, signaling another socialist revolution to destroy the free enterprise progress of Latin America. The threat posed by this spread of the Bolivarian Alternative has not been recognized in the mainstream United States.

## Lobbying the Left in America

In 2003, shortly after Chávez took over the national oil company, the Venezuelan government started reaching out to grassroots US organizations to gain popular support for ALBA - the Bolivarian Alternative for the Americas. Its embassy in Washington created the Venezuela Information Office (VIO) - funded by Caracas with nearly \$800,000 in the year ending Aug. 31, according to Foreign Agents Registration Act filings at the U.S. Department of Justice, File #5567.



The Venezuela Information Office's first head was Deborah James, who went there from Global Exchange, a long-time anti-free trade organization. The office's Justice Department filings say it contacts key congressional staffers, journalists to seek "balance" in the reporting on Venezuela, and that it "disseminates informational materials to support the Venezuelan Government." James is currently a Senior Fellow at the Oakland Institute, and serves on the board of the California Coalition for Fair Trade and Human Rights, the Fair Trade Federation, and the Center for Corporate Policy.

Eric Wingerter, a spokesman who used to work for Defenders of Wildlife and Public Employees for Environmental Responsibility, said, "The Venezuelan government feels frustration that their side of the story is not getting out."





The filings also show the Venezuelan embassy hired a high-powered Washington lobby firm, Patton Boggs LLP, (File #2165) in September of 2003 and paid it about \$1.6 million to "schedule and attend, or accompany an Embassy representative to meetings with U.S. Government officials, members of Congress and congressional staffers to discuss U.S.-Venezuelan bilateral relations." But the contract was not renewed when it

expired in late 2004 because the embassy ran out of money, said Venezuela's ambassador in Washington, Bernardo Alvarez.

The filings also show the Venezuelan embassy hired I Imagine, Inc., *aka* I Imagine Entertainment, a public relations firm in Alexandria, Virginia (File #5564) that "disseminated informational materials to public officials, legislators, government agencies, newspapers, and civic groups or associations on behalf of the foreign principal," for which it was paid \$572,595 for the two month period ending September 1, 2003, primarily propagandizing grass-roots groups.

According to the Center for Public Integrity, a Washington-based group that tracks lobbying payments, Venezuela paid out \$500,000 for lobbying in 2004, mostly through its state oil company PDVSA and its US unit, CITGO.



**EXPORTING REVOLUTION TO AMERICA**: Something new to the United States is the growth of "Bolivarian Circles." The nature of these groups is not easily understood by the average American. The Wikipedia online encyclopedia entry offers a description:

The Bolivarian Circles are a 2.3 million member, loosely-knit political and social organization of workers' councils in Venezuela originally begun by President Hugo Chávez. They are named after Simón Bolívar, the leader who transformed most of South America from Spanish colonial outposts to the independent states now in place.

The circles are neighborhood groups charged with the reorganizing of Venezuelan society from the grassroots, and pushing forward the Venezuelan revolution. These workers' councils began as very dependent on the Chávez government and its bureaucracy, who originally selected candidates for the circles to choose from. Spontaneous acts of defiance, such as walking out and electing their own candidates, have gained them an independence that has made them into a powerful social force on par with the soviet workers' councils in pre-revolutionary Russia. They are generally seen as the most revolutionary wing of Venezuelan society, carrying out factory occupations and taking large estates, and fighting against bureaucrats who are on the more reformist wing of society. As a signal of that role perhaps, one of the slogans that has come out of these councils has been "the revolution, with or without Chávez," indicating that their aspirations for socialism, and in some cases even communism, are not something to be sacrificed for charismatic politicians.



**IN AMERICA:** Made up mostly of Venezuelan immigrants or their spouses, about a dozen of these revolutionary socialist groups are operating in US cities including New York, Cincinnati, San Diego, Miami, Chicago, Boston, Detroit, Salt Lake City, Knoxville, Milwaukee and Salem, Oregon. They are independent of Venezuela and promote revolutionary socialism in America more than they do Chávez, but are important for his ALBA - the Bolivarian Alternative for the Americas.

## **Backdoor Diplomacy: Chávez for the Poor**

Hugo Chávez wanted a political base in the United States for ALBA - the Bolivarian Alternative for the Americas - and Democratic politicians helped him buy it *News headlines told the story:* 

#### The Washington Post High Oil Profit Leads to Venezuela's Plan to Subsidize Heating in United States

By Justin Blum, Staff Writer; Tuesday, November 22, 2005; Page A22

#### The Post framed the issue around an October appeal from Congress to petroleum executives:

The plea came in a letter from a group of U.S. senators to nine big oil companies: With huge increases in winter heating bills expected, the letter read, we want you to donate some of your record profits to help low-income people cover those costs.

