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United States Department of State
and the Broadcasting Board of Governors
Office of Inspector General

A Review of U.S. Policy
Toward Venezuela
November 2001 - April 2002

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EXECUTIVE SUMMARY

By letter dated May 3, 2002 (see Attachment 1), Senator Christopher J. Dodd, Chairman of the United States Senate Subcommittee on Western Hemisphere, Peace Corps, and Narcotics Affairs of the Senate Foreign Relations Committee, asked the Inspector General of the United States Department of State (Department) and the Broadcasting Board of Governors (OIG) to conduct a review of U.S. policy and actions during the weekend of April 12-14, 2002, when Venezuelan President Hugo Chávez was briefly ousted from power, and the six-month period preceding that weekend. OIG is empowered to conduct such a review pursuant to Sections 209(b)(5) and 209(g) of the Foreign Service Act of 1980.

Specifically, Senator Dodd asked OIG to attempt to answer five questions. The questions and our answers in brief follow:

1. "What actions did Embassy Caracas and the Department of State take in response to the events of April 12-14? Here, I request a detailed chronology of the course of events and the response by Embassy and Department officials, including contacts between Embassy and Department officials and the interim government and its supporters."

Throughout the course of the weekend of April 12-14, Embassy Caracas and the Department worked to support democracy and constitutionality in Venezuela. Based on credible reports that (a) pro-Chávez supporters had fired on a huge crowd of peaceful Chávez opponents, killing some and wounding others; (b) the Chávez government had attempted to keep the media from reporting on these developments; and, bowing to the pressures, (c) Chávez had fired his vice president and cabinet and then resigned, the Department criticized the Chávez government for using violent means to suppress peaceful demonstrators and for interfering with the press. Both the Department and the embassy worked behind the scenes to persuade the interim government to hold early elections and to legitimize its provisional rule by obtaining the sanction of the National Assembly and the Supreme Court. When, contrary to U.S. advice, the interim government dissolved the assembly and the court and took other undemocratic actions, the Department worked through the Organization of American States (OAS) to condemn those steps and to restore democracy and constitutionality in Venezuela.

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2. "What was U.S. policy toward Venezuela during the six months preceding the weekend in question? By what means was this policy expressed by the embassy and the Department? Were the actions of the U.S. government - both in the six months before the weekend and during that weekend - consistent with U.S. policy in support of the Inter-American Democratic Charter?"

In brief, the policy of the United States toward Venezuela during the operative period was support for democracy and constitutionality. The Department and the embassy urged the Chávez government to conduct itself in a democratic and constitutional fashion, and the Department and the embassy urged opponents of the Chávez government to act within the limits of the constitution of Venezuela. This policy was expressed orally in numerous meetings and occasional speeches and press statements throughout the period. The policy was fully consistent with the Inter-American Democratic Charter (IADC) (see Attachment 2), the OAS agreement designed to promote democracy and constitutionality in the Americas.

3. "Did embassy or Department officials meet with opponents of the Chávez government in the six months preceding the weekend in question? If so, with whom, with what frequency, and at what level? Were any such meetings consistent with normal embassy or Department practice?"

Embassy and Department officials frequently met with individuals and groups opposed to President Chávez during the operative period. These meetings took place at all levels of the Department and the embassy. Such meetings are consistent with normal embassy and Department practice throughout the world.

4. "Did opponents of the Chávez government, if any, who met with embassy or Department officials request or seek the support of the U.S. government for actions aimed at removing or undermining that government? If so, what was the response of embassy or Department officials to such requests? How were any such responses conveyed, orally or in writing?"

Taking the question to be whether, in any such meetings, Chávez opponents sought help from the embassy or the Department for removing or undermining the Chávez government through undemocratic or unconstitutional means, the answer is no. Chávez opponents would instead inform their U.S. interlocutors of their (or, more frequently, others') aims, intentions, and/or plans. United States officials consistently responded to such declarations with statements opposing any effort to remove or undermine the Chávez government through undemocratic and unconstitutional means. These responses were conveyed orally.

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5. "Were U.S. assistance programs in Venezuela during the six months prior to the weekend of April 12-14 - either through "normal" assistance channels or through programs funded by the National Endowment for Democracy - carried out in a manner consistent with U.S. law and policy?"

OIG found nothing to indicate that U.S. assistance programs in Venezuela, including those funded by the National Endowment for Democracy (NED), were inconsistent with U.S. law or policy. While it is clear that NED, Department of Defense (DOD), and other U.S. assistance programs provided training, institution building, and other support to individuals and organizations understood to be actively involved in the brief ouster of the Chávez government, we found no evidence that this support directly contributed, or was intended to contribute, to that event.

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METHODOLOGY

The Inspector General personally led a multi-disciplinary team of inspectors, auditors, and information technology specialists, most of whom devoted nearly all of their time to this review from May 3, 2002, until the submission of this report on July 26, 2002. In addition to the Inspector General, the team members were Ambassador Sheldon J. Krys, Senior Advisor; Robert B. Peterson, Acting Assistant Inspector General for Inspections, J. Richard Berman, Acting Assistant Inspector General for Audits; [(b)(6)-----], Security and Intelligence Oversight Inspector; Robert S. Steven, Inspector; Richard Astor, Audit Director; Herbert Harvell, Audit Manager; [(b)(6)-----], Senior Auditor; [(b)(6)-----], Senior Auditor; [(b)(6)-----], Management Analyst; [(b)(2)-----], Information Technology Specialist; and [(b)(6)-----]. Frank Deffer, the Acting Assistant Inspector General for Information Technology; Linda Topping-Gonzalez, the Assistant Inspector General for Congressional and Media Affairs, Policy, and Outreach; and Richard N. Reback, Counsel to the Inspector General, provided advice and counsel as needed.

To facilitate our contact with personnel in Embassy Caracas under the direction of those federal agencies which their offices oversee, we were accompanied at certain meetings at Embassy Caracas, DOD, the United States Southern Command (USSOUTHCOM), and the Defense Intelligence Agency (DIA) by, respectively, [(b)(6)-----], Intelligence Operations Specialist, from the Office of Inspector General of DOD, and Colonel Benjamin Barnard, Senior Inspection Manager, from the Office of Inspector General of DIA.

Interviews were conducted in Washington, D.C., Miami, Florida (the site of USSOUTHCOM), Caracas, Venezuela, and Brasilia, Brazil (where the present ambassador was ambassador to Venezuela during most of the applicable period).

During the course of this review, OIG examined almost 2000 documents. We interviewed (in some cases, more than once) more than 80 officials from the Department, Embassy Caracas, other federal agencies that are represented at Embassy Caracas, the NED, and NED's core grantees.

Purposely, we did not interview any Venezuelans, either supporters or opponents of the Chavez government. We were concerned that doing so could complicate the work of Embassy Caracas in dealing with the Venezuelan government and

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its opponents, especially at a time when the political situation in Venezuela remains so volatile.

This report contains a classified annex, so as to provide the Congress with the requested information and, at the same time, adequately to protect identities and certain categories of information. The classified annex is considered extremely sensitive and access must be strictly controlled.

OIG was asked to complete this report by July 3, 2002, if possible. So as to produce as complete and polished a report as possible, to interview all those whom we thought might have pertinent information, and to give relevant parties sufficient time to review and comment on a draft of it, we requested and obtained an extension until July 26, 2002.

While we believe that the conclusion that we have reached is the correct one, and while we have conducted as thorough and extensive a review as reasonably possible within the agreed upon period, we must add that there remain numerous documents to review. We obtained reams of electronic data from the Department's information systems, including those located at Embassy Caracas and in the Western Hemisphere Affairs (WHA) Bureau in Washington. Using keyword searches and other tools, we are analyzing this data to locate additional documents - including e-mails, memoranda, letters, and reports - that may be relevant to this review.

We note that there are some apparent gaps in the electronic information. For example, at this time, we are not sure we have all e-mails from the embassy's classified internal system. According to embassy information technology staff, they did not have enough recording tape to back up their systems fully; instead, they used the same tapes over and over again, and as a result, data from that time period may have been lost.

Fortunately, we have been able to obtain some of this information from other sources. We will continue our analysis in an effort to close the gaps that remain. We note, too that we only recently received additional documents from WHA.

So as to do not just a thorough review but an exhaustive one, we fully intend to review every single record (hard copy and electronic) that remains to be examined. Based on the voluminous materials we have examined so far (including a spot check of the recently received material) and the numerous interviews that we have conducted, we do not believe that we are likely to uncover anything that will contradict or otherwise materially affect the conclusion of this report.

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If, however, we do uncover anything that does contradict or otherwise materially affect the conclusion of this report, we will promptly supplement this report with another one that describes what we found.

We have added to this report as additional attachments a selection of documents and photographs which may be of general interest. These include a copy of Public Law 107-115, January 10, 2002, Foreign Operations, Export Financing, and related Programs Appropriations Act, 2002 (see Attachment 10), and a selection of photographs taken during these events (see Attachment 12).

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RESPONSE TO QUESTION 1

“What actions did Embassy Caracas and the Department of State take in response to the events of April 12 -14? Here I request a detailed chronology of the course of events and the response by Embassy and Department officials, including contacts between Embassy and Department officials and the interim government and its supporters.”

In response to this question, we have chosen to extend the requested period of review to April 11–15, 2002. In our judgment, this provides a better understanding of what took place, and is more responsive to what we understand to be the intent of the question.

We have drawn from chronologies of events and actions compiled by WHA (including information supplied by Embassy Caracas), the US Mission to the OAS (USOAS), the Department’s Operations Center (S/S-O), the Venezuela Task Force established in S/S-O from 4:00 PM on April 13 to 10:14 AM on April 16, 2002, USSOUTHCOM in Miami, and media sources.

Additional information was drawn from cables exchanged between the Department and Embassy Caracas, electronic mail communications, and interviews with American participants in the events. As explained above in the Methodology section of this report, OIG interviews were not undertaken with Venezuelan or other non-United States citizens. Where we have sufficient information, we have expanded upon the entries in the chronology to put them in context. In some instances, we have been unable to find written records of the specific U.S. response.

There often is no written record of the content of telephone calls, for example. Participants may have made sketchy notes, or none at all, in the press of events. It is common practice in the Department to route conference calls through S/S-O conference lines, or to ask S/S-O to “patch” calls between parties. These calls are not recorded, and the S/S-O staff, the “Watch,” monitors and keeps notes only when specifically requested to do so by all participants. In a few instances we have found Watch notes, in e-mail form, summarizing a conference call. Participants often had difficulty in remembering what was said in a particular call.

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Given the sheer quantity of data, we have had to exercise our judgment in selecting entries for this compilation that we consider most responsive to the request.

Much of the information included in this chronology is based upon classified or administratively controlled documents, and includes information and names protected under national security and privacy laws and regulations. It may be that some of this information can, and eventually will, be declassified and made available for public reference. To avoid delay, we have provided the requested information in classified form in the annex to this report.

RESPONSE TO QUESTION 2

“What was U.S. policy toward Venezuela in the six months prior to the weekend? By what means was this policy expressed by the Embassy and the Department? Were the actions of the U.S. government – both in the six months before the weekend of April 12 and during that weekend – consistent with U.S. policy in support of the Inter-American Democratic Charter?”

United States policy toward Venezuela in the six months prior to the events of mid-April covered a wide range of areas of interest to the United States, including political, economic, military, and narcotics-related issues. Accordingly, we have interpreted the question to be whether the United States supported the use of undemocratic or unconstitutional means to remove or otherwise oppose the Chávez government.

Each U.S. diplomatic mission is required to prepare annual Mission Performance Plans (MPP). The MPP covers planning for the fiscal year (FY) two years ahead. These plans set out U.S. national interests in relation to the mission's host country, strategic goals, etc., and identifies the sections and agencies in the mission which are to deal with each area of interest and goal. The MPP serves as a guide for budgeting and staffing.

“Promoting democracy” will be a lower priority in an already democratic country. For FY 2002 in Venezuela, in the plan prepared in 2000, promoting democracy was ranked in fourth place. In the FY 2003 plan, prepared in 2001, democracy moved to the highest priority. The strategy was to engage not only high-level civilian Venezuelan officials, but also the military, police, judicial system, media, non-governmental organizations, academia, and the business community, in efforts to strengthen existing democratic institutions and to build new ones. The aim was to encourage a vibrant democracy with stronger human rights and labor rights, a robust civil society, unfettered freedom of expression, and the honest and efficient administration of justice. This dramatic reordering of priorities clearly reflected the growing concern of U.S. officials about the various anti-democratic actions deemed by the United States to have been taken by the Chávez government.

With regard to the use of unconstitutional or undemocratic means to remove or otherwise oppose the Chávez government, U.S. policy was repeated so often and so

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consistently that it became mantra-like. Department spokesmen, Washington-based U.S. officials of all agencies and at all levels, and Embassy Caracas representatives all stated and re-stated publicly and privately U.S. opposition to any un-democratic or unconstitutional political change in Venezuela.

For example, in November 2001, Acting Assistant Secretary of State for WHA Lino Gutiérrez was quoted in the Venezuelan press as saying: “We would categorically reject any attempt to remove Chávez. We consider President Chávez to be the democratically elected leader of Venezuela. We stand by the Organization of American States Democratic Charter, which says very clearly that any government that achieves power via extra-constitutional means will not be welcome in the OAS.”

In February 2002, Department spokesman Richard Boucher was asked: “...would the United States support any movement from the military of Venezuela against a democratic and elected president?” He responded, “...the OAS has adopted a democracy charter, and we are all pledged to respect democracy in this hemisphere. That includes not only militaries, but also governments. And we have expressed a lot of concerns recently about some of the actions that President Chávez, or at least political supporters of President Chávez, have taken against journalists and democratic institutions. So our view remains the same, whichever side is threatening democracy, and that is that democratic institutions in Venezuela and elsewhere need to be respected, and that any changes that occur need to be democratic and constitutional.”

Later in February, Mr. Boucher reiterated the U.S. position: “I’ll say the same thing as last week. I’ll say it again and again. We believe that all parties should respect democratic institutions. Those who may want change, political change, need to pursue it democratically and constitutionally.”

This is but a sampling of many such expressions, public and private, made by U.S. officials in Washington. The same policy line was followed by Embassy Caracas. It is well documented in the records that we reviewed, and confirmed in our interviews with mission officers from all agencies, that both Ambassadors Donna Hrinak¹ and Charles Shapiro² explained the policy clearly to their subordinates and insisted firmly that it was to be conveyed to Venezuelans without “winks, nods, nudges, or signals.” A month to the day before the April events began, Ambassador Shapiro reminded his staff at his very first meeting with them “...that the United States will not support a coup d’etat and that all should guard

¹ Ambassador Donna J. Hrinak assumed charge of our embassy in Venezuela on August 14, 2000, and left Venezuela on February 27, 2002.

² Ambassador Charles S. Shapiro assumed charge of the mission in Venezuela on March 9, 2002.

against sending signals intentionally or unintentionally that we would do so.”

Among numerous documented examples of warnings against coups and the like, we cite a luncheon with key Venezuelan businessmen in mid-March during which Ambassador Shapiro, responding to questions on “hypothetical situations,” stated flatly that the United States would not support a coup d’etat or any other extra-constitutional change of government. An officer of USOAS at about the same time told prominent anti-Chávez businessmen that any such change would be “unacceptable” to the United States and the international community. These declarations continued right up to the moment when Chávez’s opponents moved to overthrow him.

