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US and Venezuela: Decades of Defeats and Destabilization

By James Petras

Introduction

US policy toward Venezuela is a microcosm of its larger strategy toward Latin America. The intent is to reverse the region's independent foreign policy and to restore US dominance; to curtail the diversification of trading and investment partners and re-center economic relations to the US; to replace regional integration pacts with US centered economic integration schemes; and to privatize firms partly or wholly nationalized.

The resort to military coups in Venezuela is a strategy designed to impose a client regime. This is a replay of US strategy during the 1964-1983 period. In those two decades US strategists successfully collaborated with business-military elites to overthrow nationalist and socialist governments, privatize public enterprises and reverse, social, labor and welfare policies. The client regimes implemented neo-liberal policies and supported US centered "integration". The entire spectrum of representative institutions, political parties, trade unions and civil society organizations were banned and replaced by imperial funded NGO's, state controlled parties and trade unions. With this perspective in mind the US has returned to all out "regime change" in Venezuela as the first step to a continent-wide transformation to reassert political, economic and social dominance.

Washington's resort to political violence, all out media warfare, economic sabotage and military coups in Venezuela is an attempt to discover the effectiveness of these tactics under favorable conditions, including a deepening economic recession, double digit inflation, declining living standards and weakening political support, as a dress rehearsal for other countries in the region

Washington's earlier resort to a "regime change" strategy in Venezuela, Bolivia, Argentina and Ecuador failed because objective circumstances were unfavorable. Between 2003 to 2012 the nationalist or center-left regimes were increasing political support, their economies were growing, incomes and consumption were improving and pro-US regimes and clients had earlier collapsed under the weight of a systemic crises. Moreover, the negative consequences of military coups were fresh in peoples' minds. Today Washington's strategists believe that Venezuela is the easiest and most important target because of its structural vulnerabilities and because Caracas is the linchpin to Latin American integration and welfare populism.

According to Washington's domino theory, Cuba will be more susceptible to pressure if it is cut-off from Venezuela's subsidized oil-for-medical services agreement. Ecuador and Bolivia will be vulnerable. Regional integration will be diluted or replaced by US directed trade agreements. Argentina's drift to the right will be accelerated. The US military presence will be enlarged beyond Colombia, Peru, Paraguay and Central America. Radical anti-imperialist ideology will be replaced by a revised form of "pan-Americanism", a euphemism for imperial primacy.

The concentrated and prolonged US war against Venezuela and the resort to extremist tactics and groups can only be accounted for by what US strategists perceive as the large scale (continent-wide) long-term interests at stake.

We will proceed by discussing and analyzing the US fifteen year war (2000-2015) against Venezuela, now reaching a climax. We will then turn to examining the past and current strengths and weakness of Venezuela's democratic, anti-imperialist government.

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Prolonged Political Warfare: Multiple Forms of Attack in Changing Political Conjunctures

The US war against Venezuela started shortly after President Chavez's election in 1999. His convoking of a constitutional assembly and referendum and the subsequent inclusion of a strong component of popular participatory and nationalist clauses "rang bells" in Washington. The presence of a large contingent of former guerrillas, Marxists and Leftists in the Chavez electoral campaign and regime, was the signal for Washington to develop a strategy of regrouping traditional business and political clients to pressure and limit changes.

Subsequent to 9/11/01, Washington launched its global military offensive, projecting power via the so-called "war on terror". Washington's quest to reassert dominance in the Americas included demands that Venezuela fall into line and back Washington's global military offensive. President Chavez refused and set an example of independent politics for the nationalist-populist movements and emerging center-left regimes in Latin America. President Chavez told President Bush "you don't fight terror with terror".

In response, by November 2001 Washington strategists shifted from a policy of pressure to contain change to a strategy of all-out warfare to overthrow the Chavez regime via a business-military coup in (April 2002).

The US backed coup was defeated in less than 72 hours. Chavez was restored to power by an alliance of loyalist military forces backed by a spontaneous million person march. Washington lost important assets among the military and business elite, who fled into exile or were jailed.

