

Testimony of Mark Weisbrot
Co-Director, Center for Economic and Policy Research (www.cepr.net)
On the State of Democracy in Venezuela
Before the U.S. Senate Committee on Foreign Relations
Subcommittee on Western Hemisphere, Peace Corps, and Narcotics Affairs
June 24, 2004

Thank you, Mr. Chairman, and members of the Committee for inviting me to present these facts and views. The Center for Economic and Policy Research is an independent, non-partisan policy institute. We are funded primarily by foundations, large and small, as well as some individual contributions from U.S. citizens. We do not receive any funding from governments, political parties, or corporations.

On the subject of this hearing "The State of Democracy in Venezuela," there is much public confusion. To set the record straight: Venezuela is a democracy, as much as any country in Latin America today. As Jimmy Carter said on a visit there: "I believe that freedom of speech is as alive in Venezuela as it is in any other country I've visited."

The same is true for freedom of the press, assembly, association, and other civil liberties. Anyone who calls the Venezuelan government "authoritarian" is in need of a dictionary, or perhaps needs to see the place. I was there during the oil strike in December 2002 and witnessed the government's response to the destruction of its economy by less than one percent of the labor force -- the management and some of the workers in the oil industry. They were not striking for better wages or benefits, but to overthrow the government. Even in the United States, which has perhaps the strongest tradition of protecting civil liberties in the world, a strike of this nature would be illegal. Here the leaders would have been subject to court injunctions ordering them back to work, and jailed if they refused. This did not happen in Venezuela. The strike lasted for 64 days and sent the economy into a deep recession.

It is true that there are human rights abuses in Venezuela. But these are not different from those in the rest of Latin America, and I have not heard any reputable human rights organization argue that they have worsened under the five years of Chavez' government. Nor have they argued that the government has engaged in any systematic repression of political dissent.

What, then, are the major threats to democracy in Venezuela? The attention here has focused on the Venezuelan government. It is of course true, as Americans have long recognized, that any government can become repressive if its citizens are not vigilant. But Venezuelan democracy faces other challenges.

Some are from Washington. Our government has funded, and continues to fund, organizations headed by people who were leaders of the military coup of April 2002. (See Appendix 2). These leaders have received, and some continue to receive, funds from the United States Congress through the National Endowment for Democracy. These are people who signed the actual coup decree of April 12, 2002, that overthrew the elected

President and Vice President, and abolished the General Assembly, the Supreme Court and the constitution, and established a dictatorship.

Should these people, and their organizations, be funded by US taxpayers' dollars? Is this the proper function of the National Endowment for Democracy? These are questions that Congress should ask. I think that most Americans would be against such funding if they were aware of it.

The NED is also funding a group -- called Sumate -- that led the signature drive to recall the President of Venezuela. We do not allow foreign financing of electoral campaigns in the United States. Clearly we should not insist on violating the laws of other countries, and their sovereignty and democracy, in ways that we would not permit here.

Our government also undermines democracy in Venezuela by disregarding the rule of law in that country, and encouraging the opposition to do the same. It must be recalled that the Bush Administration, alone in this hemisphere, initially endorsed the military coup in April 2002. There was strong circumstantial evidence that our government gave prior approval or possibly even more support than this, in addition to the stepped-up NED funding to opposition groups in the months prior to the coup. Senator Dodd asked for an investigation, and the State Department's Office of the Inspector General found that "U.S. warnings [to the opposition] ...of non-recognition of a coup-installed government, economic actions, and other concrete punitive actions were few and far between."

But the Administration made no attempt to repair relations with the elected government after it was restored. Rather it went on to tacitly endorse the oil strike -- in spite of the fact that it was preparing for a war in the Middle East, likely to reduce oil supplies, at the time. In December 2002 the White House supported the opposition's unconstitutional demand for early elections.

More recently, the Administration has made a number of statements that have encouraged the opposition not to respect constitutional processes. Before the results of the signature gathering process were decided last month, Roger F. Noriega, assistant secretary of state for Western Hemisphere affairs, declared that the "the requisite number of people supported the petition" and warned of "dire consequences" if Venezuela's National Electoral Council did not arrive at the same conclusion.