We found no evidence of any deviation from this policy line by U.S. officials, publicly or privately. A New York Times article of April 16, 2002, quoted an unnamed “Defense Department official” as saying, “We were not discouraging people. We were sending informal, subtle signals that we don’t like this guy. We didn’t say, ‘No, don’t you dare,’ and we weren’t advocates saying, ‘Here’s some arms; we’ll help you overthrow this guy.’ We weren’t doing that.” If there was any such DOD official, despite our best efforts, OIG has not been able definitively to identify him or her. If any such unspoken signals of support for removing President Chávez undemocratically or unconstitutionally were sent by Department or embassy officials, we found no evidence of it.

The official U.S. position was repeated so frequently and formulaically that Venezuelan opposition figures came to anticipate it. For example, in one meeting with a visiting Congressional staff delegation in Caracas, a Venezuelan soliciting the visitors’ support for a “post-Chávez transitional government” forestalled the embassy escort’s response by saying “Be quiet. We know what you are going to say!” On another occasion, a meeting between Ambassador Shapiro and Venezuelans was shocked into uncomfortable silence by the vehemence of the ambassador’s warnings against a coup d’etat. We think it fair to say that everyone of consequence in Venezuelan political and military circles was well aware of American opposition to a coup or anything resembling a coup by mid-April 2002.

If the U.S. policy was really so clear and consistent, the question arises of why Chávez’s opponents disregarded U.S. warnings and attempted to overthrow him. And, why did the interim Carmona government likewise ignore U.S. policy, abolish the National Assembly and the Supreme Court, and take other undemocratic actions?

There are several possible explanations. First, the U.S. government had less influence over internal Venezuelan political developments than it was thought to

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have by its critics. Some Chávez opponents told U.S. officials frankly that they heard the warnings and understood the possible consequences of overthrowing President Chávez, but they would nevertheless do what they perceived to be in their and Venezuela's best interest.

Second, some opponents of the Chávez government heard the warnings, but did not really believe what they heard. High U.S. officials themselves occasionally commented on this with some sense of despair, before and after the overthrow (and restoration) of President Chávez.

Third, on at least some occasions, U.S. warnings may not have gone far enough. Among the many accounts of such warnings, few went beyond the standard, ritualistic, "no undemocratic or unconstitutional change" formulation. Warnings of non-recognition of a coup-installed government, economic sanctions, and other concrete punitive actions were few and far between. This, too, has been recognized and lamented in retrospect by some senior U.S. officials.

The mission in Caracas, and the U.S. government as a whole, had limited contacts with those individuals and elements in Venezuelan society who supported President Chávez over the course of the relevant period. This element was, and apparently still is, a sizable one; it elected President Chávez, rallied to his support when he was ousted, and restored him to power. Some Chávez opponents may have taken this imbalance in contacts to indicate tacit U.S. support for President Chávez's ouster, notwithstanding official policy to the contrary. This shortcoming also was recognized and acknowledged by some U.S. officials. For example, in drafting the embassy's MPP in 2001, Ambassador Hrinak included broadening embassy contacts as a goal, and in early April 2002, Ambassador Shapiro instructed his reporting officers to broaden their contacts with, and reporting on, pro-government politicians. In addition, he mentioned in meetings with President Chávez himself that the embassy had serious problems in arranging meetings with government officials and pro-government politicians, and asked the president to encourage his people to accept invitations to meet with embassy officers.

Finally, the long history of U.S. intervention in Latin America doubtless weighed in the balance. Current protestations of support for only democratic means of changing unfriendly governments may have rung hollow in the ears of Venezuelan political and military leaders.

We have addressed this question at some length in an effort to explain more fully the situation we found, and to attempt to anticipate follow-up questions which might be raised. The fact remains that we found no evidence that U.S. policy during the operative period was anything but fully consistent with the democratic and constitutional principles of the IADC.

RESPONSE TO QUESTION 3

“Did Embassy or State Department officials meet with opponents of the Chávez government in the six months before the weekend of April 12? With whom? With what frequency? At what level? Were these meetings consistent with normal Embassy or Department practice?”

Department and Embassy Caracas officials during this period met frequently, at high levels, with opponents of the Chávez government. Meetings involved figures in the Venezuelan government, the military, political parties, non-governmental organizations, labor organizations, business organizations, the media, and religious groups. These meetings were consistent with normal embassy and Department practice.

This conclusion was reached after review of communications exchanged between the Department and Embassy Caracas, interviews with participants in the events, chronologies of events prepared by WHA, Embassy Caracas, USOAS, the Venezuela Task Force established in the Department in mid-April, and the S/S-O log of the period. It cannot be guaranteed that all meetings were covered in these records, but no evidence has been found to suggest that significant unreported contacts took place. In an effort to present a more complete account of U.S. officials' meetings, we have included meetings with both opponents and supporters of the Chávez government (see classified annex).

We found it necessary to make certain interpretations of the questions posed. In some cases, a significant contact could not be characterized definitively as an “opponent” or “supporter” of the Chávez government. The term “meet” was defined to exclude casual encounters, when it appeared clear that information received or given (if any) was unremarkable.

To be sure, some officers in Embassy Caracas (for example, military attachés, military assistance group officers, and narcotics law enforcement liaison officers) necessarily dealt primarily, if not exclusively, with Venezuelan government officials, whose personal political views were unexpressed, irrelevant, or unknown. But, during the period in question, the embassy's and Department's contacts were heavily weighted toward individuals and groups known to be opponents of the Chávez government. This is explained in part by the fact that supporters of President Chávez tended to view the U.S. government as unsympathetic to them, and

accordingly, they did not seek out contact with U.S. officials. For example, in several instances, Ambassador Hrinak's overtures to the Chávez government were rebuffed. Two cabinet ministers refused her invitation to visit the United States. Though she says that she called him repeatedly, the vice president refused to talk to her. President Chávez never accepted a dinner invitation.

It is clear, though, that neither the Department nor the embassy sought out Chávez supporters in or out of government in any aggressive, organized fashion. The opposition's willingness to talk to Embassy Caracas in detail about their plans against President Chávez and the embassy's willingness to listen may have left doubts about the sincerity of our professed opposition to undemocratic and unconstitutional means of removing President Chávez. We do not mean to suggest that the embassy should have avoided meeting with the opposition; but the frequency of such contacts, and the relative lack of contact with pro-Chávez elements, may have led some Venezuelans to question whether the United States was really neutral as regards Venezuelan internal politics. As noted above, in retrospect, this imbalance in outreach was acknowledged by U.S. officials to be a shortcoming, and we understand that steps have been taken subsequently to increase contacts with the Chávez government and its supporters in Venezuelan society.

The Department and the embassy exercised some discretion and caution in meeting with opposition figures, lest particular meetings be seen as support for a coup. The record shows occasions when Department and embassy officials had reason to believe that a particular individual or group was involved in coup plotting and U.S. officials refused to meet with that individual or group.

With regard to the actual names of those in the Venezuelan opposition with whom the Department and embassy met, we have elected to err (if at all) on the side of circumspection. So as not to inhibit the embassy in any way in its necessarily ongoing efforts to deal with both the Chávez government and its opponents, and in accordance with U.S. laws and regulations governing the protection of intelligence information, we have limited to the report's classified annex the identities of those with whom U.S. officials met.

The evidence indicates that all elements of the U.S. mission in Caracas were under the full control of the ambassadors during the period that is the subject of this review. The two successive ambassadors at the embassy during this period appear to have had access to all relevant reporting, and their policy guidance was understood by, and followed by, all agency elements present in the embassy. The Department, other U.S. agencies, and all elements of the embassy in Caracas, appear to have the same understanding of policy, and accepted it as governing their activities.

RESPONSE TO QUESTION 4

“Did opponents of the Chávez government who met with Embassy or Department officials request or seek the support of the U.S. government for actions aimed at removing or undermining that government? What was the response of Embassy or Department officials to such requests? How were these responses conveyed? Orally, or in writing?”

In the many documents reviewed and the many interviews conducted in the course of this review, we found no evidence that Venezuelan opposition groups or individuals asked for or otherwise sought from the Department or Embassy Caracas support for actions aimed at removing or undermining the Chávez government, at least not through other than democratic and constitutional means. Of course, the various assistance programs discussed in the answer to Question 5 were strengthening organizations opposed to President Chávez. But, as explained more fully in the pages that immediately follow, these programs were consistent with the principles of democracy and constitutionality.

However, during the course of a visit to Venezuela in late February, a delegation of Congressional staffers was asked by Venezuelan opposition figures in several different meetings for U.S. government support for a “post-Chávez transitional government.” In one such meeting, when the question was posed by a Venezuelan opposition leader to the Congressional staffers, the Venezuelan told embassy representatives who accompanied the delegation, “Be quiet. We know what you are going to say!”

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RESPONSE TO QUESTION 5

“Were U.S. assistance programs in Venezuela during the six months prior to the weekend of April 12 – either through normal assistance channels or through programs funded by the National Endowment for Democracy – carried out in a manner consistent with U.S. law and policy?”

SUMMARY

OIG found nothing to indicate that U.S. assistance programs in Venezuela, including those funded by NED, were inconsistent with U.S. law and policy. It is clear that, during the six month period, NED, the Department, and DOD provided training, institution building, and other support under programs totaling about \$3.3 million to Venezuelan organizations and individuals, some of whom are understood to have been involved in the events of April 12–14. Further, the federal assistance programs involved numerous contacts between NED, the Department, and DOD and these organizations and individuals during the six months period. However, we found no evidence that this support, or those contacts, directly contributed, or were intended to contribute, to the events of that weekend.

NED concentrates much of its resources on programs designed to support democratic organizations operating in countries with semi-authoritarian regimes, and to ensure that elections in such countries are free and open. This can be problematic in circumstances such as those existing in Venezuela where a democratically elected president attempts to thwart democratic institutions. To ensure that its efforts to foster free elections and support democratic organizations remain nonpartisan, NED developed election support guidelines in 1989 that define the types of election assistance it can offer and the kinds of activities that should not be supported with Endowment funds. These guidelines currently are being revised to provide even greater clarity on these points to staff and the implementers of such programs. In addition, the NED Board of Directors has been discussing with NED and institute staff the broader issue of the need to avoid conduct or specific activities or statements, even outside of election support, that might reasonably be interpreted as favoring one party, faction, or coalition over others.

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NED is required under the National Endowment for Democracy Act³ (the Act) to consult with the Department on any overseas program funded by NED prior to the commencement of the activities of that program. NED does this by sending copies of its Board of Directors-approved program proposals to the Department for dissemination to the appropriate bureaus and, in turn, the appropriate embassies. However, OIG found that Embassy Caracas had not received copies of the proposals and had minimal knowledge of NED activities, believing them to be “Congress’ responsibility.”⁴

The following four subsections each deal with a major provider of federal assistance: NED, the Department, DOD, and the U.S. Agency for International Development (USAID).

NED ASSISTANCE TO VENEZUELA

Under the Act, passed by Congress in 1983, NED’s mission is to strengthen democratic values and institutions around the world through non-governmental efforts. NED receives an annual grant from the Department and then awards subgrants to non-profit organizations in the private sector, including four “core” grantee organizations representing labor, business, and the two major U.S. political parties, and discretionary grantees located in the U.S. and overseas. The core grantees are the American Center for International Labor Solidarity (ACILS), the Center for International Private Enterprise (CIPE), the International Republican Institute (IRI), and the National Democratic Institute for International Affairs (NDI).

The activities supported by NED are guided by the six purposes set forth in NED’s Articles of Incorporation and the Act. These purposes are:

1. To encourage free and democratic institutions throughout the world through private sector initiatives, including activities which promote the individual rights and freedoms which are essential to the functioning of democratic institutions;
2. To facilitate exchanges between U.S. private sector groups and democratic groups abroad;
3. To promote U.S. non-governmental participation in democratic training programs and democratic institution building abroad;

³ (22 USC 4412)

⁴ Section 503(d) of the Act provides that, “The Endowment and its grantees shall be subject to the appropriate oversight procedures of the Congress.”

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4. To strengthen democratic electoral processes abroad through timely measures in cooperation with indigenous democratic forces;
5. To support the participation of the two major American political parties, labor, business, and other U.S. private sector groups in fostering cooperation with those abroad dedicated to the cultural values, institutions, and organizations of democratic pluralism; and
6. To encourage the establishment and growth of democratic development in a manner consistent both with the broad concerns of U.S. national interests and with the specific requirements of the democratic groups in other countries which are aided by NED-supported programs.

The Act also requires that NED consult with the Department on any overseas program funded by NED prior to the commencement of the activities of that program.

NED POLICY TOWARD VENEZUELA

NED's Venezuela program began in 1993. The program falls under what is described in NED's January 2002 strategy document as "Democratizing semi-authoritarian countries." The strategy document states that, since semi-authoritarianism involves shortcomings in so many different sectors, NED should take full advantage of its ability to work simultaneously in different areas. NED should strengthen not just civil society and independent media, but also political parties, business associations, trade unions, and policy institutes that can mediate between the state and the market and effect real economic reform. NED and NED grantee funding for programs in, or involving, Venezuela during the six month period totaled over \$2 million. (See Chart 1).

Under the Act and NED-issued guidelines, NED grantees may not use NED funding to support the candidacy of any particular candidate. NED currently is updating election-support guidelines first developed in 1989 in order to provide more explicit guidance to staff on the fundamental principles underlying its work as they relate to election efforts; and to emphasize that any ambiguity regarding the application of the guidelines to a particular set of circumstances not anticipated in the guidelines should be referred to senior management at the relevant institute and the NED.

NED officials stated that they sometimes find themselves "close to the line" in terms of supporting one candidate over another. They mentioned, for example,

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Yugoslavia (“How could we support Milosevic?”) and Belarus, where, just prior to the grant, the head of the grantee organization resigned to become the director for a year of the campaign office of the united opposition candidate. In non-electoral situations, such as assisting Venezuelan democratic institutions, NED tries to support programs that further a broad democratic purpose rather than a more narrow, partisan one. NED is currently developing broader guidelines for avoiding the appearance of partisanship.

NED PROGRAMS DURING THE REVIEW PERIOD WERE
CONSISTENT WITH LAW AND POLICY

OIG found that NED and its grantees developed programs in Venezuela to implement a variety of strategies. Those strategies included: 1) assisting in efforts to establish more neutral, independent, and effective election administration, and assisting civil society organizations and the mass media in monitoring the electoral process; 2) working to expand the constitutional, legal, and political “space” for civil society, non-governmental organization, and opposition political party development; 3) establishing linkages between civil society and political parties; 4) developing practical means with feasible objectives for civil society organizations to become more active in democratic processes; and 5) encouraging regional assistance in strengthening democratic cooperation and solidarity.

Based on OIG’s review, NED, its core grantees, and discretionary grant recipients were carrying out programs in a manner consistent with NED grant policies and guidelines and were adhering to U.S. laws and policies. NED and the core grantees have been working with groups in Venezuela since the early 1990s to re-democratize and rebuild institutions. They believe that democratic ends can be achieved only through democratic means. The core and discretionary grantees conducted their programs through seminars, public hearings, training courses, national conferences, and regional meetings of civil society groups. Examples of NDI, IRI, and ACILS grant projects active during the six month period follow (CIPE had no active Venezuelan projects during the period):

- The NDI sub-grantee *Fundacion Momento de la Gente* (Foundation of the People’s Moment) project titled “Re-Engaging Citizens in Local-Level Politics” had the stated purpose of rebuilding the citizen base for new or renewed political parties through increased citizen participation in politics (public hearings). NDI and members of the *Fundacion Momento de la Gente* have met with the mayors of Baruta and Naguanagua, Venezuela to implement public hearing programs in those two cities. The city of Baruta is the pilot city for the program’s activities. An additional component of the pro-

gram is the ongoing initiative to re-establish an extensive network of contacts with the business, diplomatic, political, and civil society communities of Venezuela. The grant was funded at \$20,000.