But the lawmakers received only one response. It came from Citgo Petroleum Corp., a company controlled by the Venezuelan government of President Hugo Chávez.

So began a series of media features admiring Chávez, including full-page ads in the *Post* and *New York Times* telling "How Venezuela is Keeping the Homefires Burning in Massachusetts" and stories headlined "Politics or not, Bronx warmly receives Venezuelan Heating Oil."

The message was clear: Americans, give your loyalty to President Chávez, not to President Bush.

The letter and the plea and the Citgo response - it all looks straightforward. It's not. If you track the timeline, the Chávez and Democratic orchestration becomes transparent.



First mention of Venezuelan oil for poor communities in the United States Aljazeera: Wednesday 24 August 2005, 10:08 Makka Time, 7:08 GMT Dateline: Havana, Cuba - Chávez: We want to sell fuel directly to poor communities Venezuelan President Hugo Chávez, popular with the poor at home, has offered to help needy Americans with cheap supplies of petrol.

"We want to sell gasoline and heating fuel directly to poor communities in the United States," the populist leader said at the end of a visit to Communist-run Cuba on Tuesday.

Chávez honors Jesse Jackson to plant popular support in the U.S. VenezuelAnalysis.com: Sunday 28 August 2005

Dateline: Caracas, Venezuela - Jesse Jackson addresses National Assembly



Speaking after a press conference held by President Chávez and U.S. Reverend Jesse Jackson [right], Rafael Ramirez, president of Venezuela's oil company PDVSA, [left, with Jackson] offered some details of Venezuelan President Hugo Chávez's offer to provide cheaper gasoline and heating oil to U.S. poor communities. CITGO will set aside up to 10% of its



refined oil products to be sold directly to organized poor communities, and institutions in the U.S. without intermediaries.

### Chávez gains popularity in the U.S. with offer of disaster aid Associated Press: Wednesday 31 August 2005

Dateline: Caracas, Venezuela Chávez offers hurricane aid, criticizes Bush evacuation and relief response Venezuelan leader Hugo Chávez offered \$1 million in humanitarian relief in the aftermath of Hurricane Katrina, but sharply criticized the U.S. government's planning and response to the disaster. He said the fierceness of recent hurricanes is a product of global warming, and blamed "capitalist consumerism" championed by the United States. He noted the United States hasn't signed the Kyoto Protocol aimed at reducing so-called "greenhouse gases."

## Backdoor Diplomacy: Chávez for Activists

#### The Chávez campaign to win the loyalty of average Americans with gifts

#### Chicago Tribune: Friday 2 September 2005 Dateline: Chicago, Illinois - Venezuela Woos Hispanics

Citgo's \$100,000 rescue of Chicago's Puerto Rican festival is part of a large and curious campaign to win the hearts of average Americans, back-door diplomacy that will offer Americans everything from free eye surgery to discounted heating oil in coming months. Martin Sanchez, the Venezuelan consul general in Chicago, said, "By showing that we are exporting solidarity and not bombs, we hope it will inspire people in the United States to say, Hey, that country and President Chávez are not what the media says they are. Because we've been helped."



#### Associated Press: Friday 16 September 2005

Dateline: United Nations, New York - Chávez pushes his revolution at the United Nations

President Chávez told the United Nations it needed a revolution, not the weak reforms it enacted.

His 4-point revolution not only recommended allowing new countries into the Security Council and abolishing its veto, but also enforcing countries' rights to nationalize all foreign investments and form cartels to control all resources.

He also recommended moving UN headquarters to a new city to be built in the Global South with its own sovereignty. He repeated his usual anti-Bush rhetoric.

#### Chávez Visits the Bronx, Promises Aid, Defends his U.S. Political Base Growing in Bolivarian Circles

VenezuelAnalysis.com: Saturday 17 September 2005 Dateline: Bronx, New York At the invitation of U.S. Congressman José Serrano (D-NY) [right], Chávez, wearing his signature revolutionary red shirt, gave a speech to Bronx community groups focused on the "socialism of the 21st century," which would counter the capitalist economic policies of U.S. imperialism. Chávez said this new socialism must be based in Christianity: "A new Christian Socialism; the first great socialist was Christ."





Prior to the forum in the Latin Pastoral Action Center, Chávez toured the Bronx, where he saw the Bronx River and told Felix Rodriguez, the CEO of the Venezu-

elan oil company Citgo, to initiate a study of the river to see how it could be cleaned up. Chávez said that Citgo would also become involved in helping people of the Bronx to get

free eye operations via "Mission Miracle," which provides operations to North and South Americans in Cuba. Venezuela would help conduct preliminary examinations and would provide trans-

portation to Cuba for the operations.

