

Kissinger and Wall Street embrace Venezuela's Chávez

by David Ramonet

Venezuelan President Hugo Chávez's previous visit to the United States culminated in a fond embrace between Chávez and Sir George Bush, the most anglophile of the former U.S. Presidents since Harry Truman. In his latest Sept. 20-23 tour to New York and Washington—whose purpose was to obtain the seal of approval from the controllers of the globalized financial market—the most striking detail was Chávez's embrace of Sir Henry A. Kissinger, the former U.S. Secretary of State, confessed agent of Britain's Queen Elizabeth, and ex-adviser to former Venezuelan President Carlos Andrés Pérez, another Bush buddy. Kissinger was invited by Chávez to visit Venezuela in December.

Everywhere he went, President Chávez took great pains to erase his image of the "Danton of the Caribbean," which he has taken great pains to cultivate inside Venezuela, ever since achieving the tacit elimination of the legislative and judicial power—and their concentration in his National Constituent Assembly (ANC)—by means of threats and Jacobin terror tactics. As Msgr. Baltazar Porras, president of the Venezuelan Bishops Conference, put it, "When one needs to justify various things before the international community, it is because something isn't going well."

In fact, Chávez justified himself before the UN General Assembly; before U.S. President Bill Clinton, who met with him for an hour at the United Nations headquarters in New York; before officials of the International Monetary Fund (IMF), the World Bank, and the Organization of American States; and before Sir Henry Kissinger, who rejected the notion that Chávez's government is, or could be, an authoritarian regime. In Kissinger's opinion, Venezuela under Chávez "could make a great contribution to democracy and to progress in Latin America and throughout the continent."

A large part of Chávez's time was spent in meetings with the dictators of U.S. public opinion: He met with the board of directors of the *New York Times* and the *Washington Post*; the directors of the Hearst chain; and he gave televised interviews to Fox TV and CNN. The financial group, J.P. Morgan, organized a meeting with the entire financial press, such as the *Wall Street Journal*, *Journal of Commerce*, and *Financial Times* of London. J.P. Morgan was heavily involved in organizing Chávez's tight agenda. Not surprisingly, Morgan is the

group that is designing the global bond package through which Chávez's government hopes to once again substitute old bonds for longer-term and more onerous ones, which will enable Venezuela to remain chained to the moribund financial markets.

Another important aspect of Chávez's tour was the meeting he held with the Anglophile lobbies. On Sept. 22, the Washington-based Inter-American Dialogue—one of the leading promoters of "peace dialogues" with narco-guerrillas, as a means of eliminating national military forces from the continent—joined with the Carnegie Endowment for Peace to organize a breakfast at which Chávez gave one of his speeches before a select audience at the Brookings Institution.

Later, Chávez met with a group of businessmen from the American Chamber of Commerce, during which he explained that it is *his* revolutionary plan which will guarantee that Venezuela remains inserted into so-called "globalization." According to Chávez, until he became President, "a corrupt and decadent political clique" (not the usurers of the City of London and of Wall Street) had looted his country. But from here on in, he insisted, investments "will be much more secure, and will rest upon more solid bases," once the ANC concludes its work.

Advice from the State Department

This view was echoed in Caracas by Michael Skol, a former U.S. Ambassador to Venezuela and currently one of the directors of the U.S. section of Transparency International, a powerful non-governmental organization (NGO) founded by the World Bank and controlled by the British monarchy. Skol was in Caracas on Sept. 22, to meet with his friend Aristóbulo Istúriz, vice president of the ANC. "I am quite optimistic about what is happening in Venezuela," declared Skol. He emphasized that what is going on there now does not worry him, since "there is no doubt, and this is understood better in the United States now, that the old Venezuela is finished, and that changes are necessary."

Chávez's visit to the United States was preceded by a visit one week earlier by an ANC delegation, which met with various political, economic, and media figures. The delega-

tion returned to Venezuela in the company of three “observers,” who were sent by the State Department in their capacity as “technical advisers” to the ANC. They are Robert Baker, Robert Whirter, and Peter Messite. In his first comments as an observer, Messite described an ANC document on human rights as “admirable.”