- An IRI grant titled “Strengthening Political Parties” was to strengthen Venezuelan political parties by encouraging the development of democratic structures and practices. The grant for \$340,000 funded programs to provide tools for political parties to develop: 1) internal structures and processes for the transparent and democratic selection of leaders; 2) effective two-way communication with the electorate and improve their capacity to represent constituent concerns, giving special emphasis to issues of concern to younger Venezuelans; and 3) civil society groups and individual citizens that demonstrate a willingness to interact with political parties and participate in planned activities. The IRI program provides training to five prominent Venezuela political parties and over 65 party officials in the subject areas of political negotiations, conflict resolution and coalition building. IRI has been offering this training to political parties since 1999.
- An ACILS grant, in the amount of about \$150,000 and titled “Support for Democratic Union Action,” has the purpose of increasing the Venezuelan Workers Confederation’s (CTV) ability, in coalition with other civil society organizations, to promote democratic reforms at all levels of government. Specifically, the CTV will: 1) organize a national meeting with the private sector, unions, and local government authorities to identify common objectives and areas of cooperation in national development; 2) hold a multi-day congress with representatives of the international trade secretariats, U.S. unions, and the International Labor Organization to discuss what new form the union movement should take; and 3) develop a series of workshops to assist the federations in developing their respective transition processes according to conclusions discussed at the multi-day congress. The ACILS program is ongoing through the end of FY 2002. Workshops and seminars conducted to date have emphasized the need for the structural conversion of the numerous dispersed unions into unified national industrial unions in order to define the role of the union movement in the social, economic, political, and cultural development of the nation.

OIG verified that NED and the core grantees had adequate internal audit and program evaluation procedures. OIG found that, for each of the 14 grants reviewed in detail, financial and program guidelines were followed. OIG observed that NED, core grantee, and in-country program managers periodically monitor and evaluate their respective grant programs. Program monitoring and evaluation is accomplished through activity reports, e-mails, financial statements, and periodic on-site visits. OIG determined that senior NED and core officials properly vetted

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project proposals, and the programs or projects followed the proposal objectives without significant change. OIG believes that, for all grants reviewed, the programs carried out in Venezuela were consistent with the Act.

NED CONTACTS WITH OPPOSITION LEADERS

During the six-month period in question, NED and core officials provided training and other support to, and maintained frequent contact with individuals and organizations involved in the events of April 12-14. NED and core grantee documents, and interviews with NED and core officials, lead to the conclusion that these contacts were consistent with the law, policy, and approved programs.

Of course, such contacts were affected by the deteriorating political situation in Venezuela. For example, IRI's quarterly report covering Venezuela activities during the January – April 2002 period stated:

In the midst of the rapidly escalating tension in the country over the past few months, IRI's Venezuela country director continued to meet regularly with all political actors and work to construct a training plan for the upcoming months with the major parties. Most party leaders were focused on the current polarization of the country, increasing ungovernability and intimidation by the Chávez government against civil society groups. ... Because of the worsening political crisis in the country, political party leaders were generally not focused on internal training and plans for the future, although attempts were continually made to formulate a short term work plan for technical training to address their major weaknesses and prepare them for the challenges ahead.

In fact, some meetings – e.g., a NED-supported event involving Venezuelan civil society groups scheduled for April 10 – had to be cancelled.

Some of the individuals supported by NED grants also met with officials of the Department to explain what was going on in Venezuela. All were clearly and consistently told by Department officials that the U.S. would not support removal of President Chávez by unconstitutional means. One individual who had received training from a NED core grantee stated, by one Department official's account: "I'm not asking for permission. I'm just telling you what will happen."

IRI'S APRIL 12 STATEMENT

On April 12, 2002, IRI's president, George A. Folsom, issued a public state-

ment on the events in Venezuela which appeared to support the unconstitutional removal of President Chávez (see Appendix 1). The statement generated a sharp rebuke from NED's president, Carl Gershman (see Appendix 2). Mr. Gershman concluded his letter to Mr. Folsom by stating "I realize that there are a number of complex issues raised when extra-constitutional means are used to further ostensibly democratic ends. These issues warrant a serious discussion within the NED family."

Mr. Folsom issued a subsequent release on May 6 (see Appendix 3), stating:

When IRI released its most recent statement on Venezuela on April 12, 2002, it was widely reported that the Venezuelan National Assembly planned to meet that day to lay out the steps toward new elections and the resumption of constitutional order in the country. Indeed, IRI published its statement in response to calls from Venezuelans [IRI-supported parties] asking for international support to rebuild the country's fractured political system and restore elected democracy. IRI's statement was not an endorsement of extra-constitutional measures to forcibly remove an elected President, and IRI never contemplated the notion that the will of the Venezuelan people would be circumvented by extra-constitutional measures, such as the closure of the National Assembly and the Supreme Court.

Based on its review, OIG has no reason to believe that, despite its controversial statement, IRI played any role in removing President Chávez or that the statement was intended as an endorsement of unconstitutional actions to remove him.

DEPARTMENT OF STATE RESPONSIBILITY FOR NED PROGRAMS

In a March 1997 audit report on NED, the then United States Information Agency (USIA) Inspector General reported that USIA had not been disseminating to overseas posts any program information provided by NED. The USIA official responsible for NED program information said that he did not plan to distribute the documents since USIA had no meaningful input into NED's programs. The USIA Inspector General recommended that the then Director of USIA clarify USIA's responsibilities for NED programs.

In response to the USIA Inspector General's recommendation, USIA made its Office of Strategic Communications (D/C) the coordinating point for the USIA's dealings with NED. Specifically, D/C was to forward NED program information

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to the appropriate area offices for dissemination to the field. Following the consolidation of USIA with the Department, NED program proposals were received by the Department's Bureau of Educational and Cultural Affairs (ECA) for appropriate dissemination. While these program proposals have been received and forwarded to WHA, the bureau responsible for Venezuela, OIG found that Embassy Caracas never received the proposals and had minimal knowledge of NED activities.

OTHER DEPARTMENT ASSISTANCE PROGRAMS

OIG also reviewed direct funding to Venezuela by Department bureaus, identifying six bureaus that provided \$695,300 in funding during the six-month period under review. (See Chart 2). That assistance included grants to an international school in Caracas, and funding for academic exchange visitors, international visitor exchanges, speaker's programs, and international narcotics and law enforcement projects.

OIG's review of documentation and interviews with bureau officials indicate that the programs sponsored by the six bureaus providing direct assistance during our review period reflect the continued U.S. encouragement for a strong democracy in Venezuelan politics, government operations, and civic organizations and leadership. An example of that commitment is the over 30 Venezuelan officials who have participated in ECA's International Visitors Program initiatives during our review period. Those visitors represented a cross-section of Venezuelan democratic institutions including judges, human rights officials, senior members of political action foundations, local government officials, and other influential individuals including public prosecutors, academics, anti-drug researchers, and bankers.

In addition, the Bureau of Democracy, Human Rights, and Labor plans to grant NED \$1 million to expand NED programs in Venezuela. The proposed grant is on hold, pending the results of this OIG review.

Based on OIG's review of related program documents and our interviews with Department officials in each of the relevant bureaus, U.S. funding for Venezuela appeared to have been in accordance with U.S. policy.

MILITARY ASSISTANCE PROGRAMS

DOD-provided security assistance funding to Venezuela for FY 2002 totaled about \$700,000, almost all of which was attributable to 121 students attending courses in the United States under the International Military Education and Training Program.

(See Chart 3). DOD also participated with the Venezuelans in military-to-military contacts, visits by Venezuelan military personnel to the United States and other countries, and combined training and exercises. In addition, the United States consummated foreign military sales to Venezuela valued at \$697 million. These activities were authorized under the Arms Export Control Act⁵ (AECA) and are under the control of USSOUTHCOM. The AECA permits defense services to be sold or leased by the United States to friendly countries solely for internal security, legitimate self-defense, and certain other enumerated purposes. Planning and execution of the assistance program in Venezuela is the responsibility of the U.S. Military Group (MILGRP) assigned to Embassy Caracas. The MILGRP commander is responsible for developing an annual plan that integrates USSOUTHCOM's strategic plan, the Venezuelan military's desires, and the ambassador's MPP.

USAID ASSISTANCE PROGRAMS

USAID assistance programs in Venezuela have been minimal. However, in March 2002, an assessment team from USAID's Office of Transition Initiatives (OTI) visited Venezuela at the request of the then U.S. ambassador and the Department's Office of Andean Affairs. The purpose of the assessment was to survey the current political-social environment in Venezuela and to identify further potential program opportunities for the United States to support democratic processes, institutions and those elements of civil society that underpin Venezuela's democratic traditions. The OTI team spent two weeks in Venezuela meeting with interlocutors from the government, the business sector, the media, non-governmental organizations, and the Roman Catholic Church.

The OTI team noted in its report that "The policy of the USG has been to support the establishment of, and respect for, democratically elected governments. In applying this to Venezuela, consideration must be given to the actions of a democratically elected leader who demonstrates disrespect for, and seeks to destroy, essential democratic structures." The OTI team identified a number of "moderate" Venezuelan institutions and leaders who were committed to constitutional reconciliation and whose programs were thought to merit support. The OTI team stated in its report that "The ongoing NED grants to NDI, IRI, and ACILS are good examples of such programs, and they should be expanded to the extent that absorptive capacity permits." As a result of its assessment, OTI proposed the establishment of a flexible, quick-disbursing \$1 million small grants fund, able to respond to the rapidly evolving political situation in Venezuela. OTI expects the fund to be operational in August, 2002.

⁵ (22 USC, Chapter 39, subchapter I, Section 2754)

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CHART 1

**NED GRANTS IN OR INVOLVING VENEZUELA
ACTIVE DURING OCTOBER 2001-APRIL 2002**

	GRANT AMOUNT	GRANT PERIOD	PURPOSE
CORE GRANTEEES			
ACILS (American Center for International Labor Solidarity)	\$622,000	2/01-1/02	Andean Regional Program: Improve unions' ability to defend workers' rights and build coalitions between unions and civil society groups.
ACILS	\$154,400	10/01-9/02	Venezuela: Support for Democratic Union Action. Increase the CTV's ability, in coalition with other civil society organizations, to promote democratic reforms at all levels of government.
IRI (International Republican Institute)	\$340,000	1/01-4/02	Develop political parties' 1) internal structures and processes, 2) communication with electorate, 3) ability to interact with individual citizens.
IRI	\$300,000	3/02-2/03	1) Political parties adopt fully developed party platforms and communicate ideologies to voters, 2) Political parties develop effective two-way communication with electorate, 3) parties develop internal structures and processes for transparent and democratic selection of party leaders.
NDI (National Democratic Institute for International Affairs)	\$210,500	10/01-4/02	Establish an NDI field office in Venezuela, and award \$20,000 subgrant to improve government management at the local level through increased citizen participation.
NED DISCRETIONARY GRANTEEES			
PRODEL	\$50,000	9/00-12/01	To promote and strengthen decentralized government among national state and local legislators.
Asociacion Civil Comprension de Venezuela	\$57,000	2/01-9/02	Promote public discussion about the role of the military in a democracy.
Asociacion Civil Consorcio Justicia	\$19,700	2/01-1/02	Help build civil society organizations to become active in struggle against authoritarianism.
Asociacion Civil Consorcio Justicia	\$84,000	1/02-1/03	Support the creation of a civil society network that will work to elevate civil society's presence.
Fundacion Momento de la Gente	\$40,000	2/01-1/02	Organize civil society groups to monitor the National Assembly on key pieces of legislation
Fundacion Momento de la Gente	\$84,000	2/02-1/03	Build the Foundation's capacity as an interlocutor representing civil society before the national government.
Instituto de Prensa y Sociedad (IPYS)	\$105,000	10/1/01-9/30/02	Establish and maintain an alert network of journalists to monitor and report on attacks or threats against journalists. (This is part of a Regional Program.)
Asociacion Civil Asamblea de Educacion	\$55,000	9/14/01-9/30/02	Organize grassroots groups to monitor education reform plans.
TOTAL	\$2,103,200		

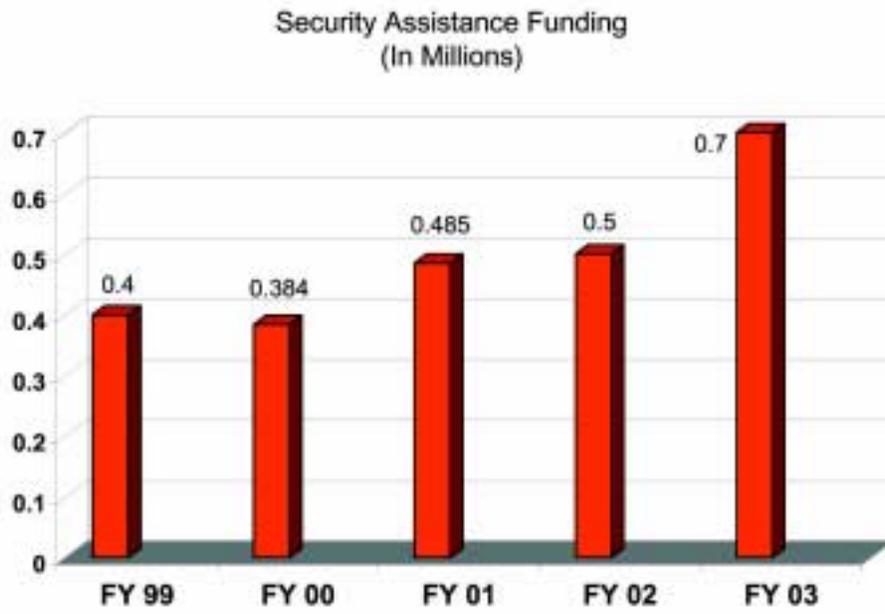
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CHART 2

**DEPARTMENT FUNDED GRANTS AND PROGRAMS
ACTIVE DURING OCTOBER 2001 – APRIL 2002**

	GRANT AMOUNT	GRANT PERIOD	PURPOSE
BUREAU			
Administration(A)	\$54,000	09/01-09/02	Overseas School Funding for Venezuela
Educational & Cultural Affairs(ECA)	\$430,239	10/01-04/02	Educational Advising, Fulbright, and International Visitors Programs with Venezuelans
International Narcotics & Law Enforcement (INL)	\$164,077	10/01-04/02	Narcotics Interdiction, Administration of Justice, and Law Enforcement enhancement projects in Venezuela
Intelligence & Research(INR)	\$2,900	10/01-04/02	Ambassadorial Seminar – Venezuelan Relations
Public Affairs(PA)	\$2,000	10/01-04/02	Sponsorship of a Venezuelan journalist
International Information Programs(IIP)	\$15,983	10/01-04/02	Speakers Programs and Events for Venezuelans (Judicial Transparency, Dispute Resolution, Emotional Intelligence, Public Security, Black History, Teaching English)
OTHERS			
U. S. Embassy Caracas	\$4,939	10/01-04/02	Speakers Program for Venezuelans (Lithography)
TOTAL	\$695,299		

Chart 3





Advancing Democracy Worldwide

International
Republican Institute

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Washington, D.C. 20005
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IRI President Folsom Praises Venezuelan Civil Society's Defense of Democracy

Statement by George A. Folsom
President of the International Republican Institute
Washington, D.C.