Another plan Chávez offered was for Citgo to sell heating oil to poor U.S. communities at below-market rates. Jesse Jackson, who had discussed the plan with Chávez in Caracas, attended the Saturday event. Chávez said he fell in love with the people of the Bronx and New York.

Chávez defended the growth of Bolivarian Circles in the United States. Various activist personalities supported him, including actor Danny Glover and Father Roy Bourgeois.



### Events quickly converged that allowed Democratic politicians to use the Chávez offer to influence U.S. public policy - which gave legitimacy to his program in America:

**October 18:** Congressional problems with the Low Income Heating and Energy Assistance Program prompted a news conference by eight Democratic Members of Congress who pledged to add full LIHEAP funding to the Transportation Bill.

Sen. John Kerry stated: "The Energy Information Administration, which works for President Bush and this administration, has made it clear that, over the course of this winter, families all across America are going to be hard hit. The average family in America is going to pay about \$600 more for their heating bills. We know that families have already been facing enormous increases in day-to-day cost of living. Health care costs are up. Tuitions are up. Gas prices are up. Wages are down or the same. So we're facing a crisis which we know is coming, which the administration knows is coming, and yet they have refused to take action necessary to prevent that crisis from having a devastating impact on American families. We fought in the Senate, a few days ago, to try to get the full appropriation for the low-income heating and energy assistance program funding for these families. The energy bill authorized that funding at \$5.1 billion. But the administration has only put \$2 billion on the table."

Oil for the needy was now a major U.S. issue. The Chávez offer became a partisan weapon.

## **Backdoor Politics: Oil for the Democrats**

Thursday October 27 2005 Three things happened in one day:



**ONMODII** ExxonMobil announces record 3rd quarter profits.



Senate Majority Leader Frist announces hearings with oil company executives as witnesses.

Twelve Democratic senators write a plea to nine oil companies, including Citgo, asking that they donate to the poor in need of heating oil for the winter - a feint to force their LIHEAP demands on President Bush:

Mr. Lee R. Raymond, ExxonMobil Corporation Mr. James J. Mulva, ConocoPhillips Mr. William Greehey, Valero Energy Corporation Mr. John B. Hess, Amerada Hess Corporation

I CorporationMr. David J. O'Reilly, Chevron CorporationpsMr. John G. Drosdick, Sunoco, Inc.ergy CorporationMr. Clarence P. Cazalot, Jr., Marathon Oil CorporationCorporationMr. Bruce A. Smith, Tesoro CorporationMr. Felix Rodriguez, CITGO Petroleum Corporation

Energy companies are earning record profits this quarter, therefore, we urge you to act as good corporate citizens and invest earning profits into programs, such as fuel funds, that will provide energy assistance to low-income Americans.

Rising energy prices threaten to financially overwhelm low-income families and seniors this winter. These households will face impossible choices this winter: to heat or to eat. A study by the RAND Corporation found that low-income households reduced food expenditures by roughly the same amount as their increase in fuel expenditures. The Mortgage Bankers Association expects steep energy costs could increase the number of missed payments and lost homes beginning later this year.

Approximately 8.1 million households in the United States use oil for heating. Since the winter heating season of 2001-2002, heating oil prices rose 98 percent for the average family. This winter, prices are expected to rise over 30 percent. Natural gas prices are also expected to soar. This winter, the average family will face a \$1500 natural gas bill, an increase of over \$600 from just last year. For families using propane, prices are projected to hit \$1,427, an increase of \$325. These price increases are overcoming workers' salaries and seniors' Social Security checks. American families need economic relief from high energy prices. They need the security to know they will not have to decide between heating their homes or feeding their families, and paying the energy bill or buying life-saving medicines.

For years, natural gas utilities and their customers have contributed to fuel funds to help reduce the energy burden of lowincome families. In 2003, contributions to fuel funds totaled \$68 million. U.S. oil companies' profits for the first nine months of this year increased by more than 35 percent over last year. Contributing just 10-percent of your company's profits to assist low-income families faced with high energy burdens will have a substantial impact this winter.

To keep American households safe and warm this winter, we urge you to invest earning profits into energy assistance programs.

Jack Reed (D-RI) Barbara A. Mikulski (D-MD) Debbie Stabenow (D-MI) John F. Kerry (D-MA) Maria Cantwell (D-WA) Herb Kohl (D-WI) Frank R. Lautenberg (D-NJ) Hillary Rodham Clinton (D-NY) Mark Dayton (D-MN) Tim Johnson (D-SD) Edward M. Kennedy (D-MA) Harry Reid (D-NV)



It was a setup: They knew Chávez had already ordered CITGO to make the "investment" they requested. They knew the oil companies already donated millions each year to charities through their foundations (2003 donations, ExxonMobil Foundation, \$49.7 million; ChevronTexaco Foundation, \$2.4 million; ConocoPhillips Scholarship Program Trust, \$1.7 million; Valero Energy Foundation, \$7.6 million; Marathon Oil Company Foundation, \$3.9 million) and were unikely to make deals like CITGO.

