افغانستان آزاد ــ آزاد افغانستان

afgazad@gmail.com www.afgazad.com European Languages
FEBRUARY 16, 2018

by <u>JOYCE NELSON</u> 17.02.2018

> Canada vs. Venezuela: Have the Koch Brothers Captured Canada's Left?



Photo by Eden, Janine and Jim | CC BY 2.0

With a U.S.-backed military coup or invasion in Venezuela looking ever more likely, Canada's progressive leftists are pushing for the federal New Democratic Party (NDP) to abandon its "reactionary" foreign policy position on that country. As well, at the annual NDP convention (February 15 – 18), the NDP Socialist Caucus will present a motion requesting the removal of NDP Foreign Affairs Critic Helene Laverdiere from that role.

In December, the Canadian Dimension published a lengthy Open Letter from Dr. John Ryan, a retired University of Winnipeg professor, documenting the "reactionary foreign policy positions" on a variety of issues that the NDP has adopted in recent years, especially through Laverdiere's role.

Regarding Venezuela, Dr. Ryan wrote, "One would think that Canada's NDP, as a social democratic party, would be supportive of the progressive policies that have been enacted in Venezuela. Surely the bulk of the people who vote NDP would be far more supportive of Venezuela than they would be of U.S. policies to undermine that country. So how is it that the NDP's maverick foreign affairs critic is capable of aligning herself with American imperialist reactionary policies? There wasn't a word from her when President Trump threatened to invade Venezuela and she has yet to criticize the recently announced Canadian sanctions" by the federal Liberal government. [1]

On February 12, Canadian writer Yves Engler extensively documented Helene Laverdiere's stance toward Venezuela in recent years, and he noted: "In what may be the first ever resolution to an NDP convention calling for the removal of a party critic, the NDP Socialist Caucus has submitted a motion to next weekend's convention titled 'Hands Off Venezuela, Remove Helene Laverdiere as NDP Foreign Affairs Critic.' It notes: 'Be It Resolved that the NDP actively oppose foreign interference in Venezuela, defend Venezuela's right to self-determination, reject alignment with U.S. policy in Europe, the Middle East, Africa and beyond, and request the immediate removal of MP Helene Laverdiere as NDP Foreign Affairs Critic." [2]

Engler wrote that Laverdiere recently failed to criticize "Canada's role in the so-called Lima Group of anti-Venezuelan foreign ministers. Laverdiere remained silent when foreign minister Chrystia Freeland organized a meeting of the Lima Group in Toronto four months ago." [3]

Lima Group

Despite U.S. hopes and predictions, in October 2017 Maduro's PSUV party won the gubernatorial elections by a wide margin, increasing its voter support to 54% and winning 18 of 23 governor posts. As Dr. James Petras noted, "Over a thousand independent outside observers, who had monitored the Venezuela elections and voting procedures, declared the elections to be the free and valid expression of the citizens' will." [4] The results showed that the right-wing opposition had lost sizeable support and was in disarray.

Nonetheless, foreign ministers from the Lima Group – Argentina, Brazil, Canada, Chile, Colombia, Costa Rica, Guatemala, Honduras, Mexico, Panama, Paraquay, Peru – met in Toronto on October 26 and issued a statement claiming that the gubernatorial elections had been marked by "acts of intimidation, manipulation, social coercion and voting conditioning, among other irregularities." [5]

It was a strange message, given that even the defeated opposition candidates had conceded the election's fairness.

During the Munk School of Global Affairs panel that followed the Lima Group meeting that same day, Canada's Minister of Foreign Affairs Chrystia Freeland said the message of the Lima Group to the Venezuelan opposition is "Get your act together, guys!" Freeland called for the further "isolation" of President Maduro and said that "Canadians feel strongly about human rights for people in other countries ... This is our neighbourhood," she stated, "this is our hemisphere..."

"Our Hemisphere"

Freeland's rhetoric about "our neighborhood" and "our hemisphere" raises an issue that is rarely discussed when it comes to Canada's foreign policy toward Venezuela.

In 2013, investigative reporter Greg Palast told RT's Abby Martin that the reason Venezuela's Hugo Chavez became U.S. "enemy number one" in 2001 is that he decided that he wasn't going to give away the country's oil anymore. "Big U.S. oil companies were paying a royalty for Venezuela's super-heavy oil of about 1 per cent – 1 percent! Okay? – And for the regular oil, it was 16 per cent. So the oil companies were keeping 84 per cent, and Chavez said, 'You're going to have to pay 30 per cent, you can only keep 70 per cent of our oil ... You gotta split off a bit for the people of Venezuela'." [6]

According to Palast, that change in Venezuela's royalty rates became a huge irritant to the billionaire Koch Brothers, who own a refinery in Texas that has long imported Venezuelan heavy crude. The Koch Brothers are also a top lease-holder in the Alberta tar sands, and their Pine Hills refinery in Minnesota refines millions of barrels of imported tar sands crude.

As the price of oil escalated to more than \$100 per barrel, Palast said the Koch Brothers determined that it would be cheaper – by about \$2 billion per year – for them to substitute Canadian tar sands crude in their Texas refinery than to keep on importing Venezuelan heavy oil, so they became a big advocate for the Keystone XL pipeline to bring more tar sands crude all the way to the Gulf coast. The Koch Brothers' Flint Hills Resources refinery in Corpus Christi, Texas is right next to Venezuela's Citgo refinery.

In an Op-Ed for the Financial Post (March 7, 2013), business consultant Ryan W. Lijdsman noted that "Canada and Venezuela are both producers of heavy oil and compete for the limited number of customers that can refine heavy bitumen ...A slide in Venezuelan production would be good for Canadian producers, which could meet the additional demand for heavy oil in the U.S. market." [7]

Unlike Venezuela, Canada had taken no such stand to raise royalty rates for its oil, and as of December 2016 it has the lowest royalty rates in the world. Similarly, the Justin Trudeau Liberal government (like the previous Harper Conservative government) is in favour of the Keystone XL pipeline (and others) that would replace Venezuelan heavy oil in Gulf Coast refineries.

So when Chrystia Freeland acts to target Venezuela because "this is our hemisphere," she is acting in concert with the Koch Brothers' (and oil patch) desires – of course, without ever mentioning the tar sands.

Is this the reason why the NDP's foreign affairs critic Helen Laverdiere has also been so reactionary towards the Venezuelan government? It's hard to know, but these days politically (and wherever you look) it's usually always about the oil.

Perhaps the Koch Brothers role in all this will prompt the NDP to listen to its Socialist Caucus.