

Venezuela: Vetelca - the story of the first ever Bolivarian factory



This report originally appears in issue #57 of Venezuelan anarchist newspaper *El Libertario*. It is a detailed examination of the events behind the mobile telephone manufacturer Vetelca, in which the notion of a socialist industrial production model in Venezuela is unmasked.

On 10th May, 2009, President Hugo Chávez appeared on national television from the El Tigre region of Barinas state in order to announce to the nation the availability of a mobile telephone made under the supervision of the Bolivarian government. Some weeks earlier, he himself had named it “*El Vergatorio*” [a crude term which roughly translates as “the biggest dick” - translator]. Rather typically for those familiar with *chavista* propaganda methods, the unveiling of this product - supposedly symbolising yet another step forward for his political project - coincided with the traditional Venezuelan national holiday for Mothers’ Day.

That same day, Chávez declared that “this telephone will not only be the best-selling in Venezuela, but in the whole world”, referring to its imminent exportation – in an attempt to bolster the national economy – to a large area; including all the nations of the Andean region, Mercosur – which includes Brazil and Argentina, amongst others – and the Caribbean. Having heard of his ambitions, those of us who have read about late capitalism found ourselves asking how it could possibly become the premier product in a market as competitive as telecommunications merchandise? “With the help of the *maquila* manufacturing model!” was the response of the prejudiced anarchists. However, all analysis of production in globalised economy indicates that the simplest way of joining the successful at the top of the pile is through minimising assembly costs. And, as companies like GAP, Nike and Adidas know well, China is an expert on the subject of “cost-effective” production methods, with respect to both economy and labour rights. Indeed, China is the business partner of the Bolivarian state in the public-private partnership company, *Venezolana de Telecomunicaciones* (Vetelca), established in the free economic zone of Paraguaná, Falcón state, in January 2009. Official reports tell us that production was started by “a total of 140 workers, 80% of which are women who live in the zone and who were chosen by various local community councils to work in the plant”. Their first objective is to deliver 10,000 units to Movilnet [the state-owned telecommunications company - translator], to be sold from Mothers’ Day onwards, as President Chávez had promised. However, it wasn’t long before these very same factory workers were confirming our prejudices, denouncing conditions – as they did – in the very same *bolivarianista* press organs of the government.

The workers' version

Levy Revilla Toyo, one of 56 workers (of both sexes) who were sacked from the factory, recently gave a detailed account of Vetelca's origins. In his official complaint, Revilla tells us that recruitment for the factory started in October 2008, when the Ministry for Light Industry and Commerce gathered 250 people "from the missions [chavista *social programmes – trans.*], universities and communal councils from throughout Falcón state". 60 of these 250 stayed on, and a total of 100 individuals survived the secondary training process in March 2009. March also saw the top-down election of the company's board of directors, to this day presided over by Carlos Audrines Flores.

On 1 May – the international day of the worker – assembly of *Los Vergatorios* began. "We had to work into the small hours of the night," Revilla testifies. "Everything was very poorly organised, which led to many of my workmates fainting and passing out due to hunger and difficulties with transportation".

However, the workers were rewarded with a productivity bonus and – with the models ready in just 10 days – the satisfaction of having honoured the President's word. Following this though, new employees began arriving, "crowding the plant and the canteen and violating the rights and the direct participation of the communal councils and missions". In accordance with the Organic Law for Prevention, Conditions and Environment at Work (LOPCYMAT in its Spanish initials), passed by the Bolivarian regime itself, workers started to elect "*delegados de prevención*" [roughly equivalent to health & safety representatives in the UK – *trans.*], despite the diverse, destructive obstacles placed in front of them by the board of directors.

On 7 July, eight Vetelca workers were sacked, including all three "*delegados*" that had been elected via workers' assembly. The fired workers were resolute in the necessity of defending their rights; however, when they visited the factory in order to corroborate their complaints, they were informed of the following: "the workers [here] are students, and their salary isn't a salary but a maintenance stipend; [moreover] said workers don't have an organisational structure". Later, management would request the presence of the National Guard onsite, while accusing the sacked workers – in terms which by now are all too familiar – of being counter-revolutionaries. They would soon fire 56 more workers, forcing them to sign redundancy agreements in order to receive their paycheques. A few days later, the total number of sacked workers rose to 86.