From December 2002 to February 2003, The White House backed an executive lockout in the strategic oil industry, supported by corrupt trade union officials aligned with Washington and the AFL-CIO. After three months the lockout was defeated through an alliance of loyalist trade unionists, mass organizations and overseas petrol producing countries. The US lost strategic assets in the oil industry as over 15,000 executives, managers and workers were fired and replaced by nationalist loyalists. The oil industry was renationalized - its earnings were put at the service of social welfare.

Having lost assets essential to violent warfare, Washington promoted a strategy of electoral politics - organizing a referendum in 2004 which was won by Chavez and a boycott of the 2005 congressional elections, which failed and led to an overwhelming majority for the pro Chavez forces.

Having failed to secure regime change via internal violent and electoral warfare, Washington, having suffered a serious loss of internal assets, turned outside by organizing para-military death squads and the Colombian military to engage in cross border conflicts in alliance with the far right regime of Alvaro Uribe. Colombia's military incursions led Venezuela to break economic ties, costing influential Colombian agro-business exporters and manufacturers' losses exceeding \$8 billion dollars . . . Uribe backed off and signed a non-aggression accord with Chavez, undermining the US "proxy war" strategy.

Washington revised its tactics, returning to electoral and street fighting tactics. Between 2008-2011/12 Washington channeled millions of dollars to finance electoral party politicians, NGO's, mass media outlets (newspapers, television and radio) and direct action saboteurs of public energy, electricity and power stations.

The US "internal" political offensive had limited success - a coalition of warring rightwing political groups elected a minority of officials thus regaining an institutional presence. A Chavez backed

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overtly socialist referendum was defeated (by less than 1%). NGO's gained influence in the universities and in some popular neighborhoods exploiting the corruption and ineptness of local Chavez elected officials.

But the US strategy failed to dislodge or weaken the Chavez led regime for several reasons. Venezuela's economy was riding the prolonged commodity boom. Oil prices were soaring above \$100 a barrel, financing free health, education, housing, fuel and food subsidy programs, undercutting the so-called "grass-roots" agitation of US funded NGO's

Government subsidies of imports and lax regulation of dollar reserves secured support even among the capitalists and loosened their support for the violent opposition. Sectors of the middle class voted for Chavez as a ticket to the consumer society.

Secondly, President Chavez's charismatic appeal, promotion and support of popular neighborhood groups counter-acted the ill-effects of corrupt and inept local "Chavista" officials who otherwise played into the hands of US backed opposition.

Thirdly, US intervention in Venezuela alienated not only the center-left but the entire political spectrum in Latin America, isolating Washington. This was especially evident by the universal condemnation of the US backed military coup in Honduras in 2009.

Fourthly, the US could not counter Venezuela's subsidized oil sales to Caribbean and Central American regimes. Petrocaribe strengthened Venezuela and weakened US dominance in Washington's historical "backyard".

The entire electoral strategy of the US depended on fomenting an economic crises - and given the favorable world prices for oil on the world market (it failed). As a result Washington depended on non-market strategies to disrupt the socio-economic links between mass consumers and the Chavez government.

Washington encouraged sabotage of the power and electrical grid. It encouraged hoarding and price gouging by commercial capitalists (supermarket owners). It encouraged smugglers to purchase thousands of tons of subsidized consumer goods and sell them across the border in Colombia.

In other words, the US combined its electoral strategy with violent sabotage and illegal economic disruption.

This strategy was intensified with the onset of the economic crises following the financial crash of 2009, the decline of commodity prices and the death of President Hugo Chavez.

The US and its mass media megaphones went all-out to defend the protagonists and practioners of illegal violent actions - branding arrested saboteurs, assassins, street fighters, assailants of public institutions as "political prisoners". Washington and its media branded the government, as "authoritarian" for protecting the constitution. It accused the independent judiciary as biased. The police and military were labelled as "repressive" for arresting fire bombers of schools, transport and clinics.