They knew the Senate and media would portray the oil executives as profiteers and ignore their charities. They knew Felix Rodriguez of CITGO would not be called as a witness.

They all voted against oil development on U.S. soil in a small corner of the Arctic National Wildlife Refuge. October 28 Sen. Byron Dorgan (D-ND) introduced a windfall profit tax bill against oil companies.

## **Backdoor Politics: Activists for Chávez**

Tuesday, November 8, 2005 Knight Ridder Newspapers Byline: Pablo Bachelet Grass-roots groups in U.S. promote Chavez's 'revolution'



About 1,300 persons paid \$20 each to attend "an evening in solidarity with Bolivarian Venezuela" at Town Hall in New York City. Partly organized by the local Bolivarian Circle, it was also endorsed by more than 80 leftwing organizations ranging from the U.S. anti-war group ANSWER to the Cuban legislature in Havana. It was followed up two days later by a similar affair in Los Angeles.

[The event was announced in Venezuela in August when Chávez first mentioned his "oil for the U.S. poor" project in Havana, and used Castro's "Cuban Rolodex" of U.S. supporters to help with organization. A similar event was planned a year earlier, "An Evening in Solidarity with the Bolivarian Revolution" (note the name change), timed to coincide with a visit to the U.S. by Chávez, but cancelled at the last minute for reasons in dispute: the Venezuelan government said an aircraft malfunction kept Chávez away; critics said it was because Chavez was not invited to certain diplomatic events or granted a meeting with President Bush.]

#### By the time of these "solidarity evenings," leftists had already formed pro-Chávez coalitions:

"Hands Off Venezuela," founded in December 2002 by Alan Woods, editor of *In Defense of Marxism*, to repel any criticism or action against Chávez or the Bolivariam Revolution.

**The International Action Center** ("Information, Activism, Resistance to U.S. Militarism, War, and Corporate Greed, Linking with Struggles Against Racism and Oppression within the United States"), founded by Ramsey Clark, Lyndon Johnson's Attorney General and currently radical activist, operates the U.S. Hands Off Venezuela campaign.

#### Long-standing and well-funded left-leaning U.S. non-profits took up the pro-Chávez cause:

Center for Economic and Policy Research (funded by the Charles Stewart Mott Foundation, the Open Society Institute, the Rockefeller Foundation, the Rockefeller Brothers Fund, the Joyce Foundation, several others) Transafrica Forum (chaired by actor Danny Glover, funded by the Rockefeller Foundation, Ford Foundation, Coca-Cola Foundation, DaimlerChrysler Corporation Fund, Sony USA Foundation, Christopher Reynolds Foundation.) Global Exchange (funded by the Rockefeller Foundation, Christopher Reynolds Foundation, the MacArthur Foundation, the John Merck Fund, the Turner Foundation, many others.)

#### Long-standing U.S. leftwing foundation donors directly and indirectly funded the Chávez cause through antiglobalization campaigns:

**The Arca Foundation** (the tobacco fortune of Smith Bagley, high-profile Democratic Party fundraiser and ardent Castro supporter who sequestered young Cuban refugee Elian Gonzales in his Washington, D.C. mansion.) **Funders Network on Trade and Globalization** (several dozen anti-globalization foundations organized as a subgroup of the Environmental Grantmakers Association, which is an affinity group of the Council on Foundations, the lobbying group of the philanthropy industry)

National Network of Funders (the umbrella group of more than 200 U.S. "progressive" foundations.)

## **Backdoor Politics: Democrats for Chávez**

Tuesday November 22 2005 Associated Press, Dateline, Quincy, Massachusetts Venezuela to Provide Discount Oil to Massachusetts



Joseph P. Kennedy II, chairman and president of Citizens Energy Corp, right, carries a fuel oil hose to the home of Linda and Paul Kelley in Quincy, Mass., Tuesday Nov. 22, 2005. Venezuelan officials signed an agreement Tuesday to provide 12 million gallons of discounted home heating oil to low income Massachusetts residents. The fuel is being offered by Citgo, a subsidiary of Venezuela's state-owned oil company. From left are Larry Chretien, Executive Director of Mass. Energy Consumers Alliance, U.S. Rep. Bill Delahunt, D-Mass., Felix Rodriquez, CEO of Citgo Petroleum Corp (behind hose) and Kennedy. (AP Photo/Charles Krupa)

Thousands of low-income Massachusetts residents will receive discounted home heating oil this winter under an agreement signed Tuesday with Venezuela, whose government is a political adversary of the Bush administration.

