

The Thirteenth Newsletter (2018): Venezuela



Dear Friends,

Last Sunday, the Venezuelan people went to vote. It was a vote of great contention. A majority of people voted for the incumbent president Nicolas Maduro. Half the population did not vote. Many had been motivated by a boycott campaign engineered by the political formations close to the oligarchy and egged on by the United States and Canada. There was - to be frank - external interference in the Venezuelan elections. Both the oligarchy and the North American powers have tried - unsuccessfully - to break the tide of the movement inaugurated by Hugo Chavez inside Venezuela and in Latin America. Venezuela has been under siege for almost the past decade, ever since the United States and the Honduran oligarchy successfully undertook a coup in Honduras in 2009. That coup signalled the return of the United States to an active policy of destabilisation of progressive forces in Latin America.

This week, I have two short reports that assess the election in Venezuela. One, for Frontline, which you can read [here](#), is about the US attempt to strip Venezuela's democracy of any legitimacy. The other, for *Alternet*, which you can read [here](#), is on how this election - and indeed Venezuelan political life - has been sequestered by a regional tussle between two groups. The

first group, ALBA, represents the progressive forces around the Bolivarian agenda for the Americas. The second, the Lima Group, represents the regressive forces led by the United States, Canada and the Latin American parties of the oligarchy. They see the Bolivarian agenda as a long-term threat to their interests in the region. If you have not already read it, I strongly recommend the **Tricontinental Dossier #4** on Venezuela, which was written by our team in Buenos Aires.

It is worth going back to the leaked 2006 US State Department **cable** written by the US ambassador to Venezuela, William Brownfield. In this cable, Brownfield lays out the keywords for regime change against the Venezuelan government: 'protecting vital US business' is the main phrase, followed by 'penetrating Chavez' political base' and 'dividing Chavismo' - which will lead to a weakened Venezuelan government. This will result in the goal of 'isolating Chavez internationally'. The central institutions that Brownfield refers to are the US Agency for International Development (USAID) and the US Office of Transition Initiatives (OTI). The very word 'transition' mirrors the more sinister phrase 'regime change'.



Pressure on Venezuela and on Iran has sent the oil markets into turmoil. The price of oil has risen quite dramatically, and even more dramatically the forward price (which has otherwise been fairly stable) has galloped upwards. Oil analysts call this the ‘war premium’ – the rise in price due to political instability. There is no anticipation of an end to the ‘economic war’ on Venezuela and Iran. At *Newslick*, I have a brief report on oil prices, on this ‘economic war’ and on the contradictions produced for the global economy. Germany’s Merkel and Russia’s Putin have decided to continue on a gas pipeline project through Norway – regardless of US sanctions. This is going to be the way forward, with Russia and China, India and Brazil, but also many European states unable and unwilling to honour the US demands for adherence to its ‘economic war’. You can read my assessment [here](#).

Part of the problem is of course the unending pressure on Iran. Last week, several of us wrote a letter to the European Union’s foreign policy chief Federica Mogherini (you can read it [here](#)). The

thrust of the letter is that the nuclear deal with Iran should be honoured not only for economic reasons or for reasons of international law, but also because ‘the majority of Iranians have demonstrated their heartfelt support the hard-won diplomatic accord’. It is about time we started to think about the people who have to pay the price for callous policies of power and property. It is also about time that we started to frankly talk about the interests of power and property, how these have taken hold of our ideas and blinded us from the essential truths about the world (for a ten minute introduction to the ‘battle of ideas’, please watch [this](#)).



In this ‘battle of ideas’, words such as ‘consumer’ and ‘corruption’ have overwhelmed us. As the Indian Marxist Prabhat Patnaik shows so eloquently, we now live in a world where the interests of the *consumer* stand in for the interests of local producers and indeed for producers anywhere. The consumer - a category outside class - defines economic policy. What is good for the consumer, we are told, is what must be done. But this is a fallacy. It denies the hierarchies of class and the gaps in consumption across class. It also denies the fact that local producers - impoverished as they - do not define themselves as consumers. In many cases, their consumption is at the level of subsistence. It is vulgar to think of them as consumers. Please read his essay, which is directly on the take-over of Flipkart by WalMart,

In this ‘battle of ideas’, words such as ‘consumer’ and ‘corruption’ have overwhelmed us. As the Indian Marxist Prabhat Patnaik shows so eloquently, we now live in a world where the interests of the *consumer* stand in for the interests of local producers and indeed for producers anywhere.

