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# Venezuela from Below

## Review: Venezuela–Revolution as Spectacle

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2010

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## Endnotes

Review: *Venezuela: Revolution as Spectacle* by Rafael Uzcategui (See Sharp Press, 2010)

In her essay *Latin America & Twenty-First Century Socialism* (published as an issue of *Monthly Review* last year), Marta Harnecker presents a description of “some features” of a decentralized, self-managed socialism based on direct democracy in workplaces and neighborhoods—a picture congenial to libertarian socialists. She also provides an interpretation of the Bolivarian Movement—the movement led by Hugo Chavez—that suggests it is embarked on a transition to this kind of socialism in Venezuela.

Rafael Uzcategui’s book marshalls a lot of evidence to challenge that interpretation. Uzcategui argues that a continuation of capitalism is a more likely outcome of the Chavez government than a transition to socialism. Uzcategui also rejects the right-wing fantasy of “Castro-style Communism” being set up in Venezuela.

Uzcategui cites with approval the view offered by the radical Uruguayan journalist Raul Zibechi (author of *Dispersing Power*). Zibechi believes that leftist governments in Latin America (including Venezuela) tend to draw off the organic militants and organizers of popular movements into the leftist electoral and party projects . . . leaving a diminished capacity for independence and combativity among social movements. Given the poverty and discontent in Latin America, Zibechi argues that this is the only way for capitalism to survive in that region. This is also how the book under review sees the movement led by Hugo Chavez. To provide a critique of the Chavez government from the Left, he interviews and quotes a variety of people in labor, environmental, indigenous and other social movements.

Rafael Uzcategui is the primary researcher for the non-profit Venezuelan Program of Education on Human Rights (PROVEA) and a member of the collective that produces the anarchist newspaper *El Libertario*. His book uses interviews, statistics and reports to provide a picture of the real situation on the ground in Venezuela. The English edition adds material for a North American audience that wasn’t in the previous Spanish and French editions. In this review I’m only going to touch on some of the topics that are covered in this very detailed study.

## The Caracazo and a Crisis of Legitimacy

To explain the emergence of the Chavez movement, Uzcategui looks at the new social movements that came forth in the '90s and the growing discredit of the political parties that had governed Venezuela since the beginning of "representative democracy" in that country in 1958.

During the first half of the 20<sup>th</sup> century Venezuela had been governed by a succession of dictatorships or authoritarian regimes. When "representative democracy" finally came to Venezuela, it was still a fragile growth. The parties that alternated in power from the '60s through the '80s—Accion Democratica (AD) and the Social Christian Party (COPEI)—wanted to ensure that popular discontent didn't lead to the overthrow of this new arrangement through another military coup or popular insurrection. Thus successive governments used the country's oil income to build a welfare state. To ensure a solid hold on the income from hydrocarbon extraction, an AD government nationalized the country's oil industry in 1976. The welfare state constructed in that era included:

- a Social Security system that provided unemployment benefits, pensions and disability payments
- a free public health care system
- subsidies for the construction of public housing
- subsidies of public utilities, gasoline, and food prices
- free public education at all levels.

The Chavez government's various initiatives (called "Missions") to provide social benefits in areas such as health care, literacy, subsidized food provision and housing follows in the footsteps of the earlier populist initiatives of Accion Democratica governments.

In the late '80s Venezuela began its slide towards neoliberalism with the imposition of an International Monetary Fund Structural Adjustment Program. The AD president in power at the time then imposed drastic increases in transportation prices. This provoked a popular rebellion on February 27, 1989—known as the Caracazo ("Caracas blow-up"). This took the form of riots and looting of warehouses. The army committed various massacres in suppressing this rebellion. Hundreds of people were killed. Thus neoliberalism and repression were the starting points for a crisis of

Movement, on the other hand, is how these "revolutionary cadres" in control of the state work to coopt and control social movements.

A self-managed socialist society is not likely if it isn't a conquest won by self-managed mass organizations of the oppressed and exploited. Thus self-management has a dual character: self-management of struggles for change, and self-management of the gains won through struggle.

