



## MYTHS & FACTS: THE 2010 U.S. THREAT ASSESSMENT

On February 2, 2010 the Director of National Intelligence Dennis Blair testified before the Senate Select Committee on Intelligence on the 2010 Annual Threat Assessment of the U.S. Intelligence Community. The report, which analyzes global threats to U.S. interests, included a section on Latin America, in which Venezuela was listed as one of the region's primary "threats."

**The report openly states that the U.S. intelligence community considers countries that develop democratic and economic systems that challenge those promoted by the U.S. to be "threats."** This fact not only demonstrates the political nature of the report, but it also serves as evidence that the U.S. intelligence community still views Latin America as its "backyard."

Unlike the 2009 report, the 2010 Threat Assessment focuses more specifically and politically on Venezuela and less on broader, measurable threats. **This increased emphasis on Venezuela in the 2010 report, in which it is singled out as a major regional threat to the U.S., is a worrying step that seems to contradict pledges made by the Obama administration in 2009** to work more cooperatively with the region to improve relations and address mutual challenges.

Considering that the Threat Assessment is a document of strategic intelligence that is supposed to identify threats to the vital interests of the U.S., the accusations against Venezuela are extremely serious. Not only are the report's claims baseless, but they are also all too similar to claims made by the same intelligence community against Venezuela prior to the 2002 coup that briefly unseated President Hugo Chavez and his democratic government.

Moreover, the Threat Assessment's conclusions seem to echo claims made by the U.S. Air Force in a May 2009 budget request to Congress asking for funds for the expansion of the Palanquero Air Base in Colombia. In that request, the expansion was justified by claims of threats posed by "anti-U.S. governments," clearly highlighting that U.S. intelligence and military officials

measure regional threats to the U.S. in political – not security – terms. (The mention was subsequently removed, but only after it was publicly criticized.)

The 2010 Threat Assessment confirms the region's worst fears regarding U.S. intentions in Latin America. The assessment indicates that the U.S. seeks to confront "anti-U.S. governments," those of which are only listed as "threats" because they have chosen independent paths in democratic growth and economic development.

The report ignores the longstanding commercial and energy ties that exist between Venezuela and the U.S. – not only is Venezuela the U.S.'s 10<sup>th</sup> largest commercial partner in the world, but it is also a reliable supplier of over 1.5 million barrels of oil a day.

In the following section, we contrast the myths presented in the report with the facts on the ground.

**MYTH:** "Democratic governance remains strong in Latin America and the Caribbean where a vast majority of countries are committed to representative democracy, economic liberalization, and positive relations with the United States."

**FACTS:** For a report that seeks to objectively measure threats to the U.S., this statement, found in the opening paragraph on the section on Latin America, exposes the political underpinnings of the entire Threat Assessment. **In essence, it argues that countries that do not agree with U.S. policies and prescriptions – amongst them representative democracy and economic liberalization – are to be considered "threats."**

**MYTH:** "Chavez's popularity has dropped significantly in recent polls as a result of his repressive measures, continued high crime, rising inflation, water and power shortages, and a major currency devaluation, raising questions about his longer term political future."

**FACTS:** A recent survey by the Venezuelan Institute of Data Analysis found that President



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**Chavez's approval rating stands at 58 percent.**<sup>1</sup> Entering his eleventh year in office, such levels of support are impressive by most democratic standards – over just his first year in office, President Barack Obama's popularity fell from almost 70 percent to around 45 percent.<sup>2</sup>

Regardless of his popularity, President Chavez has addressed the challenges referred to by the report. He has re-shuffled his cabinet, accelerated the implementation of a seven-point public security plan to tackle crime and insecurity, developed short-term and long-term plans to address the worst drought in the country's history, implemented a currency devaluation to promote national production (the minimum wage was increased to help low-income households adjust) and employed the justice system to actively tackling corruption. In fact, high-profile individuals involved in corruption (including a number with links to the government) were recently arrested. Sadly, some of the individuals charged with corruption have fled to the U.S. The Venezuelan government is currently requesting that they be detained prior to an extradition request.

**It is outrageous that the U.S. intelligence community raises the issue of President Chavez's popularity and the effect it may have on his "longer term political future."** Regardless of his popularity, which in of itself should not factor into a report on "threats" to the U.S., he remains the constitutionally elected leader of the country at least until the end of its current term in 2013. **The intelligence community, which had heard of rumors of the 2002 coup against President Chavez before it happened, should be very careful in passing judgment on an elected leader's longevity in office,** especially in a country where opposition forces are eager to interpret U.S. signals as a tacit approval of the use of anti-democratic means to reach power.