These are very powerful signals to an opposition that clearly has some very strong anti-democratic leadership. Although the focus here is on the government of Venezuela as a threat to democracy, it is worth recalling that the opposition only agreed in May of 2003 to pursue an electoral strategy after all extra-legal means of overthrowing the government -- including a military coup and several oil strikes -- had been exhausted.

The most powerful opposition leaders have not expressed any regret for these strategies, but on the contrary, have continued to state openly that they will only respect the results of the referendum process if they win. By contrast, the government has consistently maintained that it will abide by the results, and has done so.

A Los Angeles Times reporter interviewed one of the country's most respected pollsters, from the firm Datanalysis, Jose Antonio Gil. The firm's polls are often cited in the US press. According to the L.A. Times, he could "see only one way out of the political crisis surrounding President Hugo Chavez. "He has to be killed," he said, using his finger to stab the table in his office . . . "He has to be killed."

It is hard to imagine an opposition of this type in the United States -- they would probably be labeled "terrorist" here -- but these are the people with whom our government has aligned itself. It is also difficult to conceive of a media like Venezuela's, if you have never seen it. Imagine ABC, NBC, CBS, CNN, Fox News and the cable channels, USA Today and most major newspapers, as well as most radio -- all controlled, in terms of their daily content, by the most fiercely partisan opponents of the government. They have also abandoned the norms of modern journalism, becoming organs of a movement to de-legitimize the government. Two months ago one of Venezuela's most influential newspapers actually used a doctored version of a *New York Times* article to allege that the Chavez government was implicated in the Madrid terrorist bombing. (See Appendix 1) But the media has never been censored by the Chavez government.

Other arguments have been put forth to portray the Chavez government as anti-democratic, but they are not very convincing. Clearly Venezuela is nothing like Cuba, although Mr. Chavez does have friendly relations with Fidel Castro. It is not clear why this should be a reason for such bad relations with the United States. The President of Brazil, Lula da Silva, and his party have deeper and longer-standing relations with Castro and Cuba. The Bush Administration and Brazil have agreed to disagree on this issue, and that seems to be the end of this dispute.

Most recently, Venezuela's General Assembly passed a law allowing the government to add 12 new judges to the Supreme Court, which currently has 20 judges. This would certainly alter the balance of the court in favor of the government. But this is also a Supreme Court that decided that the people who carried out the military coup of 2002 could not be prosecuted. In the United States, I am pretty sure that our Congress would use its power to impeach a Supreme Court that made such a ruling. And of course, the judiciary has never been independent in Venezuela -- less so under previous governments than presently. It will not make much progress in that direction so long as the country remains deeply polarized.

This polarization is a very serious problem, and of course Chavez is a polarizing figure who has contributed to the problem. But Congress should not make it worse by allowing our government to take sides. We should normalize our relations with Venezuela, which is a democracy and has never posed any threat to US security; it has reached out several times to our government since the coup -- only to be rebuffed. The first step would be to stop funding the recall effort and people who have participated in a military coup against Venezuela's elected government.

Appendix 1

Media Falls Short on Iraq, Venezuela

By Mark Weisbrot

Distributed to newspapers by Knight-Ridder/Tribune Information Services

June 6, 2004

<http://www.cepr.net/columns/weisbrot/media%20venezuela.htm>

Last week the New York Times published an 1100-word note "From the Editors" criticizing its own reporting on the build-up to the Iraq war and the early stages of the occupation. On Sunday the newspaper's Public Editor went further, citing "flawed journalism" and stories that "pushed Pentagon assertions so aggressively you could almost sense epaulets sprouting on the shoulders of editors."

This kind of self-criticism is important, because the media played an important role in convincing the American public -- and probably the Congress as well -- that the war was justified. Unfortunately, these kinds of mistakes are not limited to the New York Times -- or to reporting on Iraq.

Venezuela is a case in point. The Bush administration has been pushing for "regime change" in Venezuela for years now, painting a false and exaggerated picture of the reality there. As in the case of Iraq's alleged weapons of mass destruction and links to Al-Qaeda, the Administration has gotten a lot of help from the media.