Through self-management of struggles within the capitalist society, against employers and in other areas of oppression, people change and gain various capacities . . . increased commitment and organizing skills, increased knowledge of the system and of other groups in struggle and their issues. Self-management of movements itself is developed through struggle because people learn the importance of controlling their own movements. Self-managed, organized mass movements are needed if the oppressed and exploited are to develop vehicles through which they can control—self-manage—the process of change and the building of new institutions through which they can gain power. For example, actual worker control over the production process is not likely to come about except through a workers movement that has developed the aspiration for more power and the capacity to run its own movement.

Uzcategui quotes with approval a well-known passage from John Holloway:

"If we rebel against capitalism it's not because we want a different system of power, rather it's because we want a society where power relations have vanished. You can't construct a society without power relations through conquest of power. Once you adopt the logic of power, the struggle against power is already lost."

But this "anti-power" viewpoint is a very misguided way of looking at the process of social liberation. Liberation from capitalist domination and exploitation can't happen if workers don't gain the power to control the industries where they work. Liberation from the state and various forms of oppression also requires re-organizing decision-making power so that the oppressed gain the power to make the decisions that affect them. This is not elimination of "power relations" but a change in the way power is organized. Authentic popular power is necessary for liberation.

can think of autonomy as both independence from parties, the state and top-down forms of control, and also the ability to plan out and decide on their own course of action through the self-management of movements by their participants. Uzcategui sees autonomy as necessary if movements are to develop the “combativity” to challenge the existing order and press for changes.

However, he rejects a class struggle perspective as somehow no longer valid for the anti-capitalist struggle and substitutes the vague idea of the “multitude”—drawn from Hardt and Negri’s *Empire*—as his conception of the revolutionary subject. If we acknowledge the diversity of the various social movements and forms of oppression, there is then the question of how these can come together and form a unified force to challenge the powers-that-be. A weakness of Uzcategui’s perspective is that he never addresses this. Uzcategui doesn’t consider the idea of the various oppressions and movements as still within the ambit of the working class, and thus capable of forming a working class alliance.

## The Dual Character of Self-management

In her interpretation of the Bolivarian “revolutionary process,” Marta Harnecker presents a concept of transition to self-managed socialism in which the bureaucratic, “inherited state” co-exists for a long time with what she describes as a “new state.” “New state” is her term for the emergence of the new system of neighborhood councils and worker councils that would be the basis of control by the masses over the work, their communities and the society. She writes:

“The fact that the state institutions are run by revolutionary cadres, that are aware they should aim to work with organized sectors of the people to control what the institutions do and to press for transformation of the state apparatus, can make it possible . . . for these institutions to work for the revolutionary project.”

This is in reality the old idea that somehow the liberation of the oppressed and exploited can be brought about from above by enlightened leaders controlling the state. What we see in the case of the Bolivarian

legitimacy for the old parties. Independent social movements grew in the ’90s and these became the major source of protests and demonstrations. Meanwhile, participation in voting plummeted from over 90 percent in the ’60s and ’70s to 56 percent in 2000.

The author describes a variety of social movements that were present in Venezuela in the years before Chavez came to power—from women’s groups and the Union of Revolutionary Youth, to indigenous and environmental groups, and union struggles—such as a fight in defense of social services in 1996 that brought together more than a hundred unions. Poorer neighborhoods were often participants in protests such as street blockades or riots or local “civic strikes” that resulted in shutdowns of shops and transport. A particularly significant movement in the early ’90s was the Assembly of Barrios in Caracas in which more than 200 neighborhoods were represented. That Assembly was a space for discussions and debates about the various struggles of particular neighborhoods.

Says Uzcategui: “In the 1990s, the visions of a different world were fragmented and isolated, without pretensions of totality. Mobilizations were, mostly, defensive reactions against government policies . . . The internal dynamics of social struggles in Venezuela involved the development of relationships among the oppressed, which among other things allowed them to ensure their survival.”

Chavez’s first political vehicle was the Bolivarian Revolutionary Movement (MBR-200) which grew out of his participation in a failed military coup in 1992. MBR-200 was a conspiratorial vanguard dedicated to taking power via insurrection and advocated abstention in electoral politics. In 1997 Chavez switched gears and decided to run for president. The wide array of social movements, broad social discontent, and support from sections of the Left then “translated into votes for Chavez” when he was elected in 1998. The Chavez victory did reflect the loss of legitimacy of the old parties and the level of discontent, but the Chavez government was not a product of an existing, organized social base. Two attempts of the Chavez forces to build a social base from above were in the labor movement and in the creation of the community councils.

