

REPLY

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I am rather surprised by James Petras' "Comment." I indicated in my review that I thought he and his fellow authors were in large degree correct in arguing that a good part of the state income arising from nationalization of Venezuelan oil had been funnelled by the Perez administration into privately owned "downstream" elements of the Venezuelan economy.

Petras seems particularly upset by my saying that their analysis was within a Marxist-Leninist context. My comment was not a red herring at all. It seems to me legitimate for a reviewer to indicate the general philosophical framework of a writer's analysis. If the framework had been Friendmanite, I would also have mentioned that. I may be wrong, but it did seem to me that the book was written within a Marxist-Leninist frame of reference; if it was not, I would appreciate Petras' own assessment of what his frame of reference was.

I indicated that Petras et al. had talked about various contexts within which nationalization of enterprises may take place, particularly in "Third World" countries. The one they chose to use for analyzing nationalization of Venezuela's oil industry was, indeed, that of "state capitalism," as they defined it. In his reply to my review, Petras has not indicated that they used any other context.

I still think that a major element in the analysis of the Venezuelan oil nationalization that is not adequately considered by Petras et al. was the fact that it and its consequences took place in the framework of political democracy. It is not a perfect democracy, none is, but it does exist. The fact that Venezuelan elections are expensive is not debatable; that they are "charades" is. Doubt on their being charades is cast by two factors at least: that in the four elections since Romulo Betancourt left office, power has shifted three times from the party in power to the party in opposition; and that the two most important elements of the far Left in Venezuela, MAS and MIR, have been converted to a belief in what Petras et al. consider "charades," not only by participating in them but by affirming their intention, in coming to power, of continuing a plural democracy in which it is possible for a party to lose power through the vote.

I rather object to Petras qualifying my discussion of his book as a

“nonreview.” Given the space limitations (I was dealing with five books), I couldn’t elaborate on everything that he and his colleagues had said. I did try to indicate: (1) the philosophical/ideological framework within which the analysis was made; (2) the typology of nationalizations that they presented; (3) their basic argument about how the state had used the income generated by the oil nationalization to foster the private sector; and (4) what I thought was lacking in the discussion. All of that, it seems to me, adds up to a review.

ERRATUM

The publication information for *THE ECONOMY OF SOCIALIST CUBA: A TWO DECADE APPRAISAL* by CARMELO MESA-LAGO (William M. LeoGrande, “Two Decades of Socialism in Cuba,” *LARR* 16, no. 1 [1981]: 187–206) was incorrectly given as New York University Press, forthcoming. This work, which appeared in July 1981, was published by the University of New Mexico Press. In our effort to make the review as comprehensive and up-to-date as possible, our reviewer worked from galleys. The publishers have indicated that “several of the objections he raises concern points which are either not present or treated differently in the final galleys and pages of this book.” *LARR* regrets any inconvenience this may have caused.