Reporting on Venezuela relies overwhelmingly on opposition sources, many of them about as reliable as Ahmed Chalabi. Although there are any number of scholars and academics -- both Venezuelan and international -- who could offer coherent arguments on the other side, their arguments almost never appear. For balance, we usually get at most a poor person on the street describing why he likes Venezuelan President Hugo Chavez, or a sound bite from Chavez himself denouncing "imperialist intervention."

Opposition allegations are repeated constantly, often without rebuttal, and sometimes reported as facts. At the same time, some of the most vital information is hardly reported or not reported at all. For example, the opposition's efforts to recall President Chavez hit a snag in March when more than 800,000 signatures for the recall were invalidated. These signatures were not thrown out but were sent to a "repair process," currently being tallied, in which signers would get a second chance to claim invalidated signatures.

The opposition accused President Chavez of trying to illegitimately deny the people's right to a referendum, and the press here has overwhelmingly echoed this theme. But some vital facts were omitted from the story: the disputed signatures were in violation of the electoral rules, and could legitimately have been thrown out altogether. Furthermore, these rules -- requiring signers to fill out their own name, address and other information -- were well-known to organizers on both sides and publicized in advance of the signature gathering process. [1] These rules are also common in the United States, including California.

But readers of the U.S. and international press would not know this. And few would know that the members of Venezuela's National Electoral Commission -- which is supervising the election -- was appointed by the Supreme Court, with opposition leaders applauding the appointments. [2]

Even worse than most news stories on Venezuela are the editorials of major newspapers, where factual errors have become commonplace. The Washington Post has accused Chavez of holding political prisoners and having "muzzled the press," [3] and referred to the Electoral Commission as "Mr. Chavez' appointees." [4] All of these allegations are incontestably false.

According to the U.S. State Department, "There [are] no reports of political prisoners in Venezuela." [5] And far from being "muzzled," the press in Venezuela is one of the most furiously partisan anti-government medias in the entire world. Two months ago one of Venezuela's most influential newspapers actually used a doctored version of a New York Times' article to allege that the Chavez government was implicated in the Madrid terrorist bombing! [6] But the media has never been censored by the Chavez government. [7]

To be sure, President Chavez has made himself an easy target by slinging a lot of fiery rhetoric and accusations at President Bush and Washington. But even these diplomatic blunders could use some context: the Bush Administration did, after all, endorse a military coup against Chavez two years ago. [8] And the US continues to fund his political opponents, including leaders of the failed coup and organizers of the recall effort. [9] Imagine what Mr. Bush might say about the French President and government if they did those things to him.

Of course Venezuela has rarely been front page news, unlike Iraq. But our government's involvement there has already caused considerable damage and could well push the country to civil war -- especially if our media continues to go along for the ride.

Mark Weisbrot is co-Director of the Center for Economic and Policy Research, in Washington, DC (www.cepr.net).

Notes:

[1] CNE Circular Number 16, dated 25 November 2003:

"In the case that the signer is illiterate, blind, or of very advanced age, the signature collection agent should write the first and last names of the signer, their identification number and date of birth in the corresponding spaces of each of them, and have the signer stamp their fingerprint in the space provided, and note proof of the condition in the space provided."

The fact that the signer was otherwise required to fill out his/her own information was well known to the parties and publicized in advance, with TV commercials, and that forms filled out by people other than the signers were invalid was also confirmed by Fernando Jaramillo, Chief of Staff of the Organization of American States and Head of OAS Mission to Venezuela, in an interview on April 21, 2004.

[2] "The five new members of the council represent a cross-section of Venezuela's political landscape, allaying concerns on both sides that the deck would be stacked as the country readies for a recall vote . . . Henry Romas Allup, a prominent opposition voice from the Democratic Action party, said the Supreme Court's decision represents a "final blow to the government." (Pals, Dow Jones Newswire, 27/9/03)

After the Council made decisions unfavorable to the opposition, some U.S. newspapers began referring to it as "government-controlled." (See, e.g., Miami Herald, "Chavez's rivals need one thing: a viable leader," February 17, 2004)

[3] "Eyes on Mr. Chávez," editorial, Washington Post, December 13, 2003.

[4] "Mr. Chavez's Claim," Editorial, Washington Post, May 26, 2004.