## Community Councils

Marta Harnecker writes: “Since, in Venezuela, the inherited state didn’t make enough room for popular protagonism, Chavez had the idea of encouraging new forms of popular organization and began to transfer power to them. . . One of the most original creations of the Bolivarian revolutionary process was the communal councils, which gave decision-making on a range of matters to the inhabitants of small territorial spaces.”

“The Law of Community Councils was approved without any input from the grassroots,” Uzcategui points out.

Creating the Community Councils (*consejos comunales*) from above was a responsibility given over to army general Jorge Luis Garcia Carneiro, who announced a fund of \$982 million for community council projects. Community councils are rather small in scope, grouping a maximum of 200 families in urban areas, 50 families in rural areas, and as few as 10 families in indigenous areas.

The Community Councils were not the first foray of the Chavez government into local governance. The first initiative was the creation of Local Planning Councils. Because these were given certain powers over local budgeting they were perceived as a direct threat by mayors and city councils. The mayors began to undermine these councils in various ways including appointment rather than election of the erstwhile community representatives.

Chavez got around the local elected government leaders by setting up the Community Councils with no relation to the local government. The community councils receive funds through a chain of regional and national committees that get their orders and funding ultimately from the office of the presidency. The community councils lack a horizontal form of association among them and are fragmented through their linkage directly to the state.

Uzcategui acknowledges that this program has resulted in many small-scale good works throughout the country, such as sports fields. But his argument here is that the Community Councils are a means to build a subordinate local movement, incorporated into the state.

As a result of their criticisms of the Chavez government, Johan Rivas and the Revolutionary Socialist Collective have been labeled “counter-revolutionaries” by the Chavistas. This behavior is part of the polarized “us versus them” dynamic in Venezuelan politics. Uzcategui calls this tendency a “false dichotomy” because it crowds out and suppresses other viewpoints. But the ability of ordinary people and participants in social movements to debate freely and develop their own path, from the bottom up, is necessary for the autonomy of social movements.

## Social Movements as Revolutionary Subject

Top-down state initiatives, a movement headed by a charismatic caudillo (top-down leader or “strong man”), benefits provided to dependent clients, attempts to control and coopt unions and other social movements, hundreds of military officers holding posts throughout the government, repression towards those who stray outside the permitted path—these elements suggest that the Bolivarian Movement is following in the tradition of Latin American populism. For example, the “revolutionary nationalism” of General Lazaro Cardenas, president of Mexico in the ’30s, also included “socialist” and “anti-imperialist” rhetoric and an occasionally pugnacious stance towards the USA—for example, nationalization of the oil companies and violation of the Neutrality Act in giving military aid to the Spanish Republic. A section of the railway network was even handed over to the workers’ union to manage.

But the “revolutionary nationalism” of Cardenas was no threat to Mexican capitalism. On the contrary, the Mexican “revolutionary nationalist” leaders crushed the independent, revolutionary labor movement of the syndicalist CGT—a significant service to capitalist interests.

Uzcategui suggests that a rising level of protests and demonstrations in the last couple years shows that the social movements in Venezuela are beginning to recover their autonomy. Populism is a danger to the autonomy of social movements as it works to incorporate and control such movements through the party and state structures and clientelist relationships. For Uzcategui, autonomy is essential for social movements if they are to be the basis for a liberatory transformation of society. We



to emphasize the positive in the government's policy of providing free health care . . . For us, the problem is the limited coverage."

However, the Barrio Within program is separate from the traditional system of public hospitals. This has created a fragmented system of health care with resources stacked in favor of the programs initiated by the Chavez government. People can go to a local clinic if they have a broken bone, or fever but they have to go to the underfunded, understaffed public hospitals for more complex procedures.

A hospital worker interviewed by Uzcategui is Johan Rivas, who works at Dr. Jose Ignacio Baldo Hospital. Rivas is a member of the Revolutionary Socialist Collective. Rivas points out that the health care Missions "have the same bureaucratic structure as the traditional system, a system constructed from the top down where there's no true participation of those below . . . The communities only advise and the workers have no say."

Rivas believes that the funding and emphasis has shifted to creation of a parallel system because the old health care system "is a refuge for the political opposition—most of its managers are tied to the opposition parties."