A subsidiary of Venezuela's state-owned oil company will supply oil at 40 percent below market prices. It will be distributed by two nonprofit organizations, Citizens Energy Corp. and the Mass Energy Consumer Alliance.

The agreement gives President Hugo Chavez's government standing as a provider of heating assistance to poor U.S. residents at a time when U.S. oil companies have been reluctant to do so and Congress has failed to expand aid in response to rising oil prices.

The first deliveries of 40 percent-discounted Venezuelan oil will be made Dec. 12, when many residents will exhaust their federal fuel aid for the season, said Kennedy's spokesman, Brian O'Connor.

#### Politics or Not, Bronx Warmly Receives Venezuelan Heating Oil The Washington Post, December 8, 2005 Dateline: Bronx, New York

Citgo Petroleum Corp., which is controlled by the Venezuelan government, signed a deal with three Bronx housing nonprofits to sell 5 million gallons of heating oil at 45 percent below the market rate, an estimated savings of \$4 million. The discounted oil will heat 75 Bronx apartment buildings, housing 8,000 low-income working poor and elderly tenants.

"The government should have done it," said Shirley Manuel, 52, a tenants' rights activist, wrapped up tightly in her wheelchair. "This is their country, this is their people — they should be taking care of their own."

Rep. Jose E. Serrano (D-N.Y.), who brokered the oil deal, brushed aside suggestions that Chavez was playing petro politics.

Chavez had established a political base in Congress, the media and in heavily Democratic states. The stage was set for further advancing ALBA, the Bolivarian Alternative for the Americas.

## Could it Happen Here? Hugo Chá vez, the New Simón Bolívar

Despite continued corruption, poverty and incompetence in his own domain, Chávez told the fifth World Social Forum in Porto Alegre, Brazil in January, 2005:

"Everyday I become more convinced, there is no doubt in my mind, and as many intellectuals have said, that it is necessary to transcend capitalism. But capitalism can't be transcended from within capitalism itself, but through socialism, true socialism, with equality and justice. But I'm also convinced that it is possible to do it under democracy, but not in the type of democracy being imposed from Washington," he said.

"We have to re-invent socialism. It can't be the kind of socialism that we saw in the Soviet Union, but it will emerge as we develop new systems that are built on cooperation, not competition," he added.

Chavez said that Venezuela is trying to implement a social economy. "It is impossible, within the framework of the capitalist system to solve the grave problems of poverty of the majority of the world's population. We must transcend capitalism. But we cannot resort to state capitalism, which would be the same perversion of the Soviet Union. We must reclaim socialism as a thesis, a project and a path, but a new type of socialism, a humanist one, which puts humans and not machines or the state ahead of everything. That's the debate we must promote around the world, and the World Social Forum is a good place to do it."

### *The United States of Bolivarian America What Would It Take?*

#### Simple: Duplicate the conditions in the United States that Chávez developed in Venezuela:

- 1. Elect a socialist / nationalist president.
- 2. Nationalize all energy resources and create a federal agency to administer their development by private firms, subject to nationalization of private investments.
- 3. Give direct control of energy revenues to a council controlled by the president without checks or balances.
- 4. Write a new United States Constitution embodying a socialist revolution and autocracy that:
  - gives the president a limit of two six year terms.
  - eliminates the Senate with its equal representation for the states.
  - strips the new single-chamber Congressional Assembly of power to check or balance the president.
  - gives the president power to rule by decree upon vote of the new monocameral Assembly.
  - gives the president power to dissolve Congress.
  - allows fine and imprisonment of persons who insult or disrespect federal officials.
  - allows for recall of the president and allows prosecution for treason for organizing such a recall.
- 5. Establish a government-owned television and radio system operated by the government.
- 6. Establish presidentially decreed social programs without checks or balances.
- 7. Establish a presidential decree to "voluntarily" move the poor from cities to rural areas.
- 8. Establish a presidential decree to expropriate private farms, particularly high-volume corporate farms, and turn them into collective farms.
- 9. Establish a presidential decree to build housing projects for all the poor.
- 10. Establish a government-operated socialized medicine system, redirect all government medical spending away from the private sector.
- 11. Establish a nationwide network of local Bolivarian Circles, workers councils that control politics, seize factories, and take private land with force.
- 12. Establish a job creation program of loans for small collectivized businesses that help the federal bureaucracy to operate the social programs.
- 13. Establish an armed militia of 1.5 million ordinary citizens under direct control of the president.

Is that what Chávez supporters have in mind for the United States? If not, what then?

If so, why not say so?