[5] U.S. Department of State, "Country Reports on Human Rights Practices - 2003: Venezuela," Released by the Bureau of Democracy, Human Rights, and Labor, February 25, 2004, <http://weisbrot-columns.c.topica.com/maaci1Vaa7hQ1beQvrSbafpNFx/>

[6] For the original article, see Tim Golden and Don Van Natta Jr., "Bombings in Madrid: The Suspects; Carnage Yields Conflicting Clues As Officials Search for Culprits," The New York Times, March 12, 2004. For the altered version, see Marianella Salazar, "Política: Artillería de Oficio," El Nacional (Venezuela) March 24, 2004.

[7] "There are few obvious limits on free expression in Venezuela. The country's print and audiovisual media operate without restrictions. Most are strongly opposed to President Chávez and express their criticism in unequivocal and often strident terms." Human Rights Watch, "Venezuela: Caught in the Crossfire: Freedom of Expression in Venezuela," May 2003.

[8] Peter Slevin, "Chavez Provoked His Removal, U.S. Officials Say; Administration Expresses Guarded Optimism About Interim Regime, Calls for Quick Elections," Washington Post, April 13, 2002.

[9] See Bart Jones, "Tension in Venezuela; Activist eyes groups' funding; Brooklyn lawyer says U.S. government funds are aiding those trying to overthrow president," Newsday, April 4, 2004

The FOIA documents are posted at <http://weisbrot-columns.c.topica.com/maaci1Vaa7hQ2beQvrSbafpNFx/>

Several leaders of organizations that received funds from the U.S. Congressionally-financed National Endowment for Democracy (NED) actually signed the decree that established the coup government in April 2002, and abolished Venezuela's General Assembly, Supreme Court, Constitution, and other democratic institutions. Some are still receiving funds from NED.

A Split Screen in Strike-Torn Venezuela

By Mark Weisbrot
Published in the Washington Post
January 12, 2003

<http://www.washingtonpost.com/wp-dyn/articles/A41444-2003Jan11.html>

Walking around Caracas late last month during Venezuela's ongoing protests, I was surprised by what I saw. My expectations had been shaped by persistent U.S. media coverage of the nationwide strike called by the opposition, which seeks President Hugo Chavez's ouster. Yet in most of the city, where poor and working-class people live, there were few signs of the strike. Streets were crowded with holiday shoppers, metro trains and buses were running normally, and shops were open for business. Only in the eastern, wealthier neighborhoods of the capital were businesses mostly closed.

This is clearly an oil strike, not a "general strike," as it is often described. At the state-owned oil company, PDVSA, which controls the industry, management is leading the strike because it is at odds with the Chavez government. And while Venezuela depends on oil for 80 percent of its export earnings and half its national budget, the industry's workers represent a tiny fraction of the labor force. Outside the oil industry, it is hard to find workers who are actually on strike. Some have been locked out from their jobs, as business owners -- including big foreign corporations such as McDonald's and FedEx -- have closed their doors in support of the opposition.

Most Americans seem to believe that the Chavez government is a dictatorship, and one of the most repressive governments in Latin America. But these impressions are false.

Not only was Chavez democratically elected, his government is probably one of the least repressive in Latin America. This, too, is easy to see in Caracas. While army troops are deployed to protect Miraflores (the presidential compound), there is little military or police presence in most of the capital, which is particularly striking in such a tense and volatile political situation. No one seems the least bit afraid of the national government, and despite the seriousness of this latest effort to topple it, no one has been arrested for political activities.

Chavez has been reluctant to use state power to break the strike, despite the enormous damage to the economy. In the United States, a strike of this sort -- one that caused massive damage to the economy, or one where public or private workers were making political demands -- would be declared illegal. Its participants could be fired, and its leaders -- if they persisted in the strike -- imprisoned under a court injunction. In Venezuela, the issue has yet to be decided. The supreme court last month ordered PDVSA employees back to work until it rules on the strike's legality.

To anyone who has been in Venezuela lately, opposition charges that Chavez is "turning the country into a Castro-communist dictatorship" -- repeated so often that millions of Americans apparently now believe them -- are absurd on their face.