April 12, 2002

George A. Folsom, President of the International Republican Institute (IRI) praised the Venezuelan people in their efforts to bring democracy to the country. The following is a statement from President Folsom concerning last night's events.

"Last night, led by every sector of civil society, the Venezuelan people rose up to defend democracy in their country. Venezuelans were provoked into action as a result of systematic repression by the Government of Hugo Chavez. Several hundred thousand people filled the streets of Caracas to demand the resignation of Lt. Col. Chavez, who responded with sharpshooters and his para-military *Bolivarian circles* killing more than 12 civilians and wounding more than 100 others. In contrast, IRI commends the patriotism of the Venezuelan military for their refusal to fire on their countrymen.

"IRI also applauds the bravery of civil society leaders - members of the media, the Church, the nation's educators and school administrators, political party leaders, labor unions, and the business sector - who have put their very lives on the line in their struggle to restore genuine democracy to their country. IRI will remain engaged for the long term with political parties and our civil society partners to help rebuild Venezuela's fractured political system and restore elected democracy to the country.

"IRI has promoted the strengthening of democracy in Venezuela since 1994, and recognizes that Venezuela's future is not a return to its pre-Chavez past but instead the development of accountable, non- corrupt, and responsive government.

"Today the National Assembly is expected to meet to lay the groundwork for the transitional government to hold elections later this year. The Institute has served as a bridge between the nation's political parties and all civil society groups to help Venezuelans forge a new democratic future, based on accountability, rule of law and sound democratic institutions. We stand ready to continue our partnership with the courageous Venezuelan people."

IRI is a nonprofit organization dedicated to advancing democracy worldwide. IRI's programs span the globe and include training on civic responsibility and the legislative process and strategies for building political parties and election campaigns. IRI is a nonpartisan organization, federally funded through the National Endowment for Democracy (NED) and the U.S. Agency for International Development (USAID), as well as privately funded by donations from individuals, corporations and foundations.

For further information, please contact Steven Susens, IRI Press Secretary, (202) 572-1559 or ssusens@iri.org

for Democracy

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Supporting Freedom
Around the World



April 15, 2002

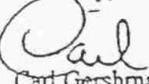
Mr. George Folsom
President
International Republican Institute
1225 Eye Street, NW
Suite 700
Washington, DC 20005

Fax: (202) 408-9462

Dear George:

I was greatly disturbed to read the statement you issued on Friday welcoming the removal from office of Venezuelan President Hugo Chavez. Like so many others in Venezuela and in the hemisphere, we have been deeply concerned about the consequences for Venezuelan democracy of President Chavez' arbitrary and polarizing style of rule. Nonetheless, his removal through unconstitutional means was understandably seen by many democrats in the hemisphere and beyond as itself a blow to democracy in Venezuela. By welcoming it – indeed, without any apparent reservations – you unnecessarily interjected IRI into the sensitive internal politics of Venezuela. A statement was not called for or expected; and it was also counter-productive, since it will only make it more difficult for the IRI to work in Venezuela and the region as a whole. I particularly object to you mentioning NED in the release. We were not consulted, and I regret any association with your remarks.

I realize that there are a number of complex issues raised when extra-constitutional means are used to further ostensibly democratic ends. These issues warrant a serious discussion within the NED family. I will let you know when that discussion is scheduled to take place.

Sincerely,

Carl Gershman

cc: Senator John McCain
Honorable Vin Weber

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Vin Weber
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Dante B. Fassell (1977-1998)
John Richardson
William F. Brock
Winston Lord
John Brademas
Chairmen Emeriti
Carl Gershman
President

IRI

Advancing Democracy Worldwide

Statement on Venezuela
George A. Folsom, President
The International Republican Institute
May 6, 2002

International
Republican Institute

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When IRI released its most recent statement on Venezuela on April 12, 2002, it was widely reported that the Venezuelan National Assembly planned to meet that day to lay out the steps toward new elections and the resumption of constitutional order in the country. Indeed, IRI published its statement in response to calls from Venezuelans asking for international support to rebuild the country's fractured political system and restore elected democracy. IRI's statement was not an endorsement of extra-constitutional measures to forcibly remove an elected President, and IRI never contemplated the notion that the will of the Venezuelan people would be circumvented by extra-constitutional measures, such as the closure of the National Assembly and the Supreme Court.

After two weeks of monitoring the unstable environment, IRI believes now more than ever that the ability of Venezuelans to move ahead peacefully in the coming weeks will rely heavily on efforts toward a genuine national reconciliation. In this respect, the importance the government places on democratic values and rule of law is crucial. Attempts at national reconciliation also provide an unprecedented opportunity for the leaders of Venezuela's political parties to re-engage the government on issues of critical importance for the country, helping to ease Venezuelans onto the path of national dialogue, healing and the search for compromise.

IRI has worked in Venezuela since 1994 with a broad array of civil society groups and political parties. IRI has had no sub-grantees in Venezuela since 2000 but continues working with the country's political party leadership, providing training in such technical areas as political negotiation, conflict resolution, crisis management, political communications, and coalition building. As it does in many countries throughout the world, IRI will work with Venezuelan political parties to help forge a new democratic future, based on accountability, rule of law and sound democratic institutions.

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**MISCELLANEOUS ISSUES RAISED BY THE NEWS
MEDIA IN VENEZUELA OR THE UNITED STATES**

During the course of our review, we examined a number of issues relating to actual or alleged military activity which have drawn public attention.

The first issue was the Venezuelan assertion that members of the U.S. Defense Attaché Office (USDAO) of the embassy were in Fuerte Tiuna, the Venezuelan military headquarters, advising members of the opposition during the weekend in question. Specifically, the claim was made that members of the USDAO were present in the room in which President Chávez was held and they remained there throughout his confinement. Their alleged presence was taken as sign by President Chávez's military opponents of U.S. support for his overthrow.

OIG learned that the USDAO does not have offices at Fuerte Tiuna, but the MILGRP does. The Defense Attaché and the Army Attaché regularly visit Fuerte Tiuna to meet with their counterparts in the Venezuelan Ministry of Defense. The MILGRP members left Fuerte Tiuna and their liaison offices in other Venezuelan military units during the afternoon of April 11 as events escalated. On April 13 two members of the USDAO visited Fuerte Tiuna to meet with their counterparts. At no time did they see President Chávez. Members of the MILGRP visited their places of duty infrequently during the course of events, again only to ascertain what was happening and who was in charge. There was never any attempt to advise, support, or otherwise cooperate with, members of the opposition.

The second issue was the Venezuelan assertion that the United States had naval vessels and helicopters operating near the island of Orchila where President Chávez was taken. The embassy had actively sought to determine the accuracy of that assertion, working closely with USSOUTHCOM. The embassy determined and USSOUTHCOM verified that there were two U.S. Coast Guard cutters operating with a Dutch cutter more than 100 miles from Orchila Island in a combined counter-drug exercise. The Dutch cutter did have a helicopter with it and the helicopter was airborne. The Venezuelans apparently knew in advance about this exercise; the Venezuelan Coast Guard had participated in a similar counter-drug exercise with the U.S. Coast Guard during the six months prior to the April events. That exercise, OP VENUS, was a resumption of similar exercises in which Venezuela had participated, until terminating them in the late 1990s.

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The third issue was the Venezuelan report of a U.S.-registered aircraft on the tarmac of the Orchila Island airport during the time when President Chávez was waiting in another aircraft to be flown into exile. The Venezuelan Navy asked the MILGRP to identify the aircraft. The MILGRP, using the Federal Aviation Administration (FAA) website, found the identity of an aircraft corresponding to the tail number given by the Venezuelan Navy. However, the number, which was that of a Stinson aircraft manufactured in 1942, did not match the aircraft at Orchila Island. OIG, using the same FAA website, has independently confirmed the accuracy of the MILGRP report. While there was a media report that the aircraft belonged to a prominent Venezuelan businessman, and the embassy had another report indicating that the aircraft belonged to another Venezuelan businessman, available public domain FAA databases do not indicate that either owns a U.S.-registered aircraft. According to the MILGRP, the first businessman denied in the Venezuelan media that the aircraft was his.

OIG determined that a long-planned counter-drug exercise with the Venezuelan National Guard and the Venezuelan Army with U.S. Army units had been cancelled by the embassy in coordination with the Department and USSOUTHCOM. The exercise had been scheduled to start with the arrival of U.S. participants on April 11, 2002, with its transport aircraft, a C-17, remaining in Caracas overnight and continuing its mission on April 12. If the exercise had taken place, it might have appeared that the U.S. had played an active role in the ouster of President Chávez. Instead, the aircraft delivering the U.S. units was diverted to Puerto Rico where the U.S. units left the aircraft. On April 15, the exercise was canceled and the units returned to their home stations. The Ministry of Defense and the MILGRP have undertaken to reschedule those exercises for FY 2003.

Finally, there was a passing reference to the presence of the USS George Washington near the coast of Venezuela during the week of April 11-14. This aircraft carrier and its attendant battle group were exercising in an area known as the "Southern Puerto Rico Area of Operations." This area is located several hundred miles from Venezuelan waters. The battle group was conducting normal preparatory exercises prior to its upcoming overseas deployment.

During the mid-April events, the embassy received a request for non-lethal police equipment (rubber bullets and tear gas) to help control rioting during the weekend of April 13 - 14. The ambassador referred this request to the MILGRP as a security assistance issue. The DAO was aware of the request, but took no action because the MILGRP was the responsible office. The MILGRP took no action on the request.

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During the same period, the embassy received a number of requests for asylum. The embassy's Emergency Action Committee (EAC) operated continuously during the period and was in constant telephone contact with many of the U.S. citizens in Caracas who were concerned for their safety and sought advice about coming to the embassy. The EAC counseled them with the latest available information and advised that it was safer to remain in their homes than to try to travel across the disturbed areas and reach the embassy compound. A Venezuelan National Guard officer who was wounded came to the embassy and requested asylum. He was provided with first aid and told that the embassy could not grant his request. He left without incident.

One Venezuelan family, known to the embassy, sought refuge in the mission on Monday, April 15. After several hours of discussions with an embassy officer and among themselves, the family left and returned safely to their home.

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CONCLUSION

OIG finds nothing to indicate that the Department or Embassy Caracas planned, participated in, aided, or encouraged the brief ouster of Venezuelan President Hugo Chávez in April. The record shows that the Department and the embassy consistently discouraged the overthrow of that democratically elected regime. Our government's opposition to the use of undemocratic or unconstitutional means to remove President Chávez was repeated over and over again during the relevant period by key policymakers and spokespersons in Washington and by our representatives in Caracas in both public and private forums. And, far from working to foment his overthrow, the United States alerted President Chávez to coup plots and warned him of an assassination threat that was deemed to be credible.

Similarly, OIG found that U.S. assistance programs in Venezuela, including those of NED, were consistent with U.S. laws. While it is clear that NED's, DOD's, and other U.S. assistance programs provided training, institution building, and other support to organizations and individuals understood to be actively involved in the events of April 11-14, we found no evidence that this support directly contributed, or was intended to contribute, to those events. NED is, however, mindful of the fact that, in some circumstances, its efforts to assist specific organizations, or foster open elections, could be perceived as partisan. NED has issued guidelines on how its funds can be used in supporting free elections, and it is developing overall guidelines on the subject of partisanship.

Also, NED is required under its regulations to consult with the Department on any overseas program funded by NED prior to the commencement of the activities of that program. NED does this by sending copies of its board-approved program proposals to the Department; however, Embassy Caracas had minimal knowledge of NED activities in Venezuela during the period under review.

While the Department and Embassy Caracas played no role in his overthrow, the U.S. government's displeasure with certain of President's Chávez's policies, actions, and relationships was well known by his opponents in Caracas. According to the documentary record and press reports, among those irritants were: (1) President Chávez's embrace of anti-American governments in Cuba, Iraq, Iran, and Libya; (2) his lack of support for the war on terrorism; (3) his reported ties to the leftist FARC guerrillas in Colombia; (4) his involvement in the affairs of the Ven-

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ezuelan oil company and the potential impact of that on oil prices; and (5) his various internal anti-democratic moves. It is certainly possible, then, that at least some of those who helped to remove President Chávez did so reckoning that Washington would shed no tears over his ouster.

Furthermore, the weight of embassy contacts fell heavily on the side of the opposition. Aside from meetings with the President himself and key ministers, there appears to have been limited outreach to others, inside and outside government, who supported President Chávez. And, the topics reported on and the tenor of those reports so disfavored President Chávez that even our ambassador at the time was moved to worry that Washington was getting a picture of the Venezuelan political scene that underestimated President Chávez's popular support. (As noted above, the importance of broadening the range of contacts has been recognized by the embassy, and efforts have been undertaken to accomplish that goal.)

It can be argued that the very fact that the United States regularly and repeatedly met with those interested in ousting the Chávez government and heard them out may in and of itself have been seen as lending support to their efforts, notwithstanding our ritualistic denunciations of undemocratic and unconstitutional means. On the other hand, the mission would have been derelict in its duty to provide Washington with accurate, timely, and highly relevant information if it had not availed itself of such opportunities to learn of plots and plans against the host government from the plotters and planners themselves.

Embassy Caracas was aware of and sensitive to this tension between the need to get close enough to the Venezuelan political stage to hear and see what was going on without getting so close as to become an actor itself. On at least one occasion, an element of the mission felt that further meetings with a particular group would, indeed, be read as tacit U.S. support and recommended to the then ambassador that contact be cut off. The ambassador readily agreed.

Some opposition figures reportedly believed that the manner of Chávez's ouster was consistent with the Venezuelan constitution and, therefore, with democratic processes. Though the United States invariably discouraged or dismissed the notion when raised by Venezuelan interlocutors, Article 350 of their constitution was taken by some Venezuelans to authorize regime change based on a "people power-type" popular uprising similar to that which occurred on April 11.

There were also those in the opposition who argued that Chávez himself was undemocratic and, so, overthrowing him was the only way to restore democracy. Far from being an obstacle to action against Chávez, then, those leaders may,

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ironically, have taken the standard pro-democracy U.S. policy statement to be a call **for** action against him.

Washington policymakers and embassy officials only occasionally spelled out the consequences of a failure to take the United States at its word that we were opposed to the use of undemocratic and unconstitutional means to oust Chávez. On relatively few occasions, apparently, did American interlocutors threaten non-recognition, bilateral and OAS sanctions, and other punitive measures.

Finally, our policy toward Venezuela was, necessarily, viewed in historical context. In Venezuelan eyes, the circumstances of recent regime changes in the region were murky and yet the United States quickly embraced the new governments. And, our record in the region a generation ago may have led some Venezuelans to conclude that our present profession of support for only democratic means of changing unfriendly governments in Latin America is hollow. Even our ambassador and others in Embassy Caracas themselves expressed doubts occasionally as to whether they were really believed when they repeatedly stressed U.S. opposition to undemocratic and unconstitutional moves against President Chávez.

Adding all of this together, it is not hard to see how the Department and Embassy Caracas could have said and done all that they reasonably could have said or done and still not have said and done enough to prevent what happened over the weekend of April 12-14. It appears, then, that the Spanish proverb, “a veces una cosa ves, y otra es,” (sometimes things look one way, but they are really another) applies to the United States’ perception of Chávez opponents and their perceptions of the United States in the six months before the weekend in question. Where Americans saw in our stock policy statement a “red light” against undemocratic, unconstitutional moves, at least some Venezuelans may have seen only a yellow one.

With regard to the criticism that the United States was too slow to decry Chávez’s ouster and too quick to deal with the provisional government, it is easier to make that judgment in hindsight. And, even in hindsight, considering what was known at the time, it is unfair to judge the Department and Embassy Caracas all that harshly.