## In a Nutshell

- Hugo Chávez has personal control of Venezuela's entire oil revenue. Without that personal control, none of his programs would exist.
- Hugo Chávez can order CITGO to do as he pleases. Only that autocratic power enabled him to give to American Blue State nonprofits millions in oil that supposedly belonged to "the people of Venezuela" in shantytowns, who dare not criticize him for diverting what should have gone to them.
- It is illegal to insult or disrespect the President of Venezuela. If the United States had such a law, every American since the first term of George Washington would have spent time in jail, including all of the presidents of the United States.
- There are no checks and balances against Hugo Chávez. He can rule by decree. He can dissolve Congress. His political party controls everything.
- Hugo Chávez has the aid and experience of Fidel Castro in planning and implementing the anti-free enterprise ALBA-Bolvarian Alternative for the Americas to build Latin America into a socialist superbloc.
- Hugo Chávez has the aid and experience of Fidel Castro in tapping hard left supporters in the United States.
- Poverty-stricken Americans who received CITGO oil charity should be grateful to the poor in shantytown Venezuela, not to autocrat Hugo Chavez. As with all autocrats, his beneficence goes only where he wants it, when he wants it, and as his own loyalty shifts.
- If the loyalty of poverty-stricken Americans who received CITGO oil charity goes to Hugo Chávez, they should consider what it would take to permanently establish a rule similar to his in the United States so they can live as he wants them to.
- You can vote your rights away. Hugo Chávez is a democratically elected president. His autocratic powers were democratically voted into existence by the Venezuelan electorate. They approved the new Constitution that gave autocratic powers to the president and embodied most of the Chávez socialist program in the nation's fundamental law.
- Now poor Venezuelans receive handouts and do what Cháavez wants them to.
- In the United States, the president is the hired help, constantly barraged with insults, criticism, and vociferous opposition, which everyone agrees is the proper arrangement. In the Bolivarian Dream, everyone else is the hired help, paid off with government handouts to polish the image of the democratically elected autocrat.

## Appendix: The "Cuban Rolodex"

#### The roster of 85 leftwing groups that endorsed the November 2005 "Evenings in Solidarity with Bolivarian Venezuela," including many long-term pro-Castro groups:

- ties Union Foundation of Northern California, Berkeley, Albany, Rich- 26. Community For Peace, Winston Salem, NC mond, California
- Media Education Richmond, CA
- 3. Action Center For Justice, Charlotte, NC
- 4.Adironco, Hicksville, NY
- 5.All Peoples Congress, Baltimore, MD
- Saint Petersburg, FL
- 7.A.N.S.W.E.R. Coalition (Act Now To 34. Green Fire 7 Generations Ministry, Ridgway, Stop War and End Racism)
- 8. Antioch Support, Phoenix, AZ
- 9. Asamblea Nacional Del Poder Popular, Habana, Cuba
- Brooklyn,NY
- 11. Atlanta International Action Center, 39. Implex, Los Angeles, CA Atlanta, GA
- cas (SOA) Watch
- 13.Bodhi House/TripleGemPrisonMinistry, Littlestown, PA
- 14.Bolivarian Youth, Hillsboro Beach, FL
- Buffalo, NY
- 16.CirculoBolivarianoCincinnati, Cincin- 46.LucyParsonsBolivarianCircle, Milwaukee, WI nati.OH
- 17.Circulo Bolivariano Emiliano Zapata, 48.Nationalize The State, Seattle, WA Salt Lake City, UT
- 18. Circulo Bolivariano Solidaridad 50. North Carolina Green Party, Raleigh, NC Internacional, Knoxville, TN
- 19. Coaltion Of Community Organizations, 52. NPLA New Patriot Liberation Association, Wilmington, DE
- 20.COCO, Wilmington, DE
- 21.ColombiaSupportNetwork, NewYork, NY
- 22.Comite De Puerto Rico En Las Naciones Unidas, San Juan, Puerto 55. Parti Populaire National (PPN), Brooklyn, NY Rico
- 23.Comite Por El San Juan De Dios, 57.Peoples Video Network Bogotá.Colombia
- 24.Committee Against Genocide In Haiti, 59.Puerto Rican Alliance of Los Angeles, Los Brooklyn,NY

- 1.ACLU-BARK (American Civil Liber- 25.Committee To Defend The Somerville 5. Somerville.MA

  - mond, Kensington Chapter), Rich- 27.Coro Hispano De San Francisco, San Francisco, CA
- 2.ACME-NorCal, Action Coalition for 28.CubaEducationTours, Vancouver, BC, Canada
  - 29.DestroyIndustry, Raleigh, NC (music group)
  - 20.FIST Fight Imperialism, Stand Together, New York. NY
  - 31.Free Mumia Abu-jamal Coalition (NYC), New York. NY
- 6.American Indian Movement Of Florida, 32.Freedom Socialist Party, New York, NY
  - 33. Fundación Grupo Madera, Caracas, Venezuela
  - CO
  - 35. Haiti Support Network (HSN), Brooklyn, NY
  - 36.Hands Off Venezuela, Fargo, ND
- 37. Hawai'i Solidarity Committee, New York, NY 10.Associated Indigenous Movement, 38.Human Rights Organization For Haiti, Boston, MA