If any leaders have a penchant for dictatorship in Venezuela, it is the opposition's. On April 12 they carried out a military coup against the elected government. They installed the head of the business federation as president and dissolved the legislature and the supreme court, until mass protests and military officers reversed the coup two days later.

Military officers stand in Altamira Plaza and openly call for another coup. It is hard to think of another country where this could happen. The government's efforts to prosecute leaders of the coup were canceled when the court dismissed the charges in August. Despite the anger of his supporters, some of whom lost friends and relatives last year during the two days of the coup government, Chavez respected the decision of the court..

The opposition controls the private media, and to watch TV in Caracas is truly an Orwellian experience. The five private TV stations (there is one state-owned channel) that reach most Venezuelans play continuous anti-Chavez propaganda. But it is worse than that: They are also shamelessly dishonest. For example, on Dec. 6 an apparently deranged gunman fired on a crowd of opposition demonstrators, killing three and injuring dozens. Although there was no evidence linking the government to the crime, the television news creators -- armed with footage of bloody bodies and grieving relatives -- went to work immediately to convince the public that Chavez was responsible. Soon after the shooting, they were broadcasting grainy video clips allegedly showing the assailant attending a pro-Chavez rally.

Now consider how people in Caracas's barrios see the opposition, a view rarely heard in the United States: Led by representatives of the corrupt old order, the opposition is trying to overthrow a government that has won three elections and two referendums since 1998. Its coup failed partly because hundreds of thousands of people risked their lives by taking

to the streets to defend democracy. So now it is crippling the economy with an oil strike. The upper classes are simply attempting to gain through economic sabotage what they could not and -- given the intense rivalry and hatred among opposition groups and leaders -- still cannot win at the ballot box.

From the other side of the class divide, the conflict is also seen as a struggle over who will control and benefit from the nation's oil riches. Over the last quarter-century PDVSA has swelled to a \$50 billion a year enterprise, while the income of the average Venezuelan has declined and poverty has increased more than anywhere in Latin America. Billions of dollars of the oil company's revenue could instead be used to finance health care and education for millions of Venezuelans.

Now add Washington to the mix: The United States, alone in the Americas, supported the coup, and before then it increased its financial support of the opposition. Washington shares PDVSA executives' goals of increasing oil production, busting OPEC quotas and even selling off the company to private foreign investors. So it is not surprising that the whole conflict is seen in much of Latin America as just another case of Washington trying to overthrow an independent, democratically elected government.

This view from the barrios seems plausible. The polarization of Venezuelan society along class and racial lines is apparent in the demonstrations themselves. The pro-government marches are filled with poor and working-class people who are noticeably darker -- descendants of the country's indigenous people and African slaves -- than the more expensively dressed upper classes of the opposition. Supporters of the opposition that

I spoke with dismissed these differences, insisting that Chavez's followers were simply "ignorant," and were being manipulated by a "demagogue."

But for many, Chavez is the best, and possibly last, hope not only for social and economic betterment, but for democracy itself. At the pro-government demonstrations, people carry pocket-size copies of the country's 1999 constitution, and vendors hawk them to the crowds. Leaders of the various non-governmental organizations that I met with, who helped draft the constitution, have different reasons for revering it: women's groups, for example, because of its anti-discrimination articles; and indigenous leaders because it is the first to recognize their people's rights. But all see themselves as defending constitutional democracy and civil liberties against what they describe as "the threat of fascism" from the opposition.

This threat is very real. Opposition leaders have made no apologies for the April coup, nor for the arrest and killing of scores of civilians during the two days of illegal government. They continue to stand up on television and appeal for another coup -- which, given the depth of Chavez's support, would have to be bloody in order to hold power.

Where does the U.S. government now stand on the question of democracy in Venezuela? The Bush administration joined the opposition in taking advantage of the Dec. 6

shootings to call for early elections, which would violate the Venezuelan constitution. The administration reversed itself the next week, but despite paying lip service to the negotiations mediated by the OAS, it has done nothing to encourage its allies in the opposition to seek a constitutional or even a peaceful solution.

