

OPEN LETTER TO FELLOW CANADIANS

THE LOUIS RIEL BOLIVARIAN CIRCLE, TORONTO

The US and Canada should not interfere in the internal affairs of Venezuela

Venezuela is one of the 5 greatest exporters of oil in the world and provides about 15% of the US supply. It is not surprising, therefore, that the US has historically tried to control Venezuelan government policies with or without the consent of Venezuelans.

About 95% of Venezuela's export earnings come from oil revenues, and because of the competitiveness of imports and the lack of competitiveness, relative to oil, of other exports, Venezuela imports a large proportion of its basic needs. This makes the country very vulnerable to oil price fluctuations.

In the late 1980's, under a "social democratic" government of Accion Democratica (AD), the world price of oil dropped very significantly, causing Venezuela to go into high debt with the international financial system in order to satisfy its basic needs. The International Monetary Fund imposed socially explosive conditions on the country in order to pay its debt, leading to sky rocketing inflation, sudden impoverishment of most of the middle class and food riots by the desperately poor, resulting in mass shooting of thousands of poor slum dwellers by security forces. During this episode there was no real scarcity of basic goods and services, yet price increases made them unaffordable to the poor.

The latest similar major slump in oil prices, under the Bolivarian Revolutionary government, is worse than the previous one, because of its longer duration. Once again, there is rampant inflation and food scarcities, yet, unlike the previous slump, the price of basic necessities is now being maintained at an affordable level for the poor by the government, leading to high demand and therefore long lineups and scarcity. The Bolivarian government has also maintained all the social services, because one of the commitments of the Bolivarian Revolution is to end poverty and marginalization, unlike previous governments, which left to the private market the allocation of people's needs.

The slump in oil prices is only the latest of many blows to the Bolivarian Revolution. These include a failed coup, by the wealthy elites and their allies in the armed forces. President Hugo Chavez was kidnapped and the Chamber of

commerce with its wealthy allies began to dismantle the elected government and its pro poor laws, only to be foiled by mass demonstrations demanding the ultimately successful return of the elected President, his government and the new Constitution. This failed attempt at “regime change” was followed by a mass lockout of the main commercial and manufacturing sector, including the state owned oil company, only to be foiled, once again, by worker takeovers and running of locked out enterprises by unions and employees faithful to the Revolution.

The opposition then tried a recall referendum (allowed by the Bolivarian Constitution) and lost the popular vote, as well as more than a dozen successive elections. Finally, after the main leader of the Bolivarian revolution, President Hugo Chavez, died of cancer, the opposition lost the presidential election once again and took to the streets in violent demonstrations, aiming to overthrow the government, with barricades and the burning of government institutions and property, resulting in 43 deaths, half being from the pro government camp, the other half being from the opposition’s. This violence was rejected by the majority of Venezuelans, thus, once more, foiling this new attempt at “regime change”.

The opposition and their corporate allies (both foreign and local) finally found a strategy that could truly hurt the revolutionary government, by taking advantage of its policies of providing the poor with affordable prices for basic goods. The Government has a fixed low exchange rate of the local currency to the US dollar, and sells the petrodollar earnings to enterprises that produce and/or import basic necessities at this favourable exchange rate, so they can import goods and sell them at affordable prices. Yet these enterprises have been acquiring these cheap dollars from the government and selling them on the black market making huge profits, and/or selling most of their imports illegally in neighbouring Colombia for a much higher price than the Venezuelan affordable prices (up to 40% of these imports have shown up in Colombia). Local merchants hide the cheap goods and sell them on the black market at prices that are unaffordable to the poor. The corporate sector in Venezuela blackmails the government by ceasing production of basic goods for local consumption if they do not receive “enough” cheap dollars from the government. No wonder that there is scarcity!

The above strategy is accompanied by an intense international media campaign blaming the Venezuelan government for the consequences of this monetary policy and also for being “dictatorial”, which is demonstrably false. The US supports the opposition, declaring the Bolivarian Venezuelan government to be a threat to USA security and to democracy in the hemisphere, opening the door to a possible

intervention, which is clamoured by the Venezuelan opposition. Yet the USA has found no echo to this statement amid the governments of Latin America.

The above strategy has served the opposition, it's corporate and US allies well, allowing the coalition of opposition political parties to win the latest National Assembly elections (something that would be impossible in a dictatorship). Nevertheless, said opposition, instead of helping the government in its strenuous efforts to overcome the drastic effects of the oil slump through affordable supply depots for the needy, stimulation of local production or upkeep of social services, has opted instead to try to force a government collapse before the next elections. It has contributed to worsening the country's problems, rather than to solving them. And once again, the opposition is now threatening to mount violent demonstrations.

The opposition and the international media relentlessly accuse the Bolivarian government of violating the human rights of the opposition, and especially those of some of their leaders, who are in prison for leading and/or encouraging the violent anti-government riots described above and for deploying security forces to dismantle barricades. The latter in some cases did use excessive force resulting in loss of life, and those responsible for the worst cases have been tried and incarcerated. The Venezuelan government acted in the way that any western government would act under such circumstances.

Finally, the achievements of the Bolivarian Revolution are triumphs of human rights: full literacy, unprecedented levels of education at all levels, medical attention to all, including the most marginalized, major lowering of the levels of undernutrition and desperate poverty, empowerment of neighbourhoods through all-inclusive communal councils, provision of good housing to more than a million families and perhaps most importantly, giving all Venezuelans a sense of being an active part of their national destiny, and being proud again of belonging to the Venezuelan family.

Venezuela faces big problems, but these must be settled by Venezuelans working together. Interference by other countries, mainly the USA, to further their own interests are a negative legacy that should be left to the past and Canada should not partake in the unfortunate continuation of such a legacy.

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