  - 40.International Action Center
- 12.Binghamton, NY School of the Ameri- 41.International Nino Pasti Foundation, Roma, Italy 42. International Republican Socialist Committees,
  - San Francisco, CA
  - 43. Jersey City Peace Movement, Jersey City, NJ
  - 44. The Justice Institute, Inc. New York, NY
- 15.Buffalo International Action Center, 45.Korea Truth Commission U.S., Los Angeles, CA
  - 47.MLK Bolivarian Circle, Boston, MA

  - 49.No Draft! No Way!

  - 51.North Shore No To Draft, Stoneham, MA
  - Whitestone, NY
  - 53.Ocean Press (Melbourne, Havana, New York
  - 54. Oregon Bolivarian Circle, "Chief Joseph", Salem.OR
  - 56.PeopleJudgeBush.org

  - 58.Pigeon Creek Poets, West Brownsville, PA
  - Angeles, CA

- 60.PuertoRicanNationalistYouth,NewYork, NY
- 61.PUSO, Philippine-U.S. Solidarity Organization, Seattle, WA
- 62. Queers For Peace And Justice
- 63. Queers United In Solidarity With Latin America & Caribbean (QUISLAC)
- 64.RHfactor Rock Hill For Action To Organize Resistance, Rock Hill, SC
- 65.Roots International, Dhaka, Bangladesh
- 66.Safe Earth Alliance, Largo, FL
- 67.San Diego International Action Center, San Diego, CA
- 68.SchoolOfUnityAndLiberation,Oakland, CA
- 69. Scientists For Indigenous People, Berkelev.CA
- 70.Seattle/Cuba Friendship Committee, Seattle, WA
- 71.St. Pete For Peace, St. Petersburg, FL
- 72. Stonewall Warriors, Boston, MA
- 73. Talismanaohana, Princeville, HI
- 74. Theater Of The Oppressed Laboratory, New York, NY
- 75. Transafrica Forum, Washington, DC
- 76. The Truth Project, Lake Worth, FL
- 77.U.S. Citizens Against War, Florence, Italy
- 78.U.S. Cuba Labor Exchange (NNOC), Redford, MI
- 79. Universal Life Church, Rio Rancho, NM
- 80.Welfare Poets, New York, NY
- 81.Western Ma IAC/TONC, Northampton, MA
- 82. The Wild Gentle Press, North Vancouver, BC. Canada
- 83.Womens International Democratic Federation, New York, NY
- 84.World Organization For The Right Of The People To Health Care, New York. NY
- 85.World Prout (Progressive Utilization Theory) Assembly, Highland Heights, KY



The Economist, "Using oil to spread revolution - Hugo Chávez is spending some of his country's oil windfall on buying support abroad. How much of a return is he getting?," June 28, 2005.

Susan Milligan, "Behind scenes unlikely allies spurred oil deal." The Boston Globe (Boston, Massachusetts) (via Knight-Ridder/ Tribune Business News); 11/22/2005.

Chris Isidore, "Big oil CEOs under fire in Congress - Lawmakers spar with execs from Exxon, Chevron over high prices, record profits, consumer pain." CNN/Money, November 9, 2005.

A. M. Mora y Leon, "Bush snubs Venezuela's President," The American Thinker, http://www.vcrisis.com/index.php?content=letters/ 200409220432, September 21st, 2004, accessed December 14, 2005

Steve Bailey, "Cost is high for largesse," Boston Globe, November 25, 2005.

Al-jazeera, "Chavez offers Americans cheap fuel," Wednesday 24 August 2005.

Venezuelanalysis, "Chavez in the Bronx," http://www.venezuelanalysis.com/news.php?newsno=1760, Saturday Sep 17, 2005, accessed December 5, 2005.

Justin Blum, "Chavez Pushes Petro-Diplomacy - High Oil Profit Leads to Venezuela's Plan to Subsidize Heating in United States," Washington Post, November 22, 2005; Page A22.

Los Angeles Times staff writers Chris Kraul and Carol J. Williams, "Chavez will have to rely on foreign expertise to exploit the heavy oil reserves," Oil & Gas, Published: Friday, November 25, 2005.

Bill Winberg, "Chavez wins heart of Boston proles," Patriot Ledger, 11/28/2005.

U.S. SENATOR BYRON DORGAN (D-ND), U.S. SENATOR JACK REED (D-RI), U.S. SENATOR CHARLES SCHUMER (D-NY), U.S. SENATOR HILLARY CLINTON (D-NY), "DEMOCRATIC MEMBERS OF THE SENATE HOLD A NEWS CONFERENCE ON WINTER HEATING PRICES," Washington Transcript Service; 11/8/2005.

