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## NED in Venezuela

by Bart Jones; **FPIF**; April 19, 2004

The United States is using a quasi-governmental organization created during the Reagan years and funded largely by Congress to pump about a million dollars a year into groups opposed to Venezuela President Hugo Chávez, according to officials in Venezuela and a Venezuelan-American attorney.

Some 2,000 pages of newly disclosed documents show that the little-known National Endowment for Democracy is financing a vast array of groups: campesinos, businessmen, former military officials, unions, lawyers, educators, even an organization leading a recall drive against Chávez. Some compare the agency, in certain of its activities, to the CIA of previous decades when the agency was regularly used to interfere in the affairs of Latin American countries.

"It certainly shows an incredible pattern of financing basically every single sector in Venezuelan society," said Eva Golinger, the Brooklyn, NY-based attorney who helped obtain the documents through Freedom of Information Act requests. "That's the most amazing part about it."

One organization, Sumate, which received a \$53,400 grant in September, is organizing the recall referendum against Chávez, Golinger said. The head of another group, Leonardo Carvajal of the Asociación Civil Asamblea de Educación, was named education minister by "dictator for a day" Pedro Carmona, a leading businessman who briefly took over Venezuela during an April 2002 coup against Chávez, she said. A leader of a third group assisted by the National Endowment for Democracy and its subsidiary organizations, Leopoldo Martínez of the right-wing Primero Justicia party, was named finance minister by Carmona, she said.

"How can they [the National Endowment for Democracy] say they are supporting democracy when they are funding groups that backed the coup?" asked Golinger, head of the pro-Chávez Venezuela Solidarity Committee in New York.

Chris Sabatini, the endowment's senior program officer for Latin America and the Caribbean, acknowledged the organization is handing out \$922,000 this year, largely to groups opposed to Chávez, and gave out \$1,046,323 last year. He said pro-Chávez groups have not received funds because they didn't ask for any or they rejected the National Endowment's overtures.

Sabatini said there is no evidence that groups backed by the National Endowment for Democracy--called NED--participated directly in the coup, although he acknowledged Carvajal and Martínez were offered cabinet posts. He said the endowment made it clear to all groups it works with that it explicitly opposes unconstitutional actions. NED no longer funds Carvajal's group, he added, because it was not meeting its objectives of developing education policies.

As for Sumate, he said the organization is merely monitoring the recall process and ensuring citizens get to exercise their constitutional rights.

The endowment's work in Venezuela, he said, is aimed at promoting democracy and defusing festering tensions that could lead to a civil war. "There is no ideological content to our work except working with committed democrats in countries where democracy is developing or under siege," he said in a telephone interview March 2.

The revelations about the endowment's work in Venezuela are provoking criticism from some high-level officials, including members of the Congressional Black Caucus, that the United States is trying to destabilize and overthrow democratically elected governments in Latin America.

Rep. Charles Rangel, D-NY, charged that the Bush administration helped oust Haiti's President Jean-Bertrand Aristide, and that it is trying to depose Chávez, as well. "We're doing the same thing in Venezuela because we don't like Chávez," Rangel said during a radio roundtable discussion.

U.S. officials deny the allegations, and say Aristide fell and Chávez almost did because of economic mismanagement and human rights abuses.

The controversy over the U.S. role in Latin America intensified March 16 when Chávez joined Jamaica in declaring he would not recognize the interim government in Haiti that replaced Aristide. Chávez also offered asylum to the deposed Haitian president, who arrived a day earlier in Jamaica, where he has received temporary refuge.

A populist firebrand first elected in 1998, Chávez has polarized oil-rich Venezuela. Many middle- and upper-class residents charge he is a leftist dictator who has befriended Fidel Castro, wrecked the economy, and fostered class hatred by referring to wealthy Venezuelans as corrupt "squalid ones." But millions of poor people adore him for creating massive literacy programs, handing out land titles to slum dwellers and peasants, and combating a ruling class they say pillaged the nation's vast oil wealth.

In the wake of disclosures about the National Endowment for Democracy, Chávez has dropped his past caution on the topic and now openly accuses the United States of backing the 2002 coup attempt and bankrolling efforts to destabilize and overthrow his government. He is also threatening that Venezuela, one of the world's top oil suppliers, might cut off shipments to the United States if the Bush administration persists in its efforts to undermine him.

After Golinger had some of the NED documents delivered to Chávez, the Venezuelan president on Feb. 8 angrily denounced the funding of Sumate on his nationally broadcast television and radio program, "Hello, Mr. President."

Then, as more information from Golinger arrived, Chávez stepped up his attacks. "The government of Washington is using its people's money to support not only opposition activities, but acts of conspiracy," Chávez declared in a speech Feb. 17. He directly accused the Bush administration of involvement in the coup. "There is no doubt: The government of Mr. George W. Bush was behind the coup," Chávez said. "We have photos, evidence."