No violent crime or criminal behavior by opposition politicians was exempt from Washington's scrofulous screeds about defending "human rights".

The crises and collapse of oil prices greatly enhanced the opportunities for the US and its

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Venezuelan collaborator's campaign to weaken the government. Venezuela's dependence on President Chavez, as the singular transformative figure, suffered a serious blow with his death. Personalistic leadership weakened organic mass organization.

The US relaunched a multi-pronged offensive to undermine and overthrow the newly elected Nicolas Maduro regime. Washington, at first, promoted the 'via electoral' as the route to regime change, funding opposition leader Henrique Capriles.

After Capriles' electoral defeat, Washington resorted to an intense post-electoral propaganda campaign to de-legitimize the voting outcome. It promoted street violence and sabotage of the electrical grid. For over a year the Obama regime refused to recognize the electoral outcome, accepted and recognized throughout Latin America and the world. In the subsequent Congressional, gubernatorial and municipal elections the US backed candidates suffered resounding defeats. President Nicolas Maduro's United Socialist Party of Venezuela won three quarters of the governorships and retained a solid two-thirds majority in Congress.

Beginning in 2013 the US escalated its "extra-parliamentary" offensive - massive hoarding of consumer goods by wholesale distributors and retail supermarkets led to acute shortages, long lines, long waits and empty shelves.

Hoarding, black market speculation of the currency, wholesale smuggling of shipments of consumer goods across the border to Colombia (facilitated by opposition officials governing in border-states and corrupt National Guard commanders) exacerbated shortages.

US strategists sought to drive a political wedge between the consumer driven middle and lower classes and the Maduro government. Over time they succeeded in fomenting discontent among the lower middle class and directing it against the government and not at the big business elite and US financed opposition politicians, NGO's and parties.

In February 2014 emboldened by growing discontent the US moved rapidly toward a decisive confrontation... Washington backed the most violent extra parliamentary opposition. Led by Leopoldo Lopez, it openly called for a coup and launched a nationwide assault on public buildings, authorities and pro-democracy activists. As a result 43 people were killed and 870 injured - mostly government supporters and military and police officials - and hundreds of millions of dollars of damage was inflicted on schools, hospitals and state supermarkets.

After two months, the uprising was finally put down and the street barricades were dismantled--- as even rightwing businesspeople suffered losses as their revenues diminished and there was no chance for victory.

Washington proclaimed the jailed terrorists leaders as "political prisoners"-- a line parroted by al the mass media and the bogus Human Rights Watch. The Obama regime sought to secure the release of its armed thugs to prepare for the next round of violent confrontation.

Washington accelerated the pace of planning, organizing and executing the next coup throughout 2014. Taking advantage of the Maduro regime's lax or non-existent enforcement of laws forbidding 'foreign funding of political organizations, the US via NED and its "front groups" poured tens of millions, into NGOs, political parties, leaders and active and retired military officials willing and able to pursue "regime change" via a coup.

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Exactly one year following the violet uprising of 2014, on February 14, 2015, the US backed a civilian-military coup. The coup was thwarted by military intelligence and denunciations by lower level loyalist soldiers.

Two power grabs in a year is a clear indication that Washington is accelerating its move to establish a client regime.

What makes these policies especially dangerous, is not simply their proximity, but the context in which they occur and the recruits who Washington is targeting.

Unlike the coup of 2002, which occurred at a time of an improving economy, the most recent one takes place in the context of declining economic indicators. Earlier the masses turned out to support the new constitution, declining inflation, the introduction of new social legislation and improving income. The most recent coup takes place with incomes declining, a devaluation which reduces purchasing power, rising inflation (62%) and plummeting oil prices.

Moreover, the US has once again gained converts in the military as was the case in the 2002 coup but absent in the 2014. Three generals, three colonels, 9 lieutenants and a captain signed on to the coup and it can be surmised that they were in contact with others. The deteriorating loyalties in the military are not simply a product of US bribery. It is also a reflection of the socio-economic decline of sectors of the middle class to which middle level officers belong by family ties and social identification.