**MYTH:** "Chavez has curtailed free expression and opposition activities by shutting down independent news outlets, harassing and detaining protestors, and threatening opposition leaders with criminal charges for corruption."

**FACTS:** The media remains free and active in Venezuela. **More than 76 percent of the media on public airwaves is privately owned and operated,** and most is controlled by the government's political opposition. Additionally, more than **184 channels broadcast freely through cable networks.**

**Anti-government protestors continue enjoying their constitutional rights** to peaceful assembly. Moreover, members of the Venezuelan opposition travel freely around the world promoting their political agenda, including to the U.S., and return to Venezuela to exercise the political rights that the 1999 Constitution grants them.

For example, in October 2009 Julio Rivas, an opposition student leader, traveled to the U.S. to speak out against the Venezuelan government. He traveled freely and returned freely – even though he was still facing charges related to violence at student demonstrations. Additionally, Leopoldo Lopez, a prominent member of the opposition, regularly travels to and from the U.S. to denounce the Venezuela government.

**MYTH:** "In other countries such as Venezuela, Bolivia, and Nicaragua, elected populist leaders are moving toward a more authoritarian and statist political and economic model..."

**FACTS:** **Since 1999, Venezuela has seen 14 national elections and a dramatic increase in political participation at all levels.** A fifteenth national election will take place in September 2010. While the country has chosen to complement the system of representative democracy with the development of participatory democracy, Venezuela is not authoritarian. Additionally, over the last decade Venezuela has sought to expand democracy from merely incorporating political rights to also including economic, social and cultural rights – thus creating a democratic system that is more broadly inclusive.

In fact, **Venezuelans overwhelmingly believe their country is democratic, according to the region-wide 2009 Latinobarometro survey.** Venezuela ranked third in the region (behind Uruguay and Costa



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Rica) in the percentage of its people that consider their country “totally democratic.”<sup>3</sup>

In terms of the economy, **Venezuela has chosen to re-shape its economic system to better serve social needs and national priorities. Over the last decade, Venezuela's ranking on the UN Human Development Index rose 10 spots**, consequence of increased spending on important social programs and a reduction in both extreme and household poverty.<sup>4</sup> Additionally, the minimum wage in Venezuela remains the highest in the region.

And though challenges remain in the Venezuelan economy, unemployment at the end of 2009 stood at 6.6 percent – significantly lower than unemployment rates in other countries and below the rate in Venezuela in years past.<sup>5</sup> Furthermore, GDP growth has remained consistent and is estimated to average 4.4 percent through 2011; debt as a percentage of GDP stands at 16 percent, significantly lower than the 41 percent in 1997; and inflation remain below where it stood from 1994 to 1997, when it did not drop below 50 percent.<sup>6</sup>

Venezuela's system of participatory democracy and social economy may be different than the ones the U.S. intelligence community prefers. But that should not merit any condemnation nor criticism – far less in a report that is supposed to quantify and measure “threats to the U.S.”

**MYTH:** “On foreign policy, Chavez’s regional influence may have peaked, but he is likely to continue to support likeminded political allies and movements in neighboring countries and seek to undermine moderate, pro-US governments...He and his allies are likely to oppose nearly every US policy initiative in the region, including the expansion of free trade, counter drug and counterterrorism cooperation, military training, and security initiatives, and even US assistance programs.”

**FACTS:** Venezuela engages openly with its regional neighbors through a number of mechanisms, including the Bolivarian Alliance of the People of Our Americas (ALBA), the Union of South American Nations (UNASUR), the South American Common Market (MERCOSUR) and a variety of energy initiatives such as PetroCaribe.

Just as the U.S. seeks to form alliances to promote its own interests, Venezuela likewise seeks regional alliances and partnerships to further coordinate work on important issues such as poverty reduction, economic development and security. These alliances cross ideological lines, though, allowing Venezuela to work with countries that have different democratic and economic systems.

These alliances do not threaten the U.S. – in fact, a hemisphere more aggressively working together to fight social exclusion is more likely to be stable in the long-run. Additionally, **Venezuela does not seek to oppose U.S. policies in the region, but rather openly propose alternatives when the U.S. government tries to unilaterally impose policies that do not address regional needs.** The countries of the region are free to choose their own paths towards democracy and development, and having different alternatives presented only increases choices available in the region.