The consumer – a category outside class – defines economic policy. What is good for the consumer, we are told, is what must be done. But this is a fallacy. It denies the hierarchies of class and the gaps in consumption across class. It also denies the fact that local producers – impoverished as they – do not define themselves as consumers. In many cases, their consumption is at the level of subsistence. It is vulgar to think of them as consumers. Please read his essay, which is directly on the take-over of Flipkart by WalMart, [here](#).

It is more difficult yet to precisely define the idea of corruption. A small bribe here and there is an inconvenience and – if taken by a state employee – it harms public trust. But – in terms of scale – it is not the main problem here. At *Newslick*, Abir Dasgupta and Paranjay Guha Thakurta have an exposé on how a corporation thrives through tax havens. This little essay is not only useful to understand the shenanigans of one of India's richest business families – the Ambanis, but it is an example of how to write about corruption at the highest levels. You can read it [here](#).

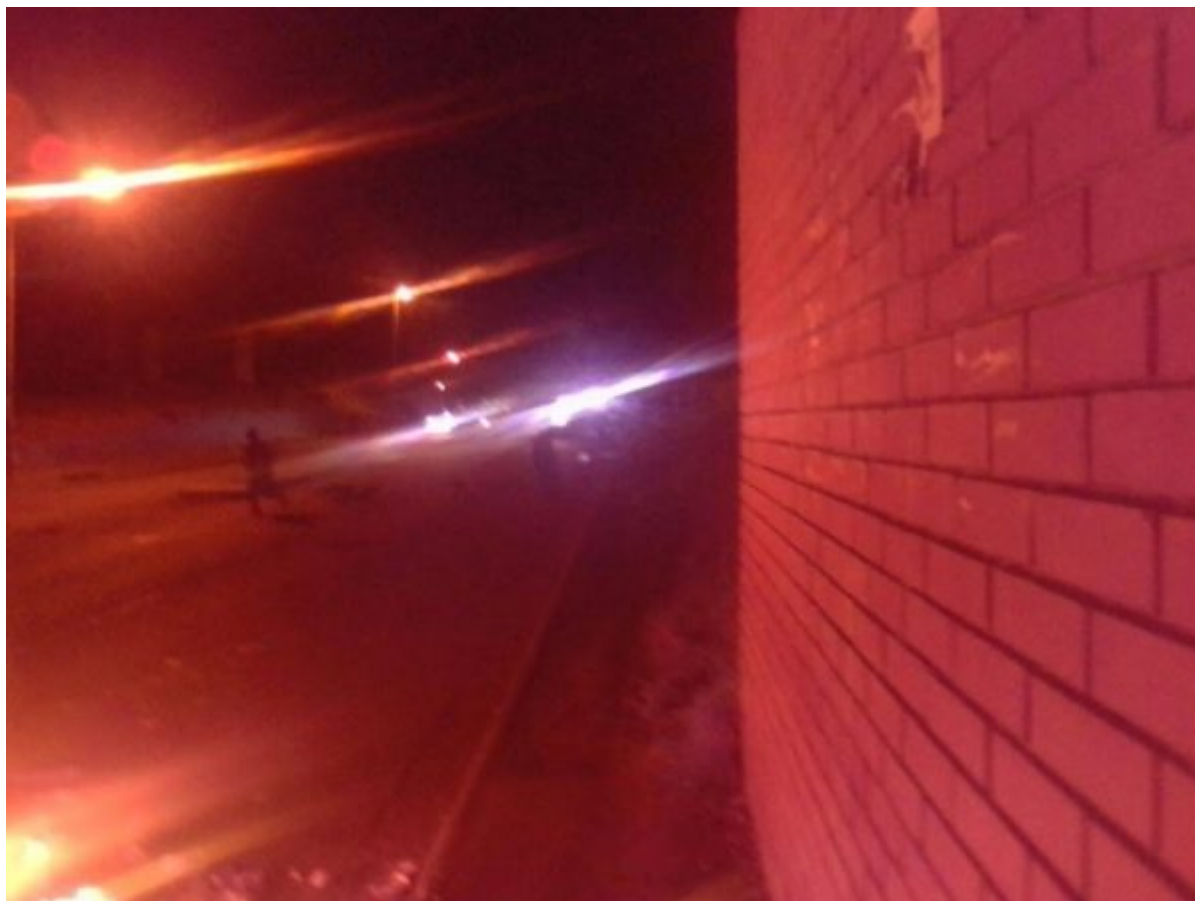
Dasgupta and Guha Thakurta point their fingers at offshore tax havens. The International Consortium of Investigative Journalists has just released a full-scale investigation of these havens, and how sections of the West African elite have hidden billions through these mechanisms. Their investigation is [here](#). The supplement, as always, has to be the role of multinational corporations in the production of this tax haven system. These havens were not authored by Dhirubhai Ambani or Clavenda Bright-Parker; but they certainly took advantage of them, against the interests of the vast mass of people.