PABLO BACHELET, "Grass-roots groups in U.S. promote Chavez's 'revolution'," Knight Ridder Newspapers, Nov. 21, 2005.

David Adams, "Is oil offer kind or cunning? - Venezuela's leader offers discount heating oil to U.S. poor, but some question his motives," St. Petersburg Times, November 24, 2005.

Cleto Sojo, "More details provided on Chavez's offer to help U.S. poor - Venezuela's CITGO to Provide Cheap Gas for U.S. Hospitals, Nursing Homes and Schools." VenezuelAnalysis, August 29, 2005.

Chris Isidore, "Oil industry under fire - Soaring earnings prompt calls for a windfall profit tax, but will big oil end up having to pay?" CNN/Money, October 28, 2005.

Michelle Garcia, "Politics or Not, Bronx Warmly Receives Venezuelan Heating Oil," Washington Post, December 8, 2005.

President Hugo Chavez, "President Chavez's Speech to the United Nations," http://www.informationclearinghouse.info/ article10315.htm. Translated by Néstor Sánchez, September 16, 2005.

Greg Albo, "The call of Caracas.(Caracas Encounter in Defence of Humanity)(Hugo Chavez's speech at World Social Forum, 2005 ) - The Left today confronts several hard realities about the political terrain that has formed over the last two decades," Canadian Dimension, March 1, 2005.

Hampden Macbeth, "The Not So Odd Couple: Venezuela's Hugo Chávez and Cuba's Fidel Castro," Council on Hemispheric Affairs, h t t p : // w w w . c o h a . o r g / N E W \_ P R E S S \_ R E L E A S E S / N e w \_ P r e s s \_ R e l e a s e s \_ 2 0 0 5 / 05.62\_The\_Not\_So\_Odd\_Couple\_Venezulas\_Hugo\_Chavez\_and\_Cubas\_Fidel\_Castro.htm, June 22, 2005, accessed December 10, 2005.

Humberto Márquez, "Venezuela Seeks to Diversify Markets," Inter Press Service, Thursday, Feb 17, 2005.

MANNY FERNANDEZ and JUAN FORERO, "Venezuela to Help Bronx Residents With Heating Oil Bills," New York Times, December 26, 2005.

Mark Jewell, "Venezuela to Provide Discount Oil to Mass.," Associated Press, 11/22/05.

Oscar Avila, "Venezuela Woos Hispanics," Chicago Tribune, 9/2/2005.

Andrew Miga, "Venezuela's Oil Deal With Mass Draws Heat," Associated Press, 12/2/2005.

Stephen Johnson, "Venezuela's Oil Shenanigans Wash Up On American Shores," The Heritage Foundation, November 23, 2005.

Websites, all accessed at dates between December 2 and December 29, 2005

An Evening in Solidarity with Bolivarian Venezuela http://www.venezuelanov8.org/nyc.html

Hands Off Venezuela! http://www.handsoffvenezuela.org/

U.S. Hands Off Venezuela campaign http://www.iacenter.org/venezcampaign.shtml

International Action Center http://www.iacenter.org/

Center for Economic and Policy Research http://www.cepr.net/pages/cepr\_info\_page.htm

Global Exchange http://www.globalexchange.org/

Transafrica Forum http://www.transafricaforum.org/

Hugo Chavez entry, Wikipedia Online Encyclopedia and links http://en.wikipedia.org/wiki/Hugo\_Ch%C3%A1vez

Human Rights Watch: "Venezuela: Curbs on Free Expression Tightened" http://hrw.org/english/docs/2005/03/24/ venezu10368.htm

#### THE CENTER FOR THE DEFENSE OF FREE ENTERPRISE

is a non-profit, tax-exempt, publicly supported educational foundation organized under 501(c)(3) and 509(a)(1) of the Internal Revenue code.

The Center for the Defense of Free Enterprise was founded on July 4, 1976, by a coalition of concerned citizens to promote and defend the principles of the American free enterprise system. To that end, the Center for the Defense of Free Enterprise conducts many educational and legal action projects designed to better inform the public about the benefits of the free enterprise economic system. This report is one of a periodic series on the problems of free enterprise.

Additional copies of this report are available from the address below. Questions concerning this report should be addressed to: Editor, "Autocrats and Activists." For more information, please contact:

#### CENTER FOR THE DEFENSE OF FREE ENTERPRISE

Liberty Park 12500 N.E. Tenth Place Bellevue, Washington 98005 (425) 455-5038 FAX (425) 451-3959 Web Site: http://www.cdfe.org Email: editor@cdfe.org