**The government of Venezuela is not “anti-American.”** What it opposes are those U.S. government policies that unilaterally try to impose social, political, economic or military models and that do not help to resolve the problems of the region but rather increase them. In other words, **we only oppose imperialist policies, no matter their source.** Venezuela would like broader relations with the U.S. that exceed the usual topics of free trade, security and drugs and addresses pressing global challenges such as climate change, poverty and global peace.



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**MYTH:** “Chavez’s relationship with Colombia’s President Uribe is particularly troubled. His outspoken opposition to Colombia’s Defense Cooperation Agreement with the US has led to an increase in border tensions. Chavez has called the agreement a declaration of war against Venezuela. He has restricted Colombian imports, warned of a potential military conflict, and continued his covert support to the terrorist Revolutionary Armed Forces of Colombia (FARC).”

**FACTS:** It is surprising that Venezuela's concerns with the U.S.-Colombia Defense Cooperation Agreement – which allows U.S. soldiers, intelligence officials and defense contractors’ to deploy in seven Colombian bases under vague operational provisions – are seen as the cause of the tensions between Colombia and Venezuela, and not the bases themselves.

**When the agreement was exposed in July 2009, the region soundly expressed its concern with the impact it would have on regional stability. (The report itself recognizes that Brazil opposed the agreement.)** In three emergency UNASUR summits, 11 of the 12 UNASUR member-states demanded assurances that U.S. operations would be limited to Colombian territory and asked for clarification on a number of the agreement's provisions. The bases have been the source of existing regional tensions – Venezuela, as Colombia's immediate neighbor that shares a 1,200-mile-long border, has merely played a role in loudly expressing those tensions.

**Moreover, the Threat Assessment ratifies the thinking of the U.S. Air Force, which in a May 2009 budget request to Congress claimed that funds to expand the Palenquero Air Base in Colombia were crucial in a region with “anti-U.S. governments,” among other “threats.” The 2010 Threat Assessment confirms the worst fears of the region regarding the true objective of the deployment of U.S. military in seven bases in Colombia.** Its objective is clearly to confront what they consider to be “anti-U.S. governments” in the region, and not the struggle against drug trafficking or insurgency in Colombia.

**As for the FARC, no credible evidence has been produced to link the Venezuelan government to**

**the FARC.** While weapons and resources have flowed across the Venezuela-Colombia border for decades – as they have flowed from the U.S. to Mexico, arming drug gangs – there is nothing to prove that senior government officials or President Chavez have been involved in such flows. In 2008, the Secretary General of the Organization of American States (OAS), Jose Miguel Insulza, stated, “Does Venezuela support terrorist groups? I don't think so...There is no evidence, and no member country, including this one [the U.S.] has offered the OAS such proof.”<sup>7</sup>

The report ignores the constructive role Venezuela played in the release of hostages held by the FARC, including three U.S. contractors and a former Colombian presidential candidate.

**MYTH:** “Chavez will continue to cultivate closer political, economic, and security ties with Iran, Russia, and China. He has developed a close personal relationship with Iranian President Ahmadi-Nejad, and they have signed numerous agreements, primarily on joint energy ventures. The two countries also have conducted regular flights between their two capitals since 2007.”

**FACTS:** As any sovereign country in the world, Venezuela maintains the right to establish relations with any other country. **As evidence has emerged that Venezuela's relations with China, Russia and Iran are fully consistent with national and international law and pose no threat to anyone, continued U.S. opposition to these relations serves as proof that some U.S. officials are simply concerned with the competition that these diversified relations bring.**

Venezuela's relationship with Iran is longstanding, dating back to the founding of the Organization of Petroleum Exporting Countries (OPEC) in 1960. As the report indicates, the majority of existing agreements between Iran and Venezuela are focused on energy and commercial ventures.

In a 2009 UNASUR summit, President Chavez pledged to make all agreements with Russia, China and Iran available to member-states for their review. “If for example someone says, as has been said, that Venezuela has an agreement with Russia, I have no problem...Yes



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we have, cooperation, oil, energy, including peaceful nuclear energy, satellite cooperation with China as well. I am going to Moscow, in a week I should be in Moscow, but I have no problem to show here and to the world, well what we are doing with Russia, or China or Iran," he said.<sup>8</sup>

**MYTH:** "Most of the agreements Moscow has signed with Chavez relate to arms sales and investments in the Venezuelan energy sector. Over the past five years, Venezuela has purchased more than \$6 billion in weapons from Moscow, including 24 SU30MK multi-role fighters, along with helicopters, tanks, armored personnel carriers, air defenses missiles, and small arms. On paper, Venezuela's acquisitions are impressive, but their armed forces lack the training and logistics capacity to use these to their full capability. Yet, the scale of the purchases has caused concern in neighboring countries, particularly Colombia, and risks fueling a regional arms race. In addition to the arms deals, Russian naval warships and long range strategic bombers visited Venezuela in late 2008 to demonstrate Moscow's ability to deploy its military forces into the region."