The bureaucrats' version

On 29 July, 2009, Jesse Chacón, Science and Technology Minister, visited the Vetelca factory in an attempt to calm winds of discontent amongst its personnel. The official press release notes that: "the minister toured the factory and met with the workers in order to announce that they could be signing their contracts within in as little as a fortnight", also adding this particular gem: "up until now, employees have been coming onsite as operators in a volunteer capacity, receiving a monthly productivity bonus of 1300BsF [*£130/US\$236 on the black market – trans.*]". The release claims that this is "a socialist model of production, with 'integrated' workers who rotate posts on a daily basis, therefore getting to know every stage of assembly and getting to understand the plant's operations in their totality. Moreover, they participate in the planning of production, in stark contrast to the capitalist model."

Let's continue to focus on reports in state media. Carlos Audrines, Vetelca President, stated in reference to the fired workers that "it was an exclusion of some individuals still in training due to their failure to comply with regulations". ABN notes that Audrines "said that he could not comment on the dismissal of individuals who are not on the payroll, owing to the fact that Vetelca's Human Resources [Department] is still in the process of formation, and, as a part of this process, is in a constant state of evaluation. This being so, it has taken some decisions based on the behaviour and activities of these individuals". In another declaration, this time in [chavista *daily newspaper – trans.*] *Ultimas Noticias*, Audrines excels himself: "These 56 people were intending to form a combative and aggressive union for self-promotion or in order to gain themselves better posts". The article adds that "Audrines explained that Vetelca is not registered as a company, and it is for this reason that there are no contracts. 'Within two scant weeks,' he said, 'they will give us a budget for our initial capital.' Once this is in place and Vetelca is granted company status, the next stage will be to consolidate a security department, 'since the word 'union' does not fit

within a socialist company, because this would contradict the principle in which we are all equal. Within a socialist system there is no need for a union,' Aubrines added."

In response to reports that the workers had to undertake maintenance duties, the company President replied that 'due to a lack of funds, the participants [*sic – trans.*] perform cleaning activities on a voluntary basis'. However, this situation changed with the launch of *El Vergatorio*, when the company coordinated with mothers from the *barrio* that they realise these tasks." On 25 August, Vetelca released, in an official press communication, the names and identity cards of the 190 workers who comprised the "first payroll" of the company.

The anarchists' conclusion

Let's go through this bit by bit. What Minister Chacón describes as an "integrated, socialist production model" is a euphemism for what everyone else calls "*polivalencia*" (job rotation), one of the characteristics of worker flexibility within the capitalist information industry. This job rotation ensures that workers must be able to take on different responsibilities, rotating their tasks according to the needs of the production process. In doing so, it differs from the labour specialisation of Fordist production methods. However, it is not true that workers understand "the plant's operations in their totality", nor that they "participate in the planning of production". Firstly, Vetelca workers are mere assemblers of a final product whose parts are designed and manufactured in China, so they only participate in the assembly and packaging stages of *Los Vergatorios*, and to a limited extent at that.

As for Vetelca, despite its grandiose descriptions by high up Bolivarian functionaries, it is but a crude outsourcing operation which serves the purposes of the mobile phone company of the Venezuelan state. Audrines himself confirms this in an interview: "Vetelca's sole purpose is to satisfy the product demands of Movilnet". Movilnet determines the quantity of telephones to be assembled, their deadline and their model name at retail level, three decisions in which the workers – or, in the Minister's words, the salaried volunteers - have no role. If it suddenly occurs to the President to launch a promotional offer on *Vergatorios* in order to commemorate Bolívar's birthday (equating to a rise in production rates), workers will have to repeat the overtime Levy Revilla describes. And that's not forgetting the sort of shift flexibility demanded by modern capitalism.

For his part, the assertions of Audrines, the economist, reinforce the notion that the Bolivarian process is more economic globalisation than socialism. This particular bureaucrat conceives of a formation period as being the undertaking of a request for 10,000 units, a task successfully completed simultaneously to on the job training. Moreover, the dismissals for organising a union and attempting to install some sort of job security – the motivations of pretty much any worker on the planet – are telling. Finally, Audrines' admission that Vetelca won't allow union organisation - "due to it being contrary to socialism" – speaks for itself.

President Chávez, Jesse Chacón, Carlos Audrines and the Ninja Turtles can say – hundreds of times – that *El Vergatorio* is a socialist phone, manufactured by a socialist company by socialist volunteers. In this case however, although they will repeat the lie thousands of times, the facts unmask another reality: that Vetelca is the first *maquila* in the country, inspired by the same Chinese model which produces Nike shoes, Adidas footballs and GAP shirts for the savagery of contemporary capitalism.