A large number of the workers at the hospitals are hired on precarious individual contracts. Says Rivas:

"I can cite cases of women who were discriminated against because they became pregnant, and so had to abandon their contracts. Infirmity workers who've worked three or four months receive their wages a month or two late . . . People wait up to two years for a contract and permanent status and receive pressure . . . not to participate in such-and-such a political organization . . . There are presently more than 25,000 workers in the health sector in Caracas and more than half of them are" temps.

Meanwhile, the government refuses to negotiate with health care worker unions. Says Rivas: "Health care workers, in the case of common laborers, have worked for 15 years without a collective bargaining agreement. The other workers have worked for five years without an agreement. The government has not had a policy to improve the quality of life for health care workers." Meanwhile, bureaucrats in the Chavez government attend private clinics for health care, not the public system.

Uzcategui cites the study of the Community Councils conducted by researcher and environmental activist Maria Pilar Garcia-Guadilla:

"The objectives and rhetoric from most of the political, social, and governmental actors about Community Councils do not correspond to practice," Garcia-Guadilla writes. "While the president's objectives and rhetoric concern empowerment, transformation, and democratization, the observed practices point to dependent clients, cooptation, centralization, and exclusion for political reasons."

In her report<sup>1</sup>, Garcia-Guadilla says that the dependence of the Community Councils on the executive of the central state means that those whose projects fit in with "the president and his project receive promised resources while those who oppose him must pass through innumerable bureaucratic procedures that disguise the reason for the refusal to receive their final application" (my translation).

She cites a number of cases where Community Councils have become defunct because of lack of continued participation. In the town of Sucre, where there had been 150 community councils in mid-2007, a later report indicated that "40 percent were disabled . . . by defection of their members."

As a member of a human rights organization that is concerned with problems of police and military involvement in extra-judicial killings, Uzcategui is particularly concerned with the policing and military functions assigned to the community councils. He points to a major meeting of community council representatives in Caracas that was sponsored by DISIP (the political police) and the concerns of the police and government authorities to make the community councils their "eyes and ears" in the local communities. Community Councils have also been pressured to integrate themselves with the initiatives emanating from the Chavista party, PSUV.

Uzcategui cites one of Garcia-Guadilla's conclusions:

"The Community Councils . . . lack the capacity to enrich social and cultural identities, and to contribute to the pluralism of urban ways of life

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<sup>1</sup> Maria Pilar Garcia-Guadilla "El poder popular y la democracia participativa en Venezuela: Los consejos comunales" <http://www.nodo50.or/ellibertario/PDF/consejoscomunales.pdf>

because they do not impel movement towards an autonomous, alternative, and pluralistic society, one separate from the state that” implements top-down control in the sphere of “social transformation.”

The study by Garcia-Guadilla is a good start to a critique of the Community Councils but I think Uzcategui would have made a stronger case if he’d provided more concrete case studies.

## Unionism Top-down

Another top-down base-building strategy pursued by the Chavez government is the creation of labor organizations “from above and by decree.” This is another case where Chavez follows in the footsteps of the earlier top-down populism of the Accion Democratica. The Confederation of Venezuelan Workers (CTV) had originally been created in 1947 in a top-down fashion. AD instigated a union congress that created a CTV executive committee made up solely of AD party militants. “When Hugo Chavez assumed office,” writes Uzcategui, “his intent to control the labor movement was evident from day one.” In Venezuela a government body controls union elections. Elections for leadership of CTV were delayed for two years while Chavez’s forces built the Bolivarian Workers Front as an internal electoral caucus in the CTV. Huge state resources were deployed in the campaign to gain control of CTV. A mass meeting was held in the Caracas Polyhedron—a large venue—and “participants were transported from all over Venezuela in thousands of buses.” Despite these efforts, the Accion Democratica slate won the elections.

After that defeat, the Chavez forces then moved to create a new union federation, Union Nacional de Trabajadores (UNT–National Union of Workers). When UNT was created, all of its directors had been appointed from above. According to leftist union current Opcion Obrera (Labor Option), “there were few authentic directors from a labor background.” A congress was not called for three years. In 2008 Opcion Obrera wrote, “The internal crisis of UNT persists and worsens to this day . . . The pro-government CTV practices that were criticized are now being repeated by the leaders of UNT who deliver themselves unconditionally to the government.”

among some comrades because of lack of nourishment and trouble with transport.”