Subsequent to the earlier coup (of 2002) then President Chavez called for the formation of popular militias, National Reserve and a rural defense force to 'complement' the armed forces. Some 300,000 militia volunteers were registered. But like many radical ideas, little came of it.

As the US moves to activate its 'military option', Venezuela must consider activating and linking these militias to mass popular community based organizations, trade unions and peasant movements.

The US has developed a strategic concept for seizing power by proxy. A war of attrition built upon exploiting the social consequences of the fall of oil revenues, shortages of basic commodities and the growing fissures in the military and state institutions.

In 2015 Washington has embraced the strategy of 2002, combining multiple forms of attack including economic destabilization, electoral politics, sabotage and military penetration..All are directed toward a military - civilian coalition seizing power.

Facing the US Offensive: The Strengths and Weaknesses of the Maduro Government

The basic strength of the Chavista government of President Maduro is the legacy of nearly 15 years of progressive legislation, including rising incomes, grass roots community based democracy, the affirmation of racial, class and national dignity and independence. Despite the real hardships of the past 3 years, forty percent of the electorate, mostly the urban and rural poor, remains as a solid core of support of the democratic process, the President and his efforts to reverse the decline and return the country to prosperity.

Up to now the Maduro government has successfully rebuffed and defeated the offensive by US proxies. President Maduro won electorally, and more recently has pacified the coupsters by adopting firmer security measures and more technically efficient intelligence. Equally important he has demanded that the US reduce its embassy operatives from 100 to 17, equal to Venezuela's staff in Washington.

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Many embassy personnel were engaged in meetings with Venezuelan organizers of violent activity and in efforts to subvert military officials..

Yet these security measures and administrative improvements, as important and necessary as they are, reflect short-range solutions. The deeper and more fundamental issues relate to the structural weakness of the Venezuelan economy and state.

First and foremost, Venezuela cannot continue running on a petrol based 'rentier economy' especially one that still depends on the US market.

Venezuela's 'consumer socialism' totally depends on oil revenues and high oil prices to finance the importation of foodstuffs and other essential commodities.

A strategy of 'national defense' against the imperial offensive requires a far higher level of 'self-sufficiency', a greater degree of local production and decentralized control.

Secondly, next to US intervention and destabilization, the greatest threat to the democratic regime is the government's executive, managerial and elected officials who have misallocated billions in investment funds, failed to effectively carry out programs and who largely improvise according to day to day considerations, It is essential that Maduro advances the strategic priorities ensuring basic popular interests.

The Chavez and the Maduro governments outlined general guidelines that were passed off as a strategic plan. But neither financial resources, nor state personnel were systematically ordered to implement them. Instead the government responded or better still reacted, defensively, to the immediate threats of the opposition induced shortages and oil revenue shortfalls. They chose the easy route of securing loans from China by mortgaging future oil exports. They also took out commercial loans - borrowed at the highest rates in the world (18%)!

The post commodity boom requires a decisive break with the petrol economy . . . continuing costly debt financing staves off the day of reckoning, which is fast approaching.

US military coups and political warfare are with us and will not fade away even as Washington loses battles. The jailing of individual plotters is not enough. They are expendable ...Washington can buy others.

The Maduro government faces a national emergency which requires a society-wide mobilization to launch a war-economy capable of producing and delivering class specific commodities to meet popular needs.

The February 12, 2015, coup dubbed, Plan Jericho, was funded by the US NGO, the National Endowment for Democracy and its subsidiaries, the International Republican Institute and the National Democratic Institute and Freedom House. The coup organizers led by former Venezuelan Congresswomen Corina Machado, (a White House invitee) was designated to head up the post-coup dictatorship.

As a matter of survival the Maduro government must clamp down and prosecute all self-styled 'NGO' which are recipients of overseas funding and serve as conduits for US backed coups and destabilization activity.