**FACTS: Venezuela's purchases of weapons and equipment from Russia have been aimed at replenishing Venezuela's aging stockpiles in order to maintain a basic defensive capacity. Additionally, since 2006 the U.S. has imposed a unilateral and politically motivated arms embargo on Venezuela, forcing the country to look elsewhere for basic replacements and supplies.** For example, Venezuela was forced to buy radars for intercepting drug flights from China because the U.S. would not sell them; Venezuela has also been forced to purchase Russian planes because the U.S. refuses to supply needed replacement parts for the fleet of F-16 it sold to Venezuela in the 1980s. This embargo has even extended to planes produced by other countries that include U.S parts, such as Spain and Brazil, who were not allowed to sell specific airplanes to Venezuela because of the existing embargo.

Even with these weapons purchases, **Venezuela remains fourth in the region in spending on military equipment, behind Chile, Colombia and**

**Brazil.** (Venezuela spends 1.1 percent of its GDP on arms, compared to Colombia's 5.7 percent.)<sup>9</sup>

**As for Russian operations in the Caribbean in 2009, it's worth noting that in 2008 the U.S. re-deployed its Fourth Fleet, sending warships and submarines into the region to conduct operations and drills. This act was taken without any discussion with regional neighbors.**

### CONCLUSION

If anything, the last decade has seen the countries of the region evolve and develop independently and distinctly, creating a region that is both more diverse in the types of government it has and more willing to work together to address problems of regional concern. **This political, economic, social and regional independence is not a threat to the U.S., though those who still see the region as the U.S.'s "backyard" seem to think it is.**

**February 22, 2010.**

**For more detailed information about Venezuela's fight against drug trafficking, please read our context paper at: <http://www.venezuela-us.org/prensa@venezuela-us.org>**

<sup>1</sup> "More than 58 percent of Venezuelans support President Chavez's performance," Embassy of the Bolivarian Republic of Venezuela, February 9, 2010. <http://venezuela-us.org/2010/02/07/more-than-58-percent-of-venezuelans-support-president-hugo-chavezs-performance/#more-8943>

<sup>2</sup> "President Obama Approval Rating," RealClearPolitics.com, [http://www.realclearpolitics.com/epolls/other/president\\_obama\\_job\\_approval-1044.html](http://www.realclearpolitics.com/epolls/other/president_obama_job_approval-1044.html)

<sup>3</sup> "2009 Latinobarometro," JustTheFacts.org, December 15, 2009. <http://justf.org/blog/2009/12/15/2009-latinobar%C3%B3metro>

<sup>4</sup> "Venezuela: The Headlines You Missed in 2009," Embassy of the Bolivarian Republic of Venezuela. <http://venezuela-us.org/live/wp-content/uploads/2010/04/01-04-2010-Headlines-You-Missed-in-2009.pdf>

<sup>5</sup> "Tasa de desempleo en Venezuela se ubico en 6,6 por ciento," *Diario Critico de Venezuela*, January 8, 2010. <http://www.diariocritico.com/venezuela/2010/Enero/noticias/189379/tasa-de-desempleo-en-venezuela-se-ubico-en-66-.html>

<sup>6</sup> International Monetary Fund, <http://www.imf.org/external/pubs/ft/weo/2009/01/weodata/weorept.aspx?s=y=1980&ey=2014&scsm=1&ssd=1&sort=country&ds=.&br=1&c=299&s=PCPI%2CPCPIPCH&grp=0&a=&prl.x=55&prl.y=5>

<sup>7</sup> "OAS Chief to US Congress: No Venezuela-Terrorist Link," *AFP*, April 10, 2008. <http://www.rethinkvenezuela.com/news/04-10-08afp.html>

<sup>8</sup> Venezuela's Military Spending," Embassy of the Bolivarian Republic of Venezuela. <http://venezuela-us.org/live/wp-content/uploads/2009/08/FS-MilitarySpending-Sept142009.pdf>



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<sup>9</sup> "Venezuela's Military Spending," Embassy of the Bolivarian Republic of Venezuela. <http://venezuela-us.org/live/wp-content/uploads/2009/08/FS-MilitarySpending-Sept142009.pdf>