The law on working conditions approved by the government in 2005 allowed for the election of safety delegates and three were elected at the Vetelca factory. On July 7, 2009, however, Vetelca fired eight workers, including the three safety delegates who had been elected at a worker assembly. Later, Vetelca management asked the National Guard to protect the plant from the workers. The company fired 56 workers who were forced to sign resignation letters to obtain their final pay.

In fact these workers were fired for trying to form a union at the plant. The manager of Vetelca said this to the press: “These fifty-six persons had the intention of creating a union . . . and with an aggressive, instigating attitude.” The manager also stated that the company was going to form a “security” group “because in a socialist enterprise there’s no room for the word ‘union’.”

## A Fragmented Health Care System

Uzcategui describes the Chavez initiatives in health care as the most important of the “Missions” established by the government. The idea is to have medical personnel living in the communities they serve (hence the name “Barrio Within”), create a network of people’s clinics, and provide high-quality diagnostic centers. Uzcategui cites a report by a non-profit that notes an inequity in the distribution of resources between different parts of the country with a very high concentration of doctors and resources in the capital district (where Caracas is located).

According to a report by Marino Alvarado, the coordinator of the human rights organization PROVEA:

“Since the government proposed Barrio Within, PROVEA has supported it; but it doesn’t appear to be an adequate program . . . The nationality of the doctors doesn’t matter to us but rather that they be where the poor people reside. However, Barrio Within has been manipulated to not only engage in health care but also in political proselytization. The government promised to construct thousands of health modules in the country, but has constructed only half of them . . . But it’s necessary

nationals besides Chevron that also have invested in “mixed enterprises” to exploit Venezuela’s energy resources.

For the old guerrilla, Hernandez Parra, the Chavez government’s mixed enterprises implement “the empire’s petroleum policy.” He described the concessions granted for mixed enterprises as “the greatest delivery in the country’s history of petroleum, gas and coal concessions” to the trans-national companies.

## “Socialist” Maquiladora

In May 2009 Chavez announced that the government would set up a factory to produce cell phones with many features and sold at the low price of \$15. “This telephone will not only be the best seller in Venezuela, but in the world.” Cell phones are very popular in Venezuela and are, says Uzcategui, a status symbol in third world countries. The cell phones would be produced by a Vetelca. Vetelca is another “mixed enterprise.”

According to the Minister of Science and Technology, Jesse Chacon, the Vetelca plant “is a model of socialist production with ‘integral’ workers who perform different jobs on a daily basis, in order that each will know the steps of the production process and the complete function of the plant. In addition, they participate in the planning of the production process, which clearly shows the difference between this and the capitalist model.”

To reduce labor costs to the minimum, Vetelca followed the path of so many high-tech companies to China. The parts are produced in China and assembled in Venezuela. This talk of “integral labor” is merely a cover for the multi-tasking that is a common feature of the Toyota or “lean production” model of capitalist production. This was merely an assembly operation, using parts made in China. The labor itself did not require lengthy training. As Uzcategui put it, the plant “is a simple maquiladora that serves the needs of the state cell-phone company.”

Workers were asked to do long overtime because Chavez wanted 10,000 phones ready for Mother’s Day. According to one of the workers at the plant, Levy Revilla Toyo, “It was necessary to labor far into the night; this labor was done without logistical preparation, which caused dismay

The incorporation of labor organizations into the Chavista party, PSUV (United Socialist Party of Venezuela), has been another tactic for control of the labor movement. In March 2007 Chavez said in a speech:

“The unions should not be autonomous. . . It’s necessary to do away with this.”

Orlando Chirino is a revolutionary socialist and former unionist in the textile industry who was the first National Coordinator of UNT and a leader of one of the leftist tendencies in it: Corriente Clasista, Unitaria, Revolucionaria y Autonomo (Class-conscious, Unitary, Revolutionary and Autonomous Current). Chirino had been active in the fight against the right-wing coup against Chavez in 2002—in which CTV supported the conservative opposition—and thus had gotten involved in the effort to form a new national labor organization. But he very quickly developed conflicts with the appointed directors and eventually broke with the Chavez movement. Chirino is particularly critical of the Chavez government’s dictatorial stance towards workers in the public sector, expressed in the unwillingness to negotiate with the worker organizations:

“I want to indicate the most important collective accords that have been violated. We’ll start with the public workers, approximately two and a half million workers. It’s been five years, from December 2004, since their contract standards have been discussed, and this is very grave. This has resulted in 70 percent of public workers being minimum-wage workers, which is to say that we’re a country of minimum-wage workers. It’s been three years since the educators’ collective bargaining agreement expired; the electrical workers, approximately 36,000 of them, had their contract expire last year; and the petroleum workers over the last ten years have lost important gains.”