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No doubt the Obama regime will seek to protect its proxy financing and howl about 'growing authoritarianism'. That is predictable. But the Venezuelan governments' duty is to protect the constitutional order, and defend the security of its citizens. It must move decisively to prosecute not only the recipients of US funds but the entire US political network, organizations and collaborators as terrorists.

Venezuela can take a page out of the US legal code which provides for 5 year prison sentences for "nationals" who receive overseas funds and fail to register as foreign agents. More to the point, the Obama regime has prosecuted organized groups suspected of conspiring to commit violent acts to lifetime prison sentences. He has justified extra judicial assassinations (via drones) of US "terrorist suspects".

President Maduro need not go to the extremes of the Obama regime. But he should recognize that the policy of "denunciation, arrest and release" is totally out of line with international norms regarding the fight against terrorism in Venezuela.

What the US has in mind is not merely a 'palace coup' in which the democratic incumbents are ousted and replaced by US clients. Washington wants to go far beyond a change in personnel, beyond a friendly regime amenable to providing unconditional backing to the US foreign policy agenda...

A coup and post-coup regime is only the first step toward a systematic and comprehensive reversal of the socio-economic and political transformations of the past 16 years!

Heading the list will be the crushing of the mass popular community organizations which will oppose the coup. This will be accompanied by a mass purge, of all representative institutions, the constitutionalist armed forces, police and nationalist officials in charge of the oil industry and other public enterprises.

All the major public welfare programs in education, health, housing and low cost retail food outlets, will be dismantled or suffer major budget cuts.

The oil industry and dozens of other publically owned enterprises and banks will be privatized and denationalized. US MNC will be the main beneficiaries. The agrarian land reform will be reversed: recipients will be evicted and the land returned to the landed oligarchs.

Given how many of the Venezuelan working class and rural poor will be adversely affected and given the combatative spirit which permeates popular culture, the implementation of the US backed neo-liberal agenda will require prolonged ,large-scale repression. This means, tens of thousands of killings, arrests and incarceration.

The US coup- masters and their Venezuelan proxies will unleash all their pent-up hostility against what they will deem the blood purge necessary to punish, in Henry Kissinger's infamous phrase, "an irresponsible people" who dared to affirm their dignity and independence.

The US backing of violence in the run-up to the February 2015 coup will be escalated in the run-up to the inevitable next coup.

Contemporary US imperial wars in Iraq, Afghanistan, Syria and Libya and past US backed bloody military coups installing neo-liberal regimes in Brazil, Chile, Argentina, Bolivia and Uruguay a few decades past, demonstrate that Washington places no limits on how many tens of thousands of lives

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are destroyed, how many millions are uprooted, if it is 'necessary' to secure imperial dominance.

There is no doubt that the Venezuelan economy is on shaky foundations; that officials have yet to devise and implement a coherent strategy to exit the crises. But it is of decisive importance to remember that even in these times of intensifying imperial warfare, basic freedoms and social justice inform the framework of government and popular representation. Now is the time, and time is running short, for the Maduro government to mobilize all the mass organizations, popular militias and loyal military officials to administer a decisive political defeat to the US proxies and then to proceed forward to socializing the economy. It must take the opportunity of turning the US orchestrated offensives into a historic defeat. It must convert the drive to restore neo-liberal privilege into the graveyard of rentier capitalism.

Epilogue

Unlike past political confrontations between US imperial regimes and leftwing Latin American governments, in the case of Venezuela the US has suffered numerous major defeats with regard to domestic and foreign policy, over the past 15 years.

US-Venezuelan Conflicts: Internal Policies and their Results

In 2001 the US demanded Venezuela support its "war on terrorism, its global quest for domination via war. President Chavez refused to back it, arguing successfully that "*you cannot fight terror with terror*", and winning support worldwide

In April 12, 2002, the US organized and backed a military-business coup which was defeated by a mass uprising backed by constitutionalist armed forces. US lost key assets in the military, trade union bureaucracy and business sector.

