
International Intelligence

Venezuela-Colombia Conflict Possible

With great fanfare, Venezuelan President Hugo Chávez announced on May 9 that Venezuelan military forces had raided a home owned by a Cuban-Venezuelan leader of the radical Democratic Block opposition group, and arrested 88 Colombian paramilitary fighters, who were preparing to attack Venezuelan military installations, assassinate Chávez and trigger a coup. Vice President José Vicente Rangel charged that the Colombian and U.S. governments were behind the operation, claiming that the Colombian government “exports violence, it exports guerrillas, and it exports paramilitaries.” Rangel promised that arrests of Venezuelan opposition leaders would follow.

The Venezuelan opposition, State Department spokesman Richard Boucher, and Organization of American States Secretary General Cesar Gaviria cast doubt on the Chavez government’s story. The more centrist faction of the Venezuelan opposition charge that the whole thing was hoked up, to distract from the final voting on the referendum to recall Chávez, scheduled for the end of May. The radical right wing of the opposition associated with Blas Piñar’s asset Alejandro Peña are engaged in creating a “contra” operation. And the Cuban-Venezuelan on whose farm the alleged squadristi were found, Roberto Alonso, is known to be central to that wing of the opposition.

One of India’s Biggest Upsets

The economy was the key issue in the sweeping from power of India’s ruling coalition in national Parliamentary elections. Prime Minister Vajpayee’s BJP had called national elections six months early, in confidence that it could win even 300 seats in the 543-seat Lok Sabha, the lower house of Parliament. It fell below 200 instead. With 482 seats decided the Congress and allies had 198 seats, the BJP and allies 167, and other parties 117. Four or five seats are being

re-pollled due to irregularities.

Because India has an electorate of 675 million people—about 56% voted—the elections were held over three full weeks, beginning on April 20. The first political earthquake was in the southeastern state of Andhra Pradesh. The Telugu Desam Party, a key ally of the BJP national alliance and in power for a decade, was swept out by the Congress. Chief Minister Chandrababu Naidu was ousted. Naidu was known as “CEO” because of his focus on “New Economy.” The Congress also took what had been the BJP stronghold of Gujarat, the west-coast state which had seen terrible communal riots.

On May 13, Prime Minister Vajpayee, who won his own seat, announced after discussions with Defence Minister George Fernandes, that he and the whole government would resign, and he would become Opposition leader. It remains to be seen how the new government will be formed. The Congress, which has nominated Sonia Gandhi as Prime Minister will need allies, and may create an arrangement in which it is supported by a group of left-wing parties which are not part of a formal coalition. Congress faces an enormous challenge, of meeting the economic needs of the majority of Indians. Some 300 million live in extreme poverty, on less than the equivalent of \$1 a day, as day laborers in the villages, or in huge slums in the cities.

AIDS Treatment Is a ‘Human Right’

Eleven African health ministers said on May 12 at a conference in Rome, that access to effective treatment for AIDS is a human right, and they launched a solemn appeal for urgent assistance from wealthy countries. “We ask this is the name of a human right, which is called the right to treatment, in the name of intelligent globalization, which should be equally capable of globalizing solidarity,” they said at the close of the two-day conference organized by the Community of Sant’Egidio. “We ask that the most developed countries mobilize economic and hu-

man resources to bring a halt to this extermination,” the ministers said.

Addressing pharmaceutical companies, without naming them, the health ministers urged lower prices for antiretroviral drugs “to the point of being compatible with the weak resources of our countries.”

AIDS is affecting the entire planet, but currently 70% of its victims die and are born in Africa,” said the ministers from the Central African Republic, Congo, Ivory Coast, Ethiopia, Liberia, Malawi, Mozambique, Senegal, Sudan, Tanzania, and Togo. “The epidemic cuts down as many human lives as a world war.”

OPEC Only 30% of World Oil Production

There is a widespread undertaking to locate “the root” of the run-up of oil prices above \$40, in OPEC production decisions; but it is a mis-identification of the problem. OPEC currently produces 23.5 million barrels per day (mbd) of crude. At the moment, Algeria, Indonesia, Iran, Kuwait, Libya, Qatar, and Nigeria are producing at their capacity limit. Saudia Arabia, which produces 8.7 mbd, can produce up to 10.5 mbd. Saudi Arabia indicated on May 11 that it is willing to increase crude output by 1.5 mbd, which would bring total OPEC oil production up to 25 mbd.

However, the world currently consumes about 82 mbd. OPEC produces 30% of world consumption (and approximately the same percentage of world production). Producing virtually at capacity, OPEC is not the problem.

OPEC President Purnomo Yusgiantoro said on May 12, “The main problem with the recent high prices is closely linked to geopolitical uncertainties, inadequate refining capacity in the United States to cope with rising demand, multiple specifications for gasoline by different states, and heavy speculation on oil by investment funds/speculators. All of these are factors about which OPEC has no control.” The largest speculative oil market in the world is the International Petroleum Exchange (IPE), based in London.