According to reports that have yet to be definitively refuted, at least some pro-Chávez elements had fired on a massive crowd of peaceful anti-Chávez demonstrators, killing some and wounding many others. The government had attempted to block independent media coverage of these events. In the wee hours of the next morning, April 12, the highest-ranking military officer in the country (who was

known to be a close Chávez confidant) had gone on television to announce that President Chávez had resigned. The embassy subsequently received information from a highly credible source corroborating the resignation. It was understood that prior to resigning Chávez had fired his vice president and cabinet, leaving no constitutionally designated successor and no clear constitutional means of selecting one.

Far from being overly eager to accept as fact reports of President Chávez's resignation, the Department insisted that the embassy try to find a copy of the resignation document. About this time, President Chávez's attorney general announced to the press that President Chávez had not resigned, further confusing the situation. Eventually, a document purporting to effect both President Chávez's resignation and the dismissal of his cabinet (see Attachment 3) was sent to the embassy and then sent by the embassy to Washington. But, the document was unsigned, and Washington, still unsatisfied, continued to press the mission to try to find a signed one.

Meanwhile, on the ground in Caracas, the question of the manner of President Chávez's exit was becoming more and more academic. A senior member of President Chávez's government was reporting through OAS channels that Chávez was gone for good. Our ambassador learned from several other U.S. ambassadors in the region that the governments to which they were accredited were inclined to accept the legitimacy of the Carmona government.

And, while it is true, as critics of the United States' handling of these events have stressed, that the Río Group (a group of Latin American and Caribbean countries) invoked the IADC and condemned President Chávez's ouster as unconstitutional (see Attachment 4) a day before the U.S. mission to the OAS' statement to that effect (see Attachment 5), a number of factors should be kept in mind.

First, the Río Group coincidentally was meeting that very weekend, facilitating the timely issuance of a group statement. Second and more importantly, according to the OAS Secretary-General in the report on these events (see Attachment 6) that he subsequently prepared pursuant to the IADC, "It should be noted that the Río Group considered President Chávez's resignation a *fait accompli*, along with the removal of the vice president and cabinet. Consequently, no request was made (by the Río Group) for (President Chávez's) return to power as part of the necessary actions to defend constitutional order."

So, even the Río Group quickly turned its attention away from the circumstances of Chávez's ouster to dealing with the Carmona government, and working

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to ensure that it returned Venezuela to a constitutional and democratic path as quickly as possible, including calling for new elections. This also was the approach of the Department and the embassy.

From its beginning to its end shortly thereafter, the provisional government of businessman Pedro Carmona was urged by the United States to restore constitutional order and to follow democratic norms. Noting President Chávez's reported resignation in the early hours of April 12 and the apparent absence of a constitutional successor, a Department spokesman emphasized in a statement issued in Washington a few hours later (see Attachment 7) that "...the essential elements of democracy, which have been weakened in recent months, must be restored fully." Additionally that day, Ambassador Shapiro issued a statement from Embassy Caracas to the same effect (see Attachment 8), and the United States issued a joint statement with Spain (see Attachment 9) calling for "democratic normalization" and "the consolidation of a stable democratic framework."

And, though, the United States worked with the provisional government in an effort to restore democracy and constitutionality, the United States hardly embraced Carmona. Throughout the Carmona regime's brief tenure, the U.S. government kept some distance from it. For example, with the concurrence of Washington, Ambassador Shapiro resolved, if invited, not to attend Carmona's inauguration, and when asked by a Venezuelan military opposition leader to facilitate President Chávez's departure from the country, the ambassador declined.

When word reached the embassy of Carmona's plans to dissolve the National Assembly and the Supreme Court, Washington instructed our ambassador to call Carmona and urge him to preserve democracy and follow constitutional processes. Specifically in that call, the ambassador warned Carmona that dissolving the National Assembly and Supreme Court would be unconstitutional and therefore unacceptable to the United States, the OAS, and the world community. Carmona was advised to be sworn in by a Supreme Court Justice and confirmed by the National Assembly. The same message was conveyed to the Venezuelan mission in Washington and to influential Venezuelan private citizens through informal channels. The United States also made a point of calling for early elections. Though, later that day, Carmona did, indeed, call for elections in a year, he ignored the rest of the U.S.' advice, dissolving both the National Assembly and the Supreme Court, and swearing himself into office.

On Washington's instructions, our ambassador urgently sought a face to face meeting with Carmona, teaming up with his Spanish counterpart to tell Carmona when they met the next morning that dissolving the legislative and judicial branches of the federal government had been a grave mistake and to urge him to reverse

course. Our ambassador to the OAS made a speech to his colleagues a few hours later that day (April 13) challenging the legitimacy of the Carmona government and urging a meeting under the auspices of the IADC. Carmona duly reversed course later in the day, announcing the reconvening of the National Assembly, but by then pro-Chávez forces were already setting in motion the chain of events that would lead to President Chávez's restoration to power in the early morning hours of April 14.

In retrospect, the Department could, perhaps, be criticized for not buttressing its vigorous behind the scenes OAS diplomacy with a swift unilateral statement decrying Carmona's dissolution of the National Assembly and Supreme Court and other undemocratic moves. But, events unfolded so quickly that weekend that by Monday morning President Chávez was back in power.

Furthermore, having been criticized harshly as having a unilateralist approach to foreign policy throughout the world, having been accused of a history of unilateralism in Latin America in particular, and having gone to great lengths just months earlier to join our regional partners in crafting a mechanism to deal with this very kind of threat to democracy (Secretary Powell stayed on in Lima with his OAS colleagues on September 11, 2001, long enough to sign the IADC), the United States was especially keen to avail itself of the good offices of the OAS and to use the newly-minted IADC to deal with the first hemispheric crisis to come along after its signing.

In our judgment, then, the Department and Embassy Caracas worked diligently to promote democracy and constitutionality throughout the period in question. They promptly and strongly condemned what they understood to be the undemocratic acts of the Chávez regime, and they promptly and strongly condemned the undemocratic acts of the Carmona regime.

In the months leading up to that fateful April weekend, the United States had taken issue with President Chávez and certain of his policies, to be sure. Consequently, when he was ousted and restored to power some 48 hours later, the United States was neither particularly sorry to see him go nor particularly happy to see him come back. OIG, however, finds no evidence that the Department of State or Embassy Caracas played any role in President Chávez's brief overthrow.

LIST OF ABBREVIATIONS

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A	Bureau of Administration
A/S	Assistant Secretary
ACILS	American Center for International Labor Solidarity
AD	Acción Democrática (Venezuelan Political Party)
AECA	Arms Export Control Act
CA/OCS	Bureau of Consular Affairs/Office of Overseas Citizens Services
CEVEU	Business Council of Venezuela-U.S.
CIPE	Center for International Private Enterprise
CNN	Cable News Network
CONSINDUSTRIA	The Industrial Chamber of Commerce
CSIS	Center for Strategic and International Studies
CTV	Venezuelan Workers Confederation
D/C	Office of Strategic Communications
DAO	Defense Attaché Office
DCM	Deputy Chief of Mission
Department	Department of State
DIA	Defense Intelligence Agency
DISIP	Venezuelan National Security Police & Civilian Intelligence Service
DOD	Department of Defense
EAC	Emergency Action Committee
ECA	Bureau of Education and Cultural Affairs
ELN	National Liberation Army
FAA	Federal Aviation Administration
FARC	Revolutionary Armed Forces of Colombia
FEDECAMARAS	The National Federation of Chambers of Commerce
FY	Fiscal Year

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IADC	Inter-American Democratic Charter
IIP	International Information Programs
INL	Bureau of International Narcotics and Law Enforcement Affairs
INR	Bureau of Intelligence and Research
IPYS	Instituto de Prensa y Sociedad
IRI	International Republican Institute
L/WHA	Office of the Legal Adviser for Western Hemisphere Affairs
MAS-más	Movimiento Al Socialismo (political party)
MILGRP	Military Group
MPP	Mission Performance Plan
MVR	Fifth Republic Movement (President Chávez's political party)
NDI	National Democratic Institute for International Affairs
NED	National Endowment for Democracy
NGO	Non-governmental organization
NSC	National Security Council
OAS	Organization of American States
OIG	Office of Inspector General
OTI	Office of Transition Initiatives
PA	Bureau of Public Affairs
PCC	Policy Coordination Committee
PDVSA	Petroleos de Venezuela, S.A, Venezuela's state-owned oil company
PRODEL	Procesos Democráticos Latino Americano
PPT	Patria Para Todos (political party)
S/S-O	Office of the Secretary/Operations Center
USAID	United States Agency for International Development
USIA	United States Information Agency

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USOAS	United States Mission to the Organization of American States
USSOUTHCOM	United States Southern Command
WHA	Bureau of Western Hemisphere Affairs
WHA/AND	Bureau of Western Hemisphere Affairs/Office of Andean Affairs
WHA/DAS	Bureau of Western Hemisphere Affairs/Deputy Assistant Secretary

ATTACHMENT 11

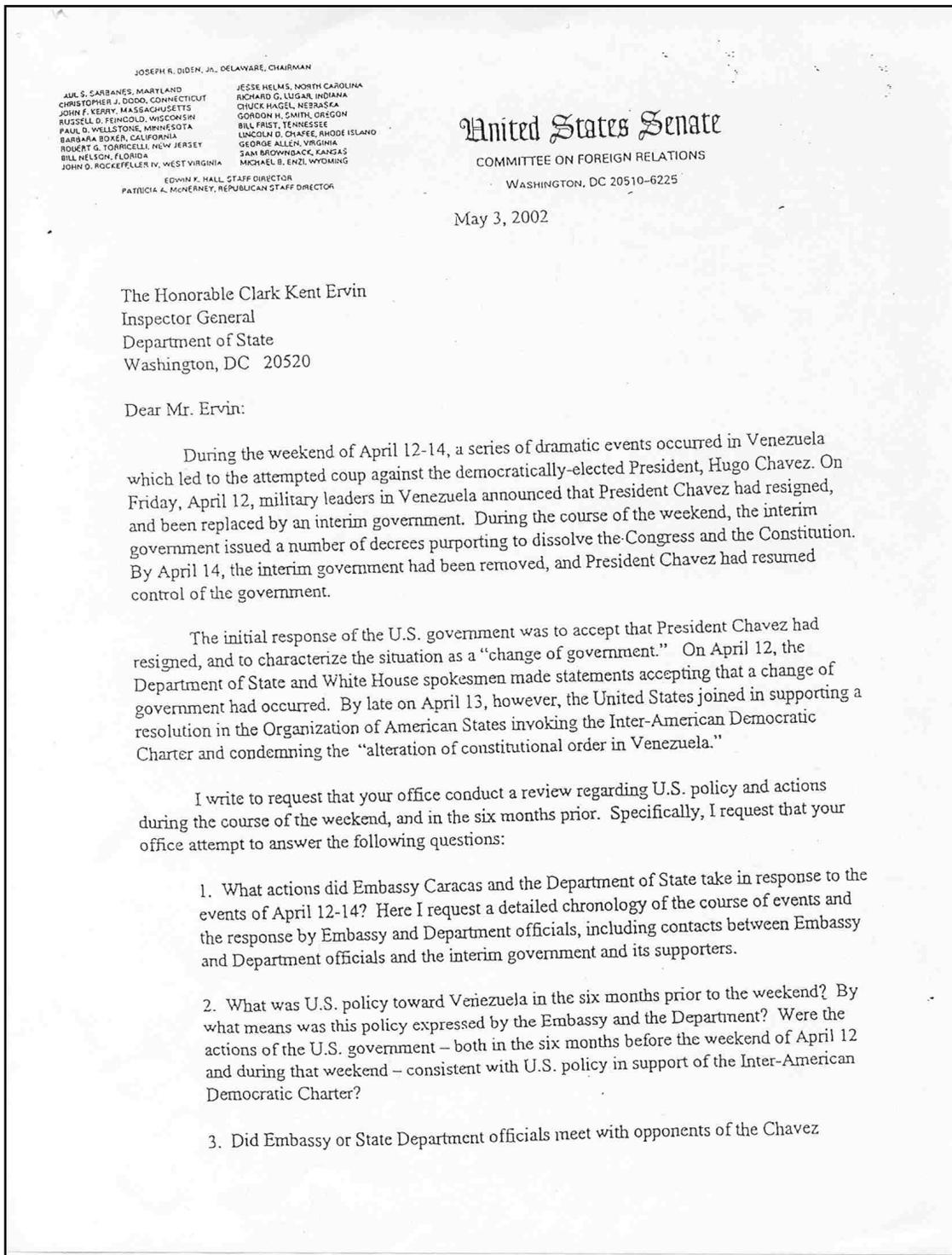
PHOTOGRAPHS OF CARACAS DEMONSTRATION, APRIL 11, 2002

(TO BE SCANNED AND ADDED)

¹ Ambassador Donna J. Hrinak assumed charge of our embassy in Venezuela on August

14, 2000, and left Venezuela on February 27, 2002.

Letter of the Honorable Christopher J. Dodd, Chairman of the Senate Subcommittee on Western Hemisphere, Peace Corps and Narcotics Affairs, sent to the Department of State Inspector General on May 3, 2002



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government in the six months before the weekend of April 12? With whom? With what frequency? At what level? Were these meetings consistent with normal Embassy or Department practice?

4. Did opponents of the Chavez government who met with Embassy or Department officials request or seek the support of the U.S. government for actions aimed at removing or undermining that government? What was the response of Embassy or Department officials to such requests? How were those responses conveyed? Orally, or in writing?

5. Were U.S. assistance programs in Venezuela during the six months prior to the weekend of April 12 – either through normal assistance channels or through programs funded by the National Endowment for Democracy – carried out in a manner consistent with U.S. law and policy?

In conducting your review, I request that you review relevant documents, including e-mails, memoranda, cables, telephone transcripts, press guidance, telephone and meeting logs, and relevant intelligence collection and analysis available to the Department or Embassy Caracas. I also request that you interview relevant U.S. government officials and officials associated with non-governmental organizations which receive U.S. government funding, such as monies made available through the National Endowment for Democracy.

Finally, I request that you conduct your review on an expedited basis, with an objective of submitting a final report by July 3. I look forward to your report on this very important subject.