In December 2002 - February 2003, the US backed a CEO directed lockout designed to shut-down the oil industry and overthrow the Chavez government that was defeated, as workers and engineers took charge and overseas oil partners supplied petroleum. The US lost assets in the oil industry.

In 2004, a referendum to oust Chavez, funded by the US and organized by NED funded NGOs was defeated. US electoral assets were demoralized.

In 2006 a US backed boycott of Congressional elections was defeated. The electorate turned out in force. US congressional assets lost their institutional power base and influence.

In 2006 Chavez is re-elected for a second time. The US-backed candidate is badly beaten.

In 2007 a US backed coalition squeak out a 1% margin of victory, defeating constitutional amendments, socializing the economy.

In 2009 President Chavez wins a referendum on constitutional amendments including the abolition of term limits.

In 2012 Chavez wins re-election for the fourth time defeating a US financed opposition candidate.

In 2013 Chavez's selected candidate Maduro wins the Presidency defeating Obama's anointed candidate.

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Pro-Chavez parties win resounding Congressional majorities in all elections between 1999 - 2010.

Repeated electoral defeats convinced Washington's political strategists to rely on violent, unconstitutional roads to power.

The anti-capitalist domestic social reforms and ideology were one of two key motivating factors in Washington's prolonged political war against Venezuela. Equally important was Chavez and Maduro's foreign policy which included Venezuela's leading role in opposing US centered regional integration organizations like ALCA, regional political organizations like the OAS and its military missions.

Venezuela promoted Latin American centered integration organizations which excluded the US. They included Petro-Caribe, a Venezuelan sponsored trade and investment organization that benefited Caribbean and Central America countries.

UNASUR (Union of South American Nations) a regional political organization which displaced the US dominated OAS and included 33 Latin American and Caribbean states.

Venezuela joined MERCOSUR, a "free trade" organization, which included Brazil, Argentina, Uruguay and Paraguay.

Venezuela's leading role in promoting five organizations promoting Latin American and Caribbean integration - excluding the US and Canada - was seen as a mortal threat to Washington's political dominance of Latin American politics and markets.

Venezuela's large scale, long-term political and economic ties with Cuba undermined the US economic blockade and reinforced Cuba's links with and support by the rest of Latin America.

Venezuela opposed the US backed coup against Haiti's reformist President Bertram Aristide.

Its opposition to the US invasions of Afghanistan, Iraq, Syria and (later) Libya and its increased investment and trade ties with Iran in opposition to US sanctions, set US plans of a global empire on a collision course with Venezuela's embrace of a global anti-imperialist policy.

US failure to secure passage of a US centered Latin American Free Trade Treaty and incapacity to secure across the board support in Latin America for its Middle East wars and Iran sanctions was largely the result of Venezuelan foreign policy.

It would not be an exaggeration to say that Venezuela's foreign policy successes in countering US imperialist policies, especially with regard to Latin American integration, is the main reason that Washington has persisted in its long-term, large scale effort to overthrow the Venezuelan government.

The US escalation of its global military interventions under Obama and its increasing belligerency toward the multiplication of independent Latin American regional organizations, coincides with the intensification of its violent destabilization campaign in Venezuela.

Faced with the growth of Latin American trade and investment ties with China - with \$250 billion in the pipeline over the next ten years - pioneered by Venezuela, Washington fears the loss of the 600 million Latin American consumer market.

The current US political offensive against Venezuela is a reaction to over 15 years of political

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defeats including failed coups, resounding electoral defeats, the loss of strategic political assets and above all decisive set-backs in its attempts to impose US centered integration schemes.

More than ever, US imperial strategists today are going all-out to subvert Venezuela's anti-imperialist government, because they sense with the decline of oil revenue and export earnings, double digit inflation and consumer shortages, they can divide and subvert sectors of the armed forces, mobilize violent street mobs via their mercenary street fighters, secure the backing of elected opposition officials and seize power. What is at stake in the US -Venezuelan conflict is the future of Latin American independence and the US Empire.