Sixteen members of Congress sent a letter to Bush last month, asking him to state clearly that the United States would not have normal diplomatic relations with a coup-installed government in Venezuela. But despite its apprehension about disruption of Venezuelan oil supplies on the eve of a probable war against Iraq, the Bush administration is not yet ready to give up any of its options for "regime change" in Caracas. And -- not surprisingly -- neither is the Venezuelan opposition.

Mark Weisbrot is co-director of the Center for Economic and Policy Research, an independent nonpartisan think tank in Washington.

© 2003 The Washington Post Company

Appendix 2

National Endowment for Democracy Funding of Coup Leaders in Venezuela; 2001-04

By Eva Golinger, Esq.
May 2004

**This following information was prepared by Eva Golinger, a lawyer and investigator located in New York. Eva Golinger does not receive any funding from the Venezuelan government and has conducted this investigation independently. All documents cited below are available in the public domain. For more information, see www.venezuelafoia.info.*

Recent documents obtained through the Freedom of Information Act (“FOIA”) from the National Endowment for Democracy (“NED”) about its programs and activities in Venezuela clearly evidence its financing of organizations and figures who notoriously led and figured in the April 2002 coup d’etat against President Chávez. None of these individuals or organizations have ever publicly retracted or regretted their participation in the violent coup d’etat that threatened Venezuela’s democracy. Yet these same individuals continue to receive substantial annual grants from the NED to pursue their activities in Venezuela. Concrete examples include:

- Direct current NED grantees in Venezuela were members of the coup-government’s “Advisory Council,” as evidenced through their signing of the “Carmona Decree” during the brief coup-imposed government. The “Carmona Decree” is the public decree ratified in the Presidential Palace on April 12, 2002, that violated Venezuela’s constitution and notions of democracy by deposing the elected President and Vice-President and dissolving all of Venezuela’s democratic institutions, including the elected members of the National Assembly, the Supreme Court, the Attorney General and Public Defender, and an overwhelming number of laws and constitutional rights implemented during the Chávez Administration (Attached in ANNEX A). Those present NED grantees who signed the Decree and were part of the coup Advisory Council are:
 - Rocio Guijarra, Director of CEDICE (a present NED grantee);
 - Along with the Center for International Private Enterprise, CEDICE received \$50,000 from NED in 2000-2001; \$73,033 and \$66,690 in 2002-2003 and \$116,525 and \$284,270 in 2003-2004 (post-coup). (ANNEX B)
 - Maria Corina Machado, President of Súmate (a present NED grantee);

- Súmate received a NED grant of \$53,400 in September 2003 (post-coup). (ANNEX C)
 - Leopoldo López and Leopoldo Martínez (also named Minister of Finances by the coup government) of Primero Justicia, which receives training and support from the International Republican Institute, a direct NED grantee;
 - IRI received \$300,000 in March 2002 for their work with Primero Justicia and received \$116,000 in February 2003 to continue this work (post-coup). (ANNEX D)
 - Maxim Ross and Domingo Alberto Rangel, both principal Committee Members on a major CIPE-CEDICE project funded by NED, the “Consensus to Build a National Agenda” taking place this year.¹
 - This project has been granted \$284,270 from NED (post-coup). (ANNEX B)
- The Director of the Asamblea de Educación, Leonardo Carvajal, was named “Minister of Education” by the Carmona coup government in April 2002, and he also signed a Civil Society Document published in national newspapers and read aloud publicly on national television and radio stations, reiterating the Carmona Decree and recognizing, applauding and supporting the legitimacy of the coup government on April 12, 2002. (ANNEX A). Mr. Carvajal’s organization continued to receive direct NED funding through 2003, well after the coup, and he himself received a direct salary from the NED as part of this funding.²
 - Carvajal’s group received \$55,000 from NED in September 2000 and an additional \$57,000 in October 2002 (post-coup). (ANNEX E)
- Oscar García Mendoza, Director of NED grantee Asociación Civil Liderazgo y Visión, authored two Official Communications published in national newspapers and pronounced on national television and radio in Venezuela on April 13, 2002, that not only recognized and supported the legitimacy of the Carmona coup government, but also celebrated its coming to power. (ANNEX A). This organization continues to receive NED funding to date.³
 - This group received \$42,207 in September 2003 for work with Caracas’ Metropolitan Police Force, notorious for its participation and collaboration in the April 2002 coup d’etat. (ANNEX F).
- Other individuals such as Cipriano Heredia of Visión Emergente, Tomás Páez of Red Universitaria and Elías Santana of Alianza Cívica signed the Civil Society Document (above) recognizing the legitimacy of Carmona’s coup