Sincerely yours,



Christopher J. Dodd
Chairman
Subcommittee on Western Hemisphere,
Peace Corps and Narcotics Affairs

The Inter-American Democratic Charter

Lima, September 11, 2001

INTER-AMERICAN DEMOCRATIC CHARTER

THE GENERAL ASSEMBLY,

CONSIDERING that the Charter of the Organization of American States recognizes that representative democracy is indispensable for the stability, peace, and development of the region, and that one of the purposes of the OAS is to promote and consolidate representative democracy, with due respect for the principle of nonintervention;

RECOGNIZING the contributions of the OAS and other regional and sub-regional mechanisms to the, promotion and consolidation of democracy in the Americas;

RECALLING that the Heads of State and Government of the Americas, gathered at the Third Summit of the Americas, held from April 20 to 22, 2001 in Quebec City, adopted a democracy clause which establishes that any unconstitutional alteration or interruption of the democratic order in a state of the Hemisphere constitutes an insurmountable obstacle to the participation of that state's government in the Summits of the Americas process;

BEARING IN MIND that existing democratic provisions in regional and subregional mechanisms express the same objectives as the democracy clause adopted by the Heads of State and Government in Quebec City;

REAFFIRMING that the participatory nature of democracy in our countries in different aspects of public life contributes to the consolidation of democratic values and to freedom and solidarity in the Hemisphere;

CONSIDERING that solidarity among and cooperation between American states require the political organization of those states based on the effective exercise of representative democracy, and that economic growth and social development based on justice and equity, and democracy are interdependent and mutually reinforcing;

REAFFIRMING that the fight against poverty, and especially the elimination of extreme poverty, is essential to the promotion and consolidation of democracy and constitutes a common and shared responsibility of the American states;

BEARING IN MIND that the American Declaration on the Rights and Duties of Man and the American Convention on Human Rights contain the values and principles of liberty, equality, and social justice that are intrinsic to democracy;

REAFFIRMING that the promotion and protection of human rights is a basic prerequisite for the existence of a democratic society, and recognizing the importance of the continuous development and strengthening of the inter-American human rights system for the consolidation of democracy;

CONSIDERING that education is an effective way to promote citizens' awareness concerning their own countries and thereby achieve meaningful participation in the

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decision-making process, and reaffirming the importance of human resource development for a sound democratic system;

RECOGNIZING that a safe environment is essential to the integral development of the human being, which contributes to democracy and political stability;

BEARING IN MIND that the Protocol of San Salvador on Economic, Social, and Cultural Rights emphasizes the great importance of the reaffirmation, development, improvement, and protection of those rights in order to consolidate the system of representative democratic government;

RECOGNIZING that the right of workers to associate themselves freely for the defense and promotion of their interests is fundamental to the fulfillment of democratic ideals;

TAKING INTO ACCOUNT that, in the Santiago Commitment to Democracy and the Renewal of the Inter-American System, the ministers of foreign affairs expressed their determination to adopt a series of effective, timely, and expeditious procedures to ensure the promotion and defense of representative democracy, with due respect for the principle of nonintervention; and that resolution AG/RES. 1080 (XXI-0/91) therefore established a mechanism for collective action in the case of a sudden or irregular interruption of the democratic political institutional process or of the legitimate exercise of power by the democratically-elected government in any of the Organization's member states, thereby fulfilling a long-standing aspiration of the Hemisphere to be able to respond rapidly and collectively in defense of democracy;

RECALLING that, in the Declaration of Nassau [AG/DEC. 1 (XXII-0/92)], it was agreed to develop mechanisms to provide assistance, when requested by a member state, to promote, preserve, and strengthen representative democracy, in order to complement and give *effect* to the provisions of resolution AG/RES. 1080 (XXI- 0/ 91);

BEARING IN MIND that, in the Declaration of Managua for the Promotion of Democracy and Development [AG/DEC. 4 (XXIII-0/93)], the member states expressed their firm belief that democracy, peace, and development are inseparable and indivisible parts of a renewed and integral vision of solidarity in the Americas; and that the ability of the Organization to help preserve and strengthen democratic structures in the region will depend on the implementation of a strategy based on the interdependence and complementarity of those values;

CONSIDERING that, in the Declaration of Managua for the Promotion of Democracy and Development, the member states expressed their conviction that the Organization's mission is not limited to the defense of democracy wherever its fundamental values and principles have collapsed, but also calls for ongoing and creative work to consolidate democracy as well as a continuing effort to prevent and anticipate the very causes of the problems that affect the democratic system of government;

BEARING IN MIND that the Ministers of Foreign Affairs of the Americas, at the thirty-first regular session of the General Assembly, held in San Jose, Costa Rica, in keeping with express instructions from the Heads of State and Government gathered at the Third Summit of the Americas, in Quebec City, accepted the base document of the Inter-American Democratic Charter and entrusted the Permanent Council of the

Organization with strengthening and expanding the document, in accordance with the OAS Charter, for final adoption at a special session of the General Assembly in Lima, Peru;

RECOGNIZING that all the rights and obligations of member states under the OAS Charter represent the foundation on which democratic principles in the Hemisphere are built; and

BEARING IN MIND the progressive development of international law and the advisability of clarifying the provisions set forth in the OAS Charter and related basic instruments on the preservation and defense of democratic institutions, according to established practice,

RESOLVES:

To adopt the following:

INTER-AMERICAN DEMOCRATIC CHARTER

I

Democracy and the Inter-American System

Article 1

The peoples of the Americas have a right to democracy and their governments have an obligation to promote and defend it.

Democracy is essential for the social, political, and economic development of the peoples of the Americas.

Article 2

The effective exercise of representative democracy is the basis for the rule of law and of the constitutional regimes of the member states of the Organization of American States. Representative democracy is strengthened and deepened by permanent, ethical, and responsible participation of the citizenry within a legal framework conforming to the respective constitutional order.

Article 3

Essential elements of representative democracy include, *inter alia*, respect for human rights and fundamental freedoms, access to and the exercise of power in accordance with the rule of law, the holding of periodic, free, and fair elections based on secret balloting and universal suffrage as an expression of the sovereignty of the people, the pluralistic system of political parties and organizations, and the separation of powers and independence of the branches of government.

Article 4

Transparency in government activities, probity, responsible public administration on the part of governments, respect for social rights, and freedom of expression and of the press are essential components of the exercise of democracy.

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The constitutional subordination of all state institutions to the legally constituted civilian authority and respect for the rule of law on the part of all institutions and sectors of society are equally essential to democracy.

Article 5

The strengthening of political parties and other political organizations is a priority for democracy. Special attention will be paid to the problems associated with the high cost of election campaigns and the establishment of a balanced and transparent system for their financing.

Article 6

It is the right and responsibility of all citizens to participate in decisions relating to their own development. This is also a necessary condition for the full and effective exercise of democracy. Promoting and fostering diverse forms of participation strengthens democracy.

II

Democracy and Human Rights

Article 7

Democracy is indispensable for the effective exercise of fundamental freedoms and human rights in their universality, indivisibility and interdependence, embodied in the respective constitutions of states and in inter-American and international human rights instruments.

Article 8

Any person or group of persons who consider that their human rights have been violated may present claims or petitions to the inter-American system for the promotion and protection of human rights in accordance with its established procedures.

Member states reaffirm their intention to strengthen the inter-American system for the protection of human rights for the consolidation of democracy in the Hemisphere.

Article 9

The elimination of all forms of discrimination, especially gender, ethnic and race discrimination, as well as diverse forms of intolerance, the promotion and protection of human rights of indigenous peoples and migrants, and respect for ethnic, cultural and religious diversity in the Americas contribute to strengthening democracy and citizen participation.

Article 10

The promotion and strengthening of democracy requires the full and effective exercise of workers' rights and the application of core labor standards, as recognized in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and its Follow-up, adopted in 1998, as well as other related fundamental ILO conventions. Democracy is strengthened by improving standards

in the workplace and enhancing the quality of life for workers in the Hemisphere.

III

Democracy, Integral Development, and Combating Poverty

Article 11

Democracy and social and economic development are interdependent and are mutually reinforcing.

Article 12

Poverty, illiteracy, and low levels of human development are factors that adversely affect the consolidation of democracy. The OAS member states are committed to adopting and implementing all those actions required to generate productive employment, reduce poverty, and eradicate extreme poverty, taking into account the different economic realities and conditions of the countries of the Hemisphere. This shared commitment regarding the problems associated with development and poverty also underscores the importance of maintaining macroeconomic equilibria and the obligation to strengthen social cohesion and democracy.

Article 13

The promotion and observance of economic, social, and cultural rights are inherently linked to integral development, equitable economic growth, and to the consolidation of democracy in the states of the Hemisphere.

Article 14

Member states agree to review periodically the actions adopted and carried out by the Organization to promote dialogue, cooperation for integral development, and the fight against poverty in the Hemisphere, and to take the appropriate measures to further these objectives.

Article 15

The exercise of democracy promotes the preservation and good stewardship of the environment. It is essential that the states of the Hemisphere implement policies and strategies to protect the environment, including application of various treaties and conventions, to achieve sustainable development for the benefit of future generations.

Article 16

Education is key to strengthening democratic institutions, promoting the development of human potential, and alleviating poverty and fostering greater understanding among our peoples. To achieve these ends, it is essential that a quality education be available to all, including girls and women, rural inhabitants, and minorities.

IV

Strengthening and Preservation of Democratic Institutions

Article 17

When the government of a member state considers that its democratic political institutional process or its legitimate exercise of power is at risk, it may request assistance from the Secretary General or the Permanent Council for the strengthening and preservation of its democratic system.

Article 18

When situations arise in a member state that may affect the development of its democratic political institutional process or the legitimate exercise of power, the Secretary General or the Permanent Council may, with prior consent of the government concerned, arrange for visits or other actions in order to analyze the situation. The Secretary General will submit a report to the Permanent Council, which will undertake a collective assessment of the situation and, where necessary, may adopt decisions for the preservation of the democratic system and its strengthening.

Article 19

Based on the principles of the Charter of the OAS and subject to its norms, and in accordance with the democracy clause contained in the Declaration of Quebec City, an unconstitutional interruption of the democratic order or an unconstitutional alteration of the constitutional regime that seriously impairs the democratic order in a member state, constitutes, while it persists, an insurmountable obstacle to its government's participation in sessions of the General Assembly, the Meeting of Consultation, the Councils of the Organization, the specialized conferences, the commissions, working groups, and other bodies of the Organization.

Article 20

In the event of an unconstitutional alteration of the constitutional regime that seriously impairs the democratic order in a member state, any member state or the Secretary General may request the immediate convocation of the Permanent Council to undertake a collective assessment of the situation and to take such decisions as it deems appropriate.

The Permanent Council, depending on the situation, may undertake the necessary diplomatic initiatives, including good offices, to foster the restoration of democracy.

If such diplomatic initiatives prove unsuccessful, or if the urgency of the situation so warrants, the Permanent Council shall immediately convene a special session of the General Assembly. The General Assembly will adopt the decisions it deems appropriate, including the undertaking of diplomatic initiatives, in accordance with the Charter of the Organization, international law, and the provisions of this Democratic Charter.

The necessary diplomatic initiatives, including good offices, to foster the restoration of democracy, will continue during the process.

Article 21

When the special session of the General Assembly determines that there has been an unconstitutional interruption of the democratic order of a member state, and that diplomatic initiatives have failed, the special session shall take the decision to suspend said member state from the exercise of its right to participate in the OAS by an affirmative vote of two thirds of the member states in accordance with the Charter of the OAS. The

suspension shall take effect immediately.

The suspended member state shall continue to fulfill its obligations to the Organization, in particular its human rights obligations.

Notwithstanding the suspension of the member state, the Organization will maintain diplomatic initiatives to restore democracy in that state.

Article 22

Once the situation that led to suspension has been resolved, any member state or the Secretary General may propose to the General Assembly that suspension be lifted. This decision shall require the vote of two thirds of the member states in accordance with the OAS Charter.

V

Democracy and Electoral Observation Missions

Article 23

Member states are responsible for organizing, conducting, and ensuring free and fair electoral processes.

Member states, in the exercise of their sovereignty, may request that the Organization of American States provide advisory services or assistance for strengthening and developing their electoral institutions and processes, including sending preliminary missions for that purpose.

Article 24

The electoral observation missions shall be carried out at the request of the member state concerned. To that end, the government of that state and the Secretary General shall enter into an agreement establishing the scope and coverage of the electoral observation mission in question. The member state shall guarantee conditions of security, free access to information, and full cooperation with the electoral observation mission.

Electoral observation missions shall be carried out in accordance with the principles and norms of the OAS. The Organization shall ensure that these missions are effective and independent and shall provide them with the necessary resources for that purpose. They shall be conducted in an objective, impartial, and transparent manner and with the appropriate technical expertise.

Electoral observation missions shall present a report on their activities in a timely manner to the Permanent Council, through the General Secretariat.

Article 25

The electoral observation missions shall advise the Permanent Council, through the General Secretariat, if the necessary conditions for free and fair elections do not exist.

The Organization may, with the consent of the state concerned, send special missions with a view to creating or improving said conditions.

VI

Promotion of a Democratic Culture

Article 26

The OAS will continue to carry out programs and activities designed to promote democratic principles and practices and strengthen a democratic culture in the Hemisphere, bearing in mind that democracy is a way of life based on liberty and enhancement of economic, social, and cultural conditions for the peoples of the Americas. The OAS will consult and cooperate on an ongoing basis with member states and take into account the contributions of civil society organizations working in those fields.

Article 27

The objectives of the programs and activities will be to promote good governance, sound administration, democratic values, and the strengthening of political institutions and civil society organizations. Special attention shall be given to the development of programs and activities for the education of children and youth as a means of ensuring the continuance of democratic values, including liberty and social justice.

Article 28

States shall promote the full and equal participation of women in the political structures of their countries as a fundamental element in the promotion and exercise of a democratic culture.

Alleged Resignation of President Chávez

REPÚBLICA BOLIVARIANA DE VENEZUELA
DISPACHO DEL PRESIDENTE

DECRETO

DE CONFORMIDAD CON LO ESTABLECIDO EN EL ARTICULO 236 NUMERAL TERCERO DE LA CONSTITUCION, REMUEVO AL CIUDADANO VICEPRESIDENTE EJECUTIVO DE LA REPUBLICA, DIOSDADO CABELLO Y A TODOS LOS MINISTROS QUE CONFORMAN EL GABINETE EJECUTIVO

ASI MISMO, CON FUNDAMENTO EN EL ARTICULO 233 DE LA CONSTITUCION, PRESENTO ANTE EL PAIS MI RENUNCIA IRREVOCABLE AL CARGO DE PRESIDENTE DE LA REPUBLICA QUE HASTA EL DIA DE HOY 12 DE ABRIL DEL 2002 HE DETENTADO DADO Y FIRMADO EN LA CIUDAD DE CARACAS A LOS DOCE DIAS DEL MES DE ABRIL DE 2002, AÑOS 191 DE LA INDEPENDENCIA Y 142 DE LA FEDERACION

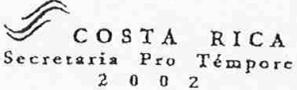
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HUGO RAFAEL CHAVEZ FRIAS

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April 12, 2002, Río Group Statement on the Situation in Venezuela



REPÚBLICA DE COSTA RICA
MINISTERIO DE RELACIONES EXTERIORES Y CULTO
DIRECCION GENERAL DE POLÍTICA EXTERIOR
Secretaría Pro - Tempore

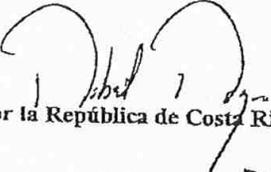
San José, 12 de abril de 2002.

Excelentísimo Señor
César Gaviria
Secretario General
Organización de Estados Americanos (OEA)
Presente.-

Estimado Señor:

Los Ministros de Relaciones Exteriores del Grupo de Río, reunidos en San José, Costa Rica, con ocasión de la XVI Cumbre de Jefes de Estado y de Gobierno, solicitamos la convocatoria inmediata del Consejo Permanente para realizar una apreciación colectiva de la situación en la República Bolivariana de Venezuela, y adoptar las decisiones que estime convenientes, de conformidad con el artículo 20 de la Carta Democrática Interamericana.

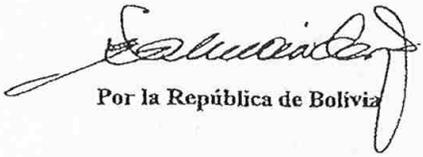
Hacemos propicia la oportunidad para reiterarle a Usted las seguridades de nuestra alta y distinguida consideración.