Chávez’s ‘revolution’

So far this year, national food consumption in Venezuela has fallen by 10.6%—according to the most recent study of the firm Datanálisis—the result of unemployment which grew from 11.6% in December 1998 to 17.4% at the end of August 1999. The informal economy already encompasses some 54% of the labor force, while industrial employment has fallen 14% during the first half of this year, according to the National Industrial Council (Conindustria). This means that 39,514 workers have lost their jobs. In 1996, the industrial labor force was 450,511 workers; today, it is 243,539 workers.

During all of 1998, which was a bad year, the decline in family income was 3.85%, while in the first eight months of the “revolutionary” year of 1999, the decline is already 5.5%. The concentration of income has reached proportions that make so-called “savage capitalism” look pale by comparison: Dividing the families by income into five levels, from A to E, Datanálisis finds that family income for the wealthiest sector, representing less than 10% of the population, is concentrated 33 times in comparison to the income level of sector E. In sector E, income barely covers 40% of the basic market basket, and 58% of the food basket. In sum, poverty now encompasses 79% of the population.

This reflects the brutal contraction of public spending under Chávez, despite the fact that the price of oil—Venezuelan’s main export product—has doubled during the first eight months of 1999, guaranteeing that international reserves remain above \$14 billion.

Obviously, with such shock treatment, inflation has fallen, simply because “no one is buying.”

Chávez’s Finance Ministry, meanwhile, has put an iron clamp on public spending, worse even than if Venezuela were under a strict IMF program. There is no payment going to vendors, nor contracts with the private sector, nor are allocations going to the state governments to pay vendors and employees. Things are so bad, that when the Association of Governors informed the Venezuelan Bishops Conference (CEV) of this, Msgr. Baltazar Porras said that, under these circumstances, “We cannot and must not play with hunger, and with the needs of the people.” The president of the CEV indicated that this situation has no explanation, in view of the increase in oil revenues: “Every day, we read in the newspapers about the increase in unemployment, the fall in buying power; given these [oil] resources, there should be a normal flow to the [state] governments, to enable them to meet their obligations with their workers.”

What more guarantees will the globalizers demand?

WHO reports dramatic rise in world diseases

by Jutta Dinkermann

The World Health Organization has issued a report showing that the world has dangerously underestimated the threat of bacteria and viruses to national security and economic growth, and may soon miss the opportunity to protect people from this risk. The report, “Removing Obstacles to Healthy Development,” was covered in the *Weekly Epidemiological Record* on Aug. 20, and is available on the Internet at <http://www.who.int/infectious-disease-report>.

As the report shows, infectious diseases are now the world’s leading killer of children and young adults, accounting for some 13 million deaths each year. Each hour, 1,500 people will die from infectious diseases—over half of them children under five. In 1998, only six diseases—AIDS, malaria, tuberculosis, measles, diarrheal diseases, and acute respiratory infections—accounted for nearly 90% of these deaths.

The report warns explicitly against being fatalistic about the situation, because this would make things only worse. There is also no reason for pessimism, since most of these illnesses can be treated. Effective medicines and control strategies are available to reduce dramatically the deaths and suffering caused by infectious diseases. *Most of the 13 million deaths a year from infectious diseases can be prevented*; low-cost health interventions already exist to either prevent or cure the infectious diseases which take the greatest toll of human lives. Indeed, most of the interventions have been widely available for years. The report says that most of the deaths from infectious diseases in developing countries could be prevented for \$5 a person and argues, “In an age of vaccines, antibiotics, and dramatic scientific progress, these diseases should have been brought under control.”

What is lacking, is the money, in a world seized by a lunatic binge of financial speculation, which is sucking the lifeblood out of the physical economy—although the WHO does not say so.

The report does say: “In 1990, bilateral, multilateral, foundation and NGO partners provided just over \$800 million to help developing countries control infectious diseases. This represents less than 2% of total donor funds. . . . With these disparities, it is not surprising, that a child born in a developing country today runs a 1,000-fold greater chance of dying from