The photograph above is by Omar Victor Diop from his superb series ***Liberty: Universal Chronology of Black Protest*** (2016). It is an artistic rendition of the West African Railway Strike of 1947. I highly recommend Sembene Ousmane's *Gods Bits of Wood* (1960), which dramatizes that strike. Not long after, Sembene made his classic film *Xala*, a tale of how the new nationalist bourgeoisie would betray the freedom movement to international capital. That is precisely what continues to happen; a continuous betrayal of those hopes and dreams.

It is more difficult yet to precisely define the idea of corruption. A small bribe here and there is an inconvenience and – if taken by a state employee – it harms public trust. But – in terms of scale – it is not the main problem here. At *Newslick*, Abir Dasgupta and Paranjay Guha Thakurta have an exposé on how a corporation thrives through tax havens. This little essay is not only useful to understand the shenanigans of one of India's richest business families – the Ambanis, but it is an example of how to write about corruption at the highest levels. You can read it [here](#).

Dasgupta and Guha Thakurta point their fingers at offshore tax havens. The International Consortium of Investigative Journalists has just released a full-scale investigation of these havens, and how sections of the West African elite have hidden billions through these mechanisms. Their investigation is [here](#). The supplement, as always, has to be the role of multinational corporations in the production of this tax haven system. These havens were not authored by Dhirubhai Ambani or Clavenda Bright-Parker; but they certainly took advantage of them, against the interests of the vast mass of people.

The photograph above is by Omar Victor Diop from his superb series *Liberty: Universal Chronology of Black Protest* (2016). It is an artistic rendition of the West African Railway Strike of 1947. I highly recommend Sembene Ousmane's *Gods Bits of Wood* (1960), which dramatizes that strike. Not long after, Sembene made his classic film *Xala*, a tale of how the new nationalist bourgeoisie would betray the freedom movement to international capital. That is precisely what continues to happen; a continuous betrayal of those hopes and dreams.



The shack dwellers' movement in South Africa - Abahlali baseMjondolo (AbM) - has a website with a tab for 'assassinations'. This tab is alongside those for 'evictions' and 'facebook'. It seems a normal thing to have on a web page. On May 22, an AbM leader S'fiso Ngcobo was assassinated in eKukhayeni, outside Durban. Ngcobo was the chair of a local branch, one that had been fighting to make homes for ordinary people.

In response, people went out in the early morning and burnt tires to block the streets (see the picture above). They wanted their anger to be seen. This is an echo of the tires being burnt near Israel's perimeter fence with Gaza. Power has no patience for the frustrated voices of the people. The Israelis opened fire on the Palestinians and killed 114 people. The burning tires are also an echo of those who took to the streets in Thoothukudi (Tamil Nadu, India) this week against the expansion of a copper smelter owned by Vedanta Resources. The police opened fire on these protesters, killing ten people.

These people in South Africa, Palestine and India live in the Camp of the Forgotten. This camp is a real place in the town of Utuado, Puerto Rico (last year, I had written about them [here](#)). Here, people who have been forgotten after the devastation of Hurricane Maria set up their own outpost. The poet Martín Espada, whose father came from that town, wrote a lovely poem to his father and to the forgotten. It is a vision of the world we live in. Two lines echo for me:

I heard somebody ask you once

what Puerto Rico needed to be free. And you said: *Tres pulgadas*

de sangre en la calle: Three inches of blood in the street.

You can read the rest of the poem [here](#). Martin just won the Ruth Lilly Poetry Prize. His late father - the photographer Frank Espada - reminds us of the price paid by the people for freedom - three inches of blood in the street. It is a stiff price to pay.

Warmly, Vijay.