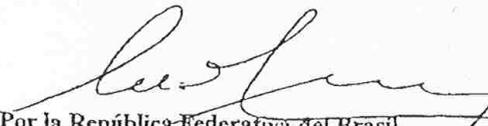

Por la República de Costa Rica


Por la República de Chile

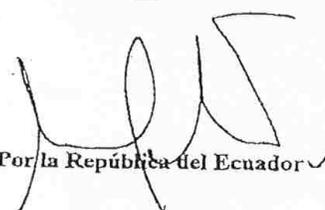

Por la República Argentina


Por la República del Perú

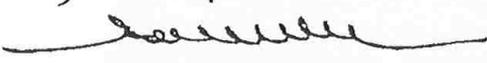

Por la República de Bolivia

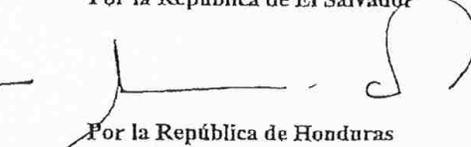

Por la República Federativa del Brasil

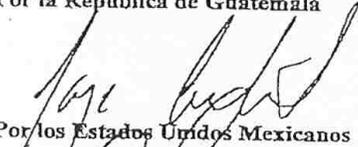
Clemençia Forero Joró
Por la República de Colombia


Por la República del Ecuador


Por la República de El Salvador

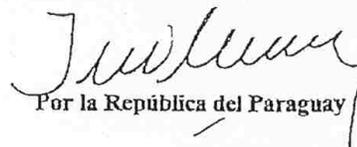

Por la República de Guatemala

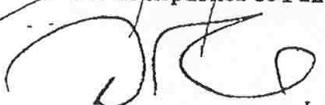

Por la República de Honduras


Por los Estados Unidos Mexicanos

Georgette Amado
Por la República de Nicaragua


Por la República de Panamá


Por la República del Paraguay


Por la República Dominicana

Por la República Oriental del Uruguay

Por la Comunidad del Caribe (CARICOM)

-3 -

**DECLARACION DEL GRUPO DE RIO
SOBRE LA SITUACION EN VENEZUELA**

Los Presidentes de los países miembros del Mecanismo Permanente de Consulta y Concertación Política, Grupo de Río, ante los hechos ocurridos en Venezuela, y ratificando su adhesión a los procedimientos democráticos y al Estado de Derecho, expresan lo siguiente:

- 1) Reafirman el Derecho de los pueblos a la democracia y la obligación de los gobiernos de promoverla y defenderla, y reconocen que la democracia representativa es indispensable para la paz y el desarrollo de la región dentro del marco de la Carta Democrática Interamericana.
- 2) Lamentan los hechos de violencia que han provocado la pérdida de vidas humanas y acompañan al pueblo venezolano en su deseo de reconstruir una democracia plena, con garantías ciudadanas y de respeto a las libertades fundamentales.
- 3) Condenan la interrupción del orden constitucional en Venezuela, generada por un proceso de polarización creciente.
- 4) Insta a la normalización de la institucionalidad democrática en el marco de la Carta Democrática Interamericana y a dar los pasos necesarios para la realización de elecciones claras y transparentes, en consonancia con los mecanismos previstos por la Constitución venezolana.
- 5) Informa que el Grupo de Río ha solicitado al Secretario General de la OEA la convocatoria de una sesión extraordinaria del Consejo Permanente conforme al artículo 20 de la Carta Democrática Interamericana, para realizar una apreciación colectiva de la situación y adoptar las decisiones que estime conveniente.
- 6) Solicitamos al Secretario General de la OEA, se disponga a tomar contacto con la realidad política de Venezuela a través de los medios que considere más adecuados.

San José, 12 de abril del 2002

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Organization of American States Resolution on the Situation in Venezuela



Organization of American States
www.oas.org

CP/RES. 811 (1315/02)

SITUATION IN VENEZUELA

THE PERMANENT COUNCIL OF THE ORGANIZATION OF AMERICAN STATES,

CONSIDERING that the Charter of the Organization of American States recognizes that representative democracy is indispensable for the stability, peace, and development of the region, and that one of the purposes of the OAS is to promote and consolidate representative democracy, with due respect for the principle of nonintervention;

REAFFIRMING the right of the peoples of the Americas to democracy and the obligation of governments to promote and defend it;

TAKING INTO ACCOUNT that the Inter-American Democratic Charter recognizes as essential elements of representative democracy, *inter alia*, respect for human rights and fundamental freedoms, access to and the exercise of power in accordance with the rule of law, the holding of periodic, free, and fair elections based on secret balloting and universal suffrage as an expression of the sovereignty of the people, the pluralistic system of political parties and organizations, and the separation of powers and independence of the branches of government;

REITERATING that transparency in government activities, probity, responsible public administration on the part of governments, respect for social rights, and freedom of expression and of the press are essential components of the exercise of democracy; and that the constitutional subordination of all state institutions to the legally constituted civilian authority and respect for the rule of law on the part of all institutions and sector of society are equally essential to democracy;

BEARING IN MIND the deterioration of the institutional order and of the democratic process in Venezuela; and

CONSIDERING that an alteration of the constitutional regime has occurred in Venezuela, which seriously impairs the democratic order and justifies the application of the mechanisms provided for in Article 20 of the Inter-American Democratic Charter,

RESOLVES:

1. To condemn the alteration of constitutional order in Venezuela.
2. To condemn the deplorable acts of violence that have led to the loss of

human life.

3. To express solidarity with the people of Venezuela, and support their resolve to re-establish full democracy, with guarantees for citizens and respect for fundamental freedoms, within the framework of the Inter-American Democratic Charter.

4. To call for the normalization of the democratic institutional framework in Venezuela within the context of the Inter-American Democratic Charter.

5. To send to Venezuela, as a matter of urgency, a Mission headed by the Secretary General of the OAS, with the aim of carrying out a fact-finding mission and undertaking the necessary diplomatic initiatives, including good offices, to promote as quickly as possible the normalization of the democratic institutional framework. The Permanent Council shall be kept informed of the initiatives taken.

6. To convoke in accordance with Article 20, third paragraph, of the Inter-American Democratic Charter, a special session of the General Assembly, to be held at OAS headquarters, on Thursday, April 18, 2002, to receive the report of the Secretary General and to adopt such decisions as it may deem appropriate.

7. To continue to consider this matter.

Report of the Secretary General of the Organization of American States,
Cesar Gaviria, Pursuant to Resolution CP/RES. 811(1315/02)

REPORT OF THE SECRETARY GENERAL OF THE
ORGANIZATION OF AMERICAN STATES,
CESAR GAVIRIA,
PURSUANT TO RESOLUTION CP/RES. 811(1315/02)
Situation in Venezuela
Washington D.C. April 18, 2002

As Secretary General of the OAS, it is incumbent upon me to present to this special session of the General Assembly the report mandated by the Permanent Council in resolution CP/RES. 811 (1315/02), pursuant to Article 20 of the Inter-American Democratic Charter. This resolution directed me to carry out a fact-finding mission and undertake the necessary initiatives, including good offices, to promote as quickly as possible the normalization of the democratic institutional framework.

Once the presidents of the Rio Group had concluded their meeting in Costa Rica last Friday, April 12, I was informed of their decisions both by President Miguel Angel Rodríguez and by Foreign Minister Roberto Rojas. I was able to exchange views with them throughout the day, along with the Chair of the Permanent Council, Ambassador Margarita Escobar, and I closely followed their deliberations. At the end of the meeting, we undertook consultations with a view to following up on the Group of Rio's request that a meeting of the Permanent Council be held as soon as possible. The presidents also asked me to ascertain the political reality in Venezuela by the means I deemed most appropriate.

It should be noted that the Rio Group considered President Chávez' resignation a *fait accompli*, along with the removal of the vice president and the cabinet. Consequently, no request was made for his return to power as part of the necessary actions to defend constitutional order .

In informal and closed meetings the previous Friday evening and Saturday, under the able leadership of Ambassador Margarita Escobar, the Council examined the situation in Venezuela, condemned the alteration of constitutional order and the deplorable acts of violence, and expressed solidarity with the people of that country. On Saturday morning, the self-styled president of the transitional government called to report that there had been an alteration of constitutional order and to make other statements contained in a message that was distributed to the delegations, He also said that they wished to be represented at the meeting by an official in the Venezuelan mission, and that they would subsequently send his credentials. All of this was brought to the attention of the missions. I told him that the following day I would be traveling to Caracas pursuant to the mandate that the Permanent Council.

As authorized by the Permanent Council, the Secretary General was accompanied by Ambassador Margarita Escobar, Chair of the Permanent Council, and Ambassador Lisa Shoman, Representative of Belize and spokesperson for CARICOM. Some of the ambassadors of the Rio Group were not able to travel with me because the mission had to leave on such short notice. The ambassadors accompanying me were of great service and gave me very valuable advice, but I should make clear that everything I said during the mission—in private meetings, to the mass media, and in this report—is my sole responsibility.

You will surely understand the difficulty in presenting a report on the full range of incidents that took place. Nonetheless, I have endeavored to make a succinct presentation on the events leading up to April 11 to 13, which should in no way be interpreted as a justification of the alteration of constitutional order. It is merely a brief review of the context in which the tragic events of April 11.

Given the very difficult situation experienced by democratic institutions in Venezuela, I also thought it advisable to look at aspects of the country's institutional order in relation to the Democratic Charter, I should begin by stating that, until it is proven otherwise, the organizers of the demonstration convened by the political opposition and many social organizations on the days prior to, and on, April 11 were different from those who usurped power, detained President Chávez, and endeavored to establish what they referred to as a provisional government. This government's rule was broadly and widely rejected not only because of its origins, but also owing to its decisions, which resulted in the closing down of institutions established by popular vote, the intervention of the Judiciary and the so-called "moral power" organizations, and in practice the derogation of the Constitution and many actions taken in accordance with it.

What we can say is that the government, which was in the process of just being established, without any democratic legitimacy, was the result of decisions taken by the military. In a letter made available to the members of the Permanent Council, the person heading the self-styled provisional government specifically recognized the constitutional breach.

Fortunately for the democratic institutions in Venezuela, this alteration of constitutional order was reversed by the reaction of a considerable number of officers of the Armed Forces and by a vigorous reaction by citizens, both defenders and opponents of the Government of President Chávez.

As part of the charge entrusted to me, I met with a broad spectrum of representatives for the country's leading institutions, such as President Hugo Chávez and his foreign minister; the leadership of the National Assembly; the Attorney General, the comptroller general, the ombudsman, the president of the Supreme Court. I also met with the Cardinal and with representatives of the Bishops' Conference, civil society groups, representatives of some daily newspapers, television and radio networks, the Confederation of Workers, members of opposition parties in the National Assembly, and other figures who came with documents expressing their opinions on the incidents and giving their interpretation of the reality in Venezuela.

Distinguished foreign ministers: After my talks with the various sectors, I would like to make the following points.

The President of the Republic, in all of his speeches, has spoken of reflection, of rectification, of amendment. He gave assurances "that there will be no desire for reprisals, for persecution, for abuse"; that what happened serves as a "major lesson"; "that the situation calls for deep reflection"; that it is necessary to act with "patience and good sense"; that it is necessary "to correct what needs to be corrected"; that "dialogue must be reestablished."

He spoke also of "unity while respecting differences" and noted that his first step would be to convene the Federal Council of Government as the epicenter of dialogue with all sectors, so as to reach the greatest possible degree of consensus in the economic, social, and political areas. He also stated that the president-designate of Petroleos de Venezuela (PDVSA) and the junta he appointed

had resigned, which would put an end to the issue that gave rise to the recent protests.

Although a good number of representatives of organizations outside the government have accepted the call of the President for dialogue, even after the fateful events of April 11 and 12, there is excessive polarization, not only among the natural political actors, such as the government, the political parties, and opposition groups, but among almost all labor, business, and civil society groups, representatives of some other branches of government, and the media. This excessive polarization has shades of intolerance that stand in the way of democratic dialogue and the quest for agreements that would provide a degree of understanding so as to maintain social harmony. There seems to be a widespread conviction that renewed confrontation between friends and opponents of the government is inevitable and could lead to increased social protest.

I also want to note the development of a dangerous practice of debate within the armed forces. Many leaders of public affairs constantly listen for what the various armed forces have to say about political developments, and even about the orders of the Commander in Chief, Constitutional President of the Republic. Some cite an article of the Constitution as grounds for such debate.

Opposition groups and other leaders of society distance themselves from constitutional standards in different ways. In particular, they express concern about the separation and independence of the branches of government and the lack of checks and balances in the specific case of Venezuela, since they believe that the leading figures were chosen by political majorities within the Assembly. The opposition representatives in the Assembly have called attention to a recent ruling by the Supreme Court of Justice which concludes that the presidential term begins in January, 2002.

Since the events mentioned earlier, there have been increased reports of human rights violations, acts of intimidation, and significant acts of vandalism and looting, and increasing numbers of persons dead or injured. This happened before, during and after the recent crisis. We referred these cases to the IACHR and, in some cases, to the Commission's Rapporteur for Freedom of Expression as well.

This Mission has received numerous complaints alleging that the Bolivarian Circles are responsible for these actions. The Bolivarian Circles are groups of citizens or grassroots organizations who support the President's political platform. Many sectors consider them responsible for the human rights violations, acts of intimidation, and looting.

Representatives of television network owners and a group of journalists believe that the Bolivarian Circles represent the greatest threat to freedom of the press and of expression. Several of these cases have already been submitted to the Inter-American Commission on Human Rights and to the Rapporteur for Freedom of Expression. It would be advisable for the government to work on these issues and to dispel many of the serious doubts that have arisen.

Television network representatives complain of the abrupt interruption of their private television channel signals, which they consider a violation of the Organic Telecommunications Act. This produced a systematic interruption of programming, with long statements by the President and other executive officials in the days leading up to April 11. They also demand that, in keeping with the IACHR recommendation, the Government issue "a categorical denunciation of the acts of aggression to which media personnel have been subjected."

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On the other hand, authorities representing the branches of government pointed to a lack of objectivity in some media outlets' reporting on the events that led to the restoration of constitutional order. Some media organizations have noted such concerns or complaints about the events and have provided explanations. It is not my place to judge whether those explanations are satisfactory or whether the objections raised are valid.

Representatives of opposition parties in the National Assembly consider their minority rights to have been violated. They called attention to the use of mechanisms of the enabling law. This is an old provision in Venezuelan constitutions that bestows on the Executive extensive legislative powers. The government of President Chavez made wide use of these powers, and illustrated the great resistance generated by the approval of norms without parliamentary debate and without public discussion in the Assembly.

The Venezuelan Confederation of Workers (CTV) (Central de Trabajadores de Venezuela) demanded that the Executive accept the CTV leaders chosen in the election called at the initiative of the national government itself. This confederation and its leaders are recognized by the International Labour Organization (ILO) and this demand can also be viewed in light of Article 10 of the Democratic Charter. The CTV leaders also call for the convocation of tripartite dialogue.

For those reasons, at meetings with various sectors, I took the liberty of proposing actions I believe should be taken immediately to prevent further expressions of discontent that could bring about other tragic events like those of April 11 and 12. In any case, it is important to reiterate some of the preambular and operative paragraphs of the Permanent Council resolution, especially as they regard repudiation of any breach of the constitutional order and condemnation of the violent events in which a number of people lost their lives.

The OAS, its member countries, the international community, and other organizations such as the Catholic Church, via the *Conferencia Episcopal*, could assist in fostering dialogue to ensure that these incidents are not repeated.

I would like to highlight, as well, some measures that must be taken to defuse some of the more serious conflicts, to regain governability, to achieve political stability, and to foster economic recovery.