¹ See “Los Documentos del Golpe”, Fundación Defensoría del Pueblo, 2004. See also, <http://www.venezuelafoia.info/NED/CIPE-CEDICE/CIPE-CEDICE-Con/pages/CIPE-CEDICE-consensus-01.htm>

² <http://www.venezuelafoia.info/NED/ACAdE/2000-421/pages/ACAdE-E48.htm>,
<http://www.venezuelafoia.info/NED/ACAdE/2000-421/pages/ACAdE-D32.htm>

³ <http://www.venezuelafoia.info/NED/ACLV/ACLV-index.htm>

government on April 13, 2002 (ANNEX A) and were recently chosen to spearhead a CIPE-CEDICE project, “Consensus to Build a National Agenda”, funded by the NED.⁴ (ANNEX B)

- The U.S. Department of State issued a \$1 million “Special Venezuela Funds” grant to the National Endowment for Democracy in April 2002 (post-coup), which was used to finance the organizations whose members and leadership had just led the April 2002 coup d’etat. (ANNEX G)
- The group Súmate was founded in 2003 after the April 2002 coup d’etat; the NED gave a grant of \$53,400 in September 2003 to Súmate to “observe” and “monitor” the signature collection process. Súmate’s President, Maria Corina Machado, signed the Carmona Decree and never retracted her participation or role in the April 2002 coup. (ANNEX B)
 - The NED’s own documents contradict its attempts to classify Súmate as a mere observer or monitor in the recall referendum campaign. In their January 31, 2004 Report to the NED, Súmate explains their use of the project funds to “Train, capacitate and motivate the Municipal Coordinators to create a structural network and to utilize these Municipal Coordinators as instructors to provide technical training in the “Signature Drive” to those Responsible at the Centers of Signature Collection and/or the Signature Counters.”⁵
 - The same Súmate report to the NED explains how they developed an “Operations Manual for the Signature Drive” that was “utilized as the foundation to support the design and production of educative material used by the functionaries and volunteers that participated in the collection of signatures at the official centers.”⁶ It is hard to imagine that training the designated officials collecting signatures during the drive and providing technical operations manuals and materials to those functionaries in charge of the recall referendum signature drive is merely “observing and monitoring” the process. In fact, Súmate’s own materials clearly indicate that not only are they the primary actors in the recall referendum campaign, but in fact, they are the leaders of this movement.⁷

⁴ <http://www.venezuelafoia.info/NED/CIPE-CEDICE/BuildingConsensus/pages/02-021-Consensus-04.htm>

⁵ <http://www.venezuelafoia.info/NED/SUMATE/2003-548QR-Sep-Dec03/pages/2003-548QR-Sep-Dec-03-14.htm>

⁶ <http://www.venezuelafoia.info/NED/SUMATE/2003-548QR-Sep-Dec03/pages/2003-548QR-Sep-Dec-03-15.htm>

⁷ See also www.sumate.org, where the organization explains their role in the “collection and processing of signatures for the recall referendum drive” and http://64.233.161.104/search?q=cache:lZps3XDPWwQJ:www.csis.org/press/ma_2004_0304a.pdf+maria+corina+machado&hl=en&ie=UTF-8, a press release announcing Maria Corina Machado as “Referendum Leader”. Additionally, Súmate’s own grant proposal, which was accepted by the NED, indicates one of their project objectives as “promoting popular support for referenda.” This clearly differs from the role of “observing.”

- The financing of Súmate violates the NED's own regulations which prohibit financing partisan politics and political campaigns.⁸

⁸ U.S. Statutes at Large, First Session of the 99th Congress, Public Law 99-93, Aug. 16, 1985, Sec. 505. Requirements Relating to the Endowment and Its Grantees: (a) Partisan Politics. – (1) Funds may not be expended, either by the Endowment or by any of its grantees, to finance the campaigns of candidates for public office.”