The next day, State Department spokesman Richard Boucher accused Chávez of trying to divert attention from the recall referendum, and said U.S. funding in Venezuela is to "promote democracy and strengthen civil society." Speaking in Washington at the department's daily press briefing, Boucher added that pro-Chávez groups and officials have benefited from the programs, although he and other State Department officials decline to name them. Golinger says that is because there are none, according to her research.

An investigation by the State Department's inspector general two years ago into the United States' possible role in the coup determined that the work of the National Endowment for Democracy broke no U.S. laws. It also found there was no evidence the NED or the U.S. government did anything to encourage Chávez's unconstitutional overthrow.

But the report, "A Review of U.S. Policy Toward Venezuela--November 2001-April 2002," added that the endowment, the Pentagon, and other U.S. assistance programs "provided training, institution-building, and support to individuals and organizations understood to be actively involved in the brief ouster of the Chávez government," although there was "no evidence that this support directly contributed, or was intended to contribute, to that event."

The NED's work in Venezuela is not the first time it has provoked controversy. In the 1980s it generated criticism by funding organizations opposed to the Sandinistas in Nicaragua, prompting accusations that its whopping \$10.5 million in grants in a single year in the impoverished Central American nation "bought" the 1990 election that led to the Sandinistas' defeat.

Many analysts contend the National Endowment for Democracy was created in 1983 to replace some CIA activities--covertly supporting political parties, unions, newspapers, book publishers, student groups, and civic organizations--after the agency's work was reined in by Congress following revelations it carried out everything from assassinations to economic sabotage.

The group's involvement in Venezuela "is in keeping with a pattern from NED's very origins when the Reagan administration used it to do overtly what it was trying to do covertly in Nicaragua--undermine the Sandinista revolution," said Peter Kornbluh of the National Security Archive in Washington. "The difference of course is that Chávez was elected and the Sandinistas were a revolutionary government."

Kornbluh, author of *The Pinochet Files* and an expert on declassified government documents, added: "The NED was created to supplement the activities of the CIA."

NED officials vigorously deny that allegation. Sabatini said the organization has promoted democracy around the world, from South Africa to Chile to Poland, where it assisted Lech Walesa's Solidarity movement. The group's budget--\$44 million this year--is approved by Congress, with both Democratic and Republican support.

Still, the NED's own website traces the group's origins to the late 1960s when lawmakers first proposed creating an institution that would replace the "covert means" U.S. policymakers employed in post-World War II Europe--including CIA assistance--with "overt funding for programs to promote democratic values."

In a Sept. 22, 1991, interview with *The Washington Post*, Allen Weinstein, who helped draft the legislation establishing the National Endowment for Democracy and who was the group's first acting president, said, "A lot of what we do today was done covertly 25 years ago by the CIA."

The debate about the NED is the latest controversy over the Bush administration's role in Latin America. The United States initially blamed Chávez for his temporary overthrow in 2002, then later condemned the coup after an international outcry. U.S. Ambassador Charles Shapiro had breakfast in the Miraflores presidential palace at 9 a.m. during Carmona's first day in power, indicating to some U.S. support for the coup. Carmona wiped out the nation's democratic institutions including Congress, the Supreme Court, and the Constitution--moves Shapiro says he told Carmona he opposed. The institutions were restored when Chávez returned to power two days later.

Beyond those disputes, Bush has brought back into power several figures from the Iran-contra scandal, including Otto Reich, who until recently was Bush's top diplomat to Latin America. Now he's serving as the White House's "special envoy" to the region. His replacement as U.S. assistant secretary of state is Roger Noriega, a former aide to Sen. Jesse Helms, also known for his intense dislike of Aristide and Chávez. Both Noriega and Reich recently warned voters in El Salvador against electing leftist Shafik Handal in the March 21 presidential election. Handal, who lost, was the candidate of the FMLN, the party of the former guerrilla movement that battled the U.S.-backed government and its death squads from 1980-92.

Critics say the NED's activities in Venezuela parallel the Bush team's desire to topple Chávez, an accusation NED officials deny. Like Ronald Reagan, who helped create the National Endowment for Democracy, Bush has proven to be a strong supporter of the organization. He spoke at the group's 20th anniversary celebration in November. Then, in January, he praised the endowment during his State of the Union address and called for doubling its budget, mainly for pro-democracy activities in the Middle East. Last fall the Senate and the House passed resolutions saluting the endowment's work.

*(Bart Jones is a reporter for Newsday and a former foreign correspondent for The Associated Press in Venezuela. This piece was abstracted from an article published in the National Catholic Reporter.)*