Wages at the state oil company (PDVSA) were frozen from 2007 to 2009 while inflation was 66.5 percent. Uzcategui quotes an oil worker (from the leftist website laclase.info) on the result: “Many workers hold second jobs such as taxi driver or cleaning product salesman.” This oil worker mentions other problems at PDVSA:

- Failure to supply safety equipment
- Elimination of overtime pay
- Inequities and discrimination in payment of wages
- Criminalization of labor demands by the workers

The government has also refused to allow new elections for union representatives at PDVSA. About a year ago I interviewed another member of the El Libertario collective, Rodolfo Montes de Oca. He is a young lawyer who was working at that time with the radical oppositionists in the oil workers union (anarchists, Trotskyists, and so on). He says they had petitioned five times for new union elections and each time they were denied. He said the head of the union was not regarded as very effective by the radical workers. He believed that the government wouldn't allow a new election because the union head was a Chavista.

The Caracas Metro provides another example of Chavez labor policy. The workers there had held negotiations with the government representative for a year and a half and reached an agreement. But Chavez and his new director of the Metro refused to accept the new agreement. If they were to strike, Chavez said he would militarize the Metro and fire the workers. The Chavez government had two police agencies, DISIP (the political police) and DIM (military intelligence) participate in these threats. Community councils were mobilized against the Metro workers as well. Chirino describes what happened then:

“And so, without consulting with the workers, . . . the directors of the union who were members of the PSUV [Chavez's party] went along with the government demands and rolled back most of the previous gains won.”

Orlando Chirino says that in his 34 years in the labor movement, he's “never seen the extreme to which we're arrived today with the criminalization of protests . . . For example, when you're . . . handing out flyers at a factory gate, speaking through a megaphone, participating in an assembly, they use the repressive bodies of the state to detain the leaders, take them to jail, and while in jail they accuse them. This ends up with union militants being prohibited from going near the businesses where they do their political work, under the legitimate rights of free expression and organization.”

## Partial De-nationalization of Energy Resources

Uzcategui points to the partial de-nationalization of Venezuela's energy industry under Chavez as an example of Chavez's accommodation to capitalism. An oil industry expert who Uzcategui quotes at length is Pablo Hernandez Parra. Hernandez Parra had been jailed back in the '60s for his participation in leftist armed struggle groups. He was a founder of the Marxist-Leninist group Bandera Roja (Red Flag). He became part of a group set up in 2002 to defend the state petroleum industry at the time of the employer and CTV strike against Chavez. At that time the bloated managerial bureaucracy at PDVSA—Hernandez Parra calls them the “meritocracy”—were participating in the strike. According to Hernandez Parra, the introduction of “mixed enterprises” in the oil and gas sector since then is a change that is taking place “behind the backs” of the workers at PDVSA.

Since the nationalization of the oil industry in 1976, and until the Chavez government, PDVSA's relationship to the big private oil companies had taken the form of simple service contracts: The government paid for services while continuing as the absolute owner of all oil and gas produced.

The introduction of “mixed enterprises” is an innovation of the Chavez government. These are companies that typically have 51 to 60 percent ownership by the state and the major energy firms own the rest. During the '90s, politicians in Venezuela had said it was necessary to involve the multi-nationals to increase oil revenues, but it wasn't til the election of Chavez that “mixed enterprises” were created. This arrangement allows ownership and profits to private energy firms. For example, Chevron boasts that it is the largest private producer of oil in Venezuela. In Zulia state it has partial ownership in the mixed enterprises Petroboscan and Petroindependiente. In Anzoategui state Chevron is the private partner in another mixed enterprise, Petropiar, which produces heavy crude and refines it into synthetic petroleum. Chevron also has various offshore operations, and the government has also invited Chevron to participate in a rail line to carry liquified natural gas. There are other oil multi-