

Venezuela: It's The Economy, 'Chico'

by Dennis Small

In an Oct. 20 interview with Miguel Angel De Renzis on Radio El Mundo in Buenos Aires, Argentina, U.S. Presidential pre-candidate Lyndon LaRouche gave the following answer to a question regarding the Oct. 27 Presidential run-off elections in Brazil, and the significance of a probable victory by Luiz Inácio "Lula" da Silva.

"Well, it doesn't mean much, this Lula business, in a sense. This is already pre-discounted. That is, it would not be a change in the system, for him to be elected or not elected, really. The present President of Brazil, and others, agreed to IMF conditionalities. If they keep the promise, that's suicide for Brazil. So, Lula is not the issue, although he does represent an issue in other terms. The issue lies in the hands of the IMF, at a time that the Europeans—France, Italy, and Germany—are moving toward a reform of the existing European and also world financial system. So the question is how these things are going to come together. The economic issue, the financial issue, is going to be the key issue—not the election."

LaRouche could as well have been speaking about Venezuela, and the growing political polarization in that country. On Oct. 10, the opposition to the Hugo Chávez government held a march in Caracas, which gathered about 1.5 million people. The huge demonstration demanded that Chávez resign the Presidency by Oct. 16, or face a 12-hour national strike called for Monday, Oct. 21. Government supporters responded with a million-person demonstration of their own on Oct. 13, which vowed to defend the Jacobin, megalomaniacal Chávez with all means at their disposal.

In a country of 25 million, political demonstrations of this



About 1.5 million Venezuelans called for President Chávez' resignation Oct. 16, and threatened a national strike on Oct. 21.

size—over 10% of the entire population took to the streets in the course of a single week—indicate a dramatic level of polarization and radicalization. Back in April of this year, the political confrontation had already reached the point where an opposition mobilization, with included actions by diverse military factions, led to the toppling of the Chávez government—and its reinstatement in just over 48 hours. Since then, the political fires in Venezuela have only grown stronger, shedding great heat but almost zero light. The country is now poised at the edge of bloody civil war, with none of the contending forces actually aware of what the real issues are.

This state of affairs in Venezuela is not surprising, since it is in fact the *intent* of the dominant neo-conservative “Utopian” political forces in Washington, to bring about such polarization and confrontation—not only in Venezuela, but in the entirety of Ibero-America, including Brazil—in order to defend their dying global financial system. Take the case of the Hudson Institute’s Constantine Menges, a long-term intelligence operative in the Washington circuit, who was previously in the National Security Council and the CIA. Menges has written extensive, grade-Z tracts on the purported danger of a new “axis of evil” emerging in Ibero-America, an axis under the influence of the São Paulo Forum, and including the Colombian FARC narco-terrorists, “Cuba’s Fidel Castro, the Chávez regime in Venezuela, and a newly elected radical President of Brazil, all with links to Iraq, Iran, and China.”

Menges, who works closely with the State Department’s Assistant Secretary for Western Hemisphere Affairs, Otto Reich, is part of Washington’s Utopian faction of Dick Che-

ney, Donald Rumsfeld, Richard Perle, et al., who are driving for a U.S. war against Iraq, in order to unleash a generalized Clash of Civilizations across the Middle East and central and southern Asia. Menges gives a glimpse of the Utopians’ real concern when he denounces those who attack “neoliberal” economic policies and the “international financial institutions and international borrowing”—read, the IMF and Wall Street. He decries the “anti-market ideology” spreading across Ibero-America.

Thus, in Menges one finds attacks against the FARC—but nowhere a mention of this drug-running gang’s meetings with the president of the New York Stock Exchange, Richard Grasso. One reads denunciations of the São Paulo Forum—but not of their association with the Anglo-French financier Teddy Goldsmith and his World Social Forum. One encounters copious condemnations of Hugo Chávez—but not a word about the City of London’s sponsorship of his career, nor of his fealty to IMF policies for Venezuela.

In this regard, we take note of a recent “Open Letter to the Brazilian People” issued by Alejandro Peña Esclusa, now the head of Fuerza Solidaria, an organization which has been active among opposition forces in Venezuela. Based on our own difficult experience with Peña and associates over the years, we consider it advisable to warn readers that he is neither stable nor reliable, especially in recent years. His Menges-like open letter only introduces another dimension of instability into an already explosive hemispheric situation.

We refer readers to LaRouche’s remarks cited above. As they say in Venezuela, “It’s the economy, Chico.”

New Rebellion Builds

The chronically unstable political situation in Venezuela boiled over on Oct. 22, when a group of 14 active-duty generals and admirals from all four military forces announced that they were rebelling against the Hugo Chávez government, under the constitutional right to civil disobedience against any government which violates the Constitution. None of the 14 have current troop command—they had been involved in an earlier unsuccessful ouster of Chávez on April 11 of this year—but they called upon other military and civilian forces to join them, announcing they would set up camp in the main plaza in the Altamira section of Caracas until Chávez resigns.

After some hesitation, the civilian opposition leadership—labor, business, and political parties—threw their support behind the officers, and announced they will use the Altamira plaza to centralize collection of two million signatures by Nov. 4, to force a referendum on convoking new elections. A march is planned for Nov. 4 from the

plaza to the National Electoral Commission, to deliver the petitions.

The day prior to the call to rebellion by the 14 officers, on Oct. 21, a 12-hour national strike organized by the country’s trade union and business federations and opposition political parties, had shut down an estimated 85% of the country’s businesses.

So far, the Chávez government has responded with great trepidation and restraint; it has dismissed the opposition as insignificant, even “clowns,” but has not moved either to arrest the officers, or to repress the thousands gathered in the plaza. Even more significantly, the Chávez government has leashed in its Bolivarian Circles shock-troops, whose leadership is pressing to attack the protestors.

Although the Jacobin Chávez regime is increasingly despised in the country, for its slavish subservience to the IMF’s economic policies and the resulting poverty and institutional chaos, the opposition remains wedded to those some economic policies, and has failed to propose any actual solution to the crisis. —Dennis Small