It is fundamental that all sectors of society, at least all those I have referred to, seek mechanisms or agreements which ensure that respect for the Constitution is the foundation and framework of action for everyone in Venezuelan public life.

It is imperative that an agreement be reached so that Article 350 of the Constitution is not interpreted as everyone's right to rebellion. Such an interpretation might well lead to worse violence than that which has already occurred. Everyone must do their part to reach that understanding.

It is essential that the government, opposition, social actors, human rights organizations and the media commit to rejecting any participation in political debate on the part of the military, and to supporting military regulations which penalize this behavior. It is also essential that we abandon the interpretation held by some that that article of the constitution can serve as the basis for actions of any officials of the armed forces. I would like to reiterate that if we do not move in this direction, we could see new acts of insubordination against the civilian authorities. This General Assembly should be

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categorical in pointing out the obligation of constitutional subordination of all state institutions to the legally constituted civilian authority, as enshrined in Art. 4 of the Democratic Charter.

It is an absolute necessity to resort only to peaceful measures. The state, and let there be no doubt about this, must retain a monopoly on the legitimate use of force. The accusations that certain sectors are jeopardizing the legitimate use of force must be investigated. In all cases, any use of force must occur under authorization and within the normative framework to which the military adheres.

It is very important for Venezuela's democracy that the investigations into the tragic events surrounding the demonstrations of April 11 are conducted in such a way that their conclusions are accepted by all and that those responsible meet head-on the full weight of the law. What I say should not be interpreted as undermining the legitimately constituted authorities. With a good dose of political will, this can be achieved. In any case, we must learn from this experience because demonstrations with hundreds of thousands of people brings enormous risks.

We have been informed that the Assembly is considering setting up a commission of 25 members would be in charge of investigating the facts. There are differences with respect to the name of such a commission, the manner of its establishment and its composition.

The government and opposition should do everything within their reach to guarantee the separation of powers and effective checks and balances. Beyond the importance of establishing the supremacy of the Constitution, it is essential to re-establish complete confidence in the rule of law and ensure that all the pillars of society are to heed it. That is spelled out in Art. 4 of the Democratic Charter.

Whatever agreement is reached among the different sectors of Venezuelan society should, as the Democratic Charter indicates, fully respect freedom of expression and therefore of the press. It should be clear that any complaint or deficiency on this should be resolved in accordance with the Declaration of Chapultepec. This Secretariat publicly expressed its confidence that the government of President Chavez would resolve in a satisfactory manner concerns about security and intimidation alleged by representatives of the media with whom I met.

On the issue of television, it is important to come to an agreement on a code of conduct which, beyond the issue of laws, ensures compatibility between public interest television transmissions and the media's normal programming.

The international community should provide support to Venezuela to ensure that political parties and other political groups or movements once again become the principle actors in Venezuelan politics. The current vacuum, which other social sectors have sought to fill, has clearly demonstrated its limitations. Here we could look to actions under Art. 5 of the Democratic Charter.

This Mission would like to acknowledge the hospitality and support received from the government of President Chávez. I hope that, by presenting this report for your consideration, I have fulfilled the mandate of the Permanent Council. The OAS is at the disposal of the government and people of Venezuela, so that from the tragic experience we might glean lessons to ensure that these events are never repeated.

Thank You.

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U.S. Department of State Press Statement April 12, 2002

Venezuela: Change of Government

Press Statement

Philip T. Reeker, Deputy Spokesman

Washington, DC

April 12, 2002



Venezuela: Change of Government

In recent days, we expressed our hopes that all parties in Venezuela, but especially the Chavez administration, would act with restraint and show full respect for the peaceful expression of political opinion. We are saddened at the loss of life. We wish to express our solidarity with the Venezuelan people and look forward to working with all democratic forces in Venezuela to ensure the full exercise of democratic rights. The Venezuelan military commendably refused to fire on peaceful demonstrators, and the media valiantly kept the Venezuelan public informed.

Yesterday's events in Venezuela resulted in a transitional government until new elections can be held. Though details are still unclear, undemocratic actions committed or encouraged by the Chavez administration provoked yesterday's crisis in Venezuela. According to the best information available, at this time: Yesterday, hundreds of thousands of Venezuelans gathered peacefully to seek redress of their grievances. The Chavez Government attempted to suppress peaceful demonstrations. Chavez supporters, on orders, fired on unarmed, peaceful protestors, resulting in more than 100 wounded or killed. Venezuelan military and police refused orders to fire on peaceful demonstrators and refused to support the government's role in such human rights violations. The government prevented five independent television stations from reporting on events. The results of these provocations are: Chavez resigned the presidency. Before resigning, he dismissed the Vice President and the Cabinet. A transition civilian government has promised early elections.

We have every expectation that this situation will be resolved peacefully and democratically by the Venezuelan people in accord with the principles of the Inter-American Democratic Charter. The essential elements of democracy, which have been weakened in recent months, must be restored fully. We will be consulting with our hemispheric partners, within the framework of the Inter-American Democratic Charter, to assist Venezuela.

[End]

Released on April 12, 2002

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Statement of the Ambassador of the United States to Venezuela
(April 12, 2002)

DECLARACIÓN DEL EMBAJADOR DE ESTADOS UNIDOS

Ayer, el 11 de abril fue un día extraordinario en la historia venezolana. Fue también un día trágico.

Lo que comenzó con manifestaciones pacíficas -en ejercicio de un derecho fundamental de las sociedades democráticas - terminó en violencia. Un gobierno que fue elegido libre y democráticamente terminó siendo un gobierno que cerró televisoras independientes, y por lo visto abrió fuego contra su propio pueblo.

Los Estados Unidos lamenta profundamente los muertos y heridos y expresamos nuestro más sentido pésame a los familiares.

Aplaudimos el anuncio del gobierno interino de que investigará la violencia de ayer.

Alabamos la intención anunciada del gobierno transicional de fortalecer las instituciones y los procesos democráticos dentro de un marco de respeto a los derechos humanos y estado de derecho.

Principalmente, felicitamos a esa in mensa mayoría de venezolanos que ayer demostraron virtudes y valores cívicos ejemplares.

La Embajada continúa observando muy de cerca los acontecimientos en Venezuela.

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U.S. - Spain Joint Statement on the Situation in Venezuela
(April 12, 2002)

Press Statement

Philip T. Reeker, Deputy Spokesman

Washington, DC

April 12, 2002



US-Spain Joint Statement on the Situation in Venezuela

Following is a joint statement by the United States and Spain issued April 12, 2002 in Washington.

The Governments of the United States of America and Spain, in the framework of their reinforced political dialogue, are following the events as they develop in Venezuela with great interest and concern and in continual contact.

In this regard, the two Governments:

- state their rejection of the acts of violence that have caused a number of fatalities and transmit their condolences to the families,
- call for a cessation of the violence and the recovery of public calm,
- express their desire that the exceptional situation Venezuela is experiencing lead in the shortest possible time to full democratic normalization and work to obtain a national consensus and the guarantee of fundamental rights and freedoms,
- urge the Organization of American States to assist Venezuela in consolidating its democratic institutions.

While expressing their full support and solidarity with the people of Venezuela, the Governments of the United States of America and Spain, state their conviction that only the consolidation of a stable democratic framework can offer a future of freedom and progress to the Venezuelan people.

[End]

Released on April 12, 2002

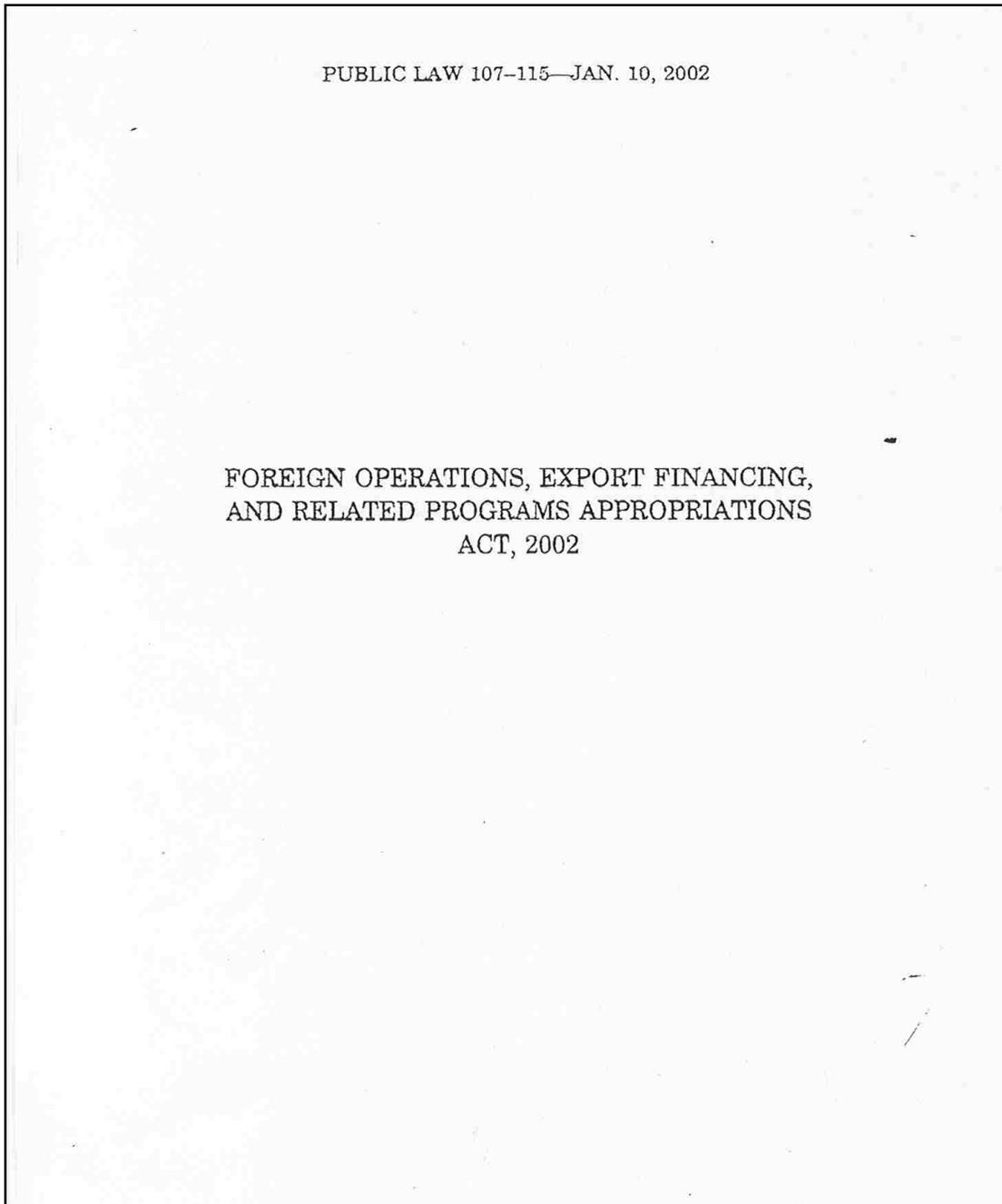
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ATTACHMENT 10

Foreign Operations, Export Financing and Related Programs
Appropriations Act, 2002 (The Foreign Assistance Act)

The Act is referred to in the classified Annex to this report. For convenience of reference, it is grouped here with the other attachments to the review report.



115 STAT. 2118

PUBLIC LAW 107-115—JAN. 10, 2002

Public Law 107-115
107th Congress

An Act

Jan. 10, 2002
(H.R. 2506)

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes.

Foreign
Operations,
Export
Financing, and
Related
Programs
Appropriations
Act, 2002.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country, other than a nuclear-weapon state as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act, that has detonated a nuclear explosive after the date of the enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, \$727,323,000 to remain available until September 30, 2005: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until September 30, 2020 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 2002, 2003, 2004, and 2005: *Provided further*, That none of the funds appropriated by this Act or any prior Act appropriating funds for foreign operations, export financing, or related programs for tied-aid credits or grants may be used for any other purpose except through the

not to exceed \$2,000 shall be available for entertainment expenses and not to exceed \$125,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed \$50,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed \$2,000 shall be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of \$4,000 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed \$2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for "Nonproliferation, Anti-terrorism, Demining and Related Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to the government of any country whose duly elected head of government is deposed by decree or military coup: *Provided*, That assistance may be resumed to such government if the President determines and certifies to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office: *Provided further*, That the provisions of this section shall not apply to assistance to promote democratic elections or public participation in democratic processes: *Provided further*, That funds made available pursuant to the previous provisos shall be subject to the regular notification procedures of the Committees on Appropriations.

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the

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ELEMENTS OF REMARKS MADE BY ROGER F. NORIEGA AT INFORMAL
PRIVATE SESSION OF OAS PERMANENT COUNCIL
April 13, 2002, 1:00 PM, OAS Headquarters

- We would like to support completely the Chair's draft for this resolution which includes Article 20 of the Inter-American Democratic Charter.
- I have been alarmed by events in Venezuela, not just in the last 24 hours, but in the last 24 months. Frankly, we in the OAS have not helped the situation at all. The crisis has only become disastrous in the last two days. I would like to know what we would be saying today if the military had not refused to refused orders of the Government of Venezuela to fire on its own people. What if thousands more were dead?
- We have sat silent in this organization. The U.S. tried to apply the Democratic Charter to the situation in Haiti but it was not applied because this was seen as an attempt to sanction Haiti. Now, however, we are rushing to judgment on Venezuela. We should be looking forward to see how we can use the Democratic Charter in a constructive way. However, in this particular session, we should not prejudge the actions of a special General Assembly. We want the facts. The Secretary General's comments show the fluidity of events in Venezuela now: "We don't know what is going on in Venezuela."
- We all agree with others that we must be rigorous with those who call themselves the "provisional government." We should make demands on them. Quite frankly, they are behaving sloppily, in an inauspicious way. I am worried about the people of Venezuela now, not the political class. Let's be clear, and let's be principled.
- We need to be sure that the essential elements of democracy are respected: "human rights and fundamental freedoms, access to and the free exercise of power in accordance with the rule of law"; a "pluralistic system of political parties and organizations"; "separation of powers and independence of the branches of government";

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"freedom of expression and of the press"; "constitutional subordination of all state institutions to the legally constituted civilian authority."

- They need to prove "legitimacy"-that they are the legally constituted government of Venezuela. We must know if they are. The Secretary General should travel to find that out.
- We need to remember that we are not writing a communiqué today: it is a resolution in the context of the Inter-American Democratic Charter. My delegation objects to Mexico's suggestion that we say "interruption of the constitutional order" because that is a determination to be made by the General Assembly. If we are going to have a special General Assembly, then why make decisions that are reserved for their determination? The role of the Permanent Council is elsewhere, in Articles 18 and 19.
- We support invocation of Article 20 of the Democratic Charter. If the General Assembly says "unconstitutional interruption of the democratic order," this refers to Article 21. Brazil's proposed amendment is helpful; to say "unconstitutional alteration of the constitutional order."
- The U.S. is prepared to accept some reference to "alteration of the constitutional regime" but we are not sure whether it was constitutional or not, based on what some have said about Article 350 of the Venezuelan Constitution. But to say that it "seriously impairs the democratic order," or to call it an "interruption of the democratic order," has a broader implication, and we are not sure that has happened yet.
- We ask that we take it a step at a time. Venezuela will have our attention for many more months. The Permanent Council does not need to pretend to solve all the problems of Venezuela in one resolution. But when the competent authorities are convened, we should take the appropriate steps.

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ATTACHMENT 12

Photographs of Caracas Demonstration, April 11, 2002















