

Andean Report by Carlos Wesley

Bush gave TV network to Cisneros clan

Why did the American FCC ignore warnings about the corruption of the Venezuelan enterprise?

On March 4, the Caracas dailies *Ultimas Noticias* and *El Mundo* reported on a letter sent by Alejandro Peña, secretary general of the Venezuelan Labor Party (PLV), to Venezuela's minister of transportation and communication, César Quintini Rosales, demanding that the license granted to the Cisneros Organization for the operation of the Venevisión television network be revoked. The Cisneroses have used Venevisión "to lie, to manipulate, to defame and to slander anyone who dares to raise questions about their other business interests," charged Peña.

"For example, Banco Latino, of which the Cisneroses own a large portion and on whose board of directors sits Ricardo Cisneros Rendiles (currently a fugitive abroad), bilked state-owned oil companies and the Armed Forces. When I attempted to warn publicly about the danger that that represented, Venevisión launched a scandalous campaign of slanders against me."

Peña detailed several instances of the Cisneroses' manipulation, including the successful 1985 campaign led by Ricardo Cisneros's older brother, Gustavo Cisneros, to ban *Narcotráfico SA*, the Spanish-language edition of *Dope, Inc.*, a book commissioned by *EIR* founding editor Lyndon LaRouche. The book reported on the Cisneros family's alleged ties to international drug money-laundering interests.

But, said Peña, he is not the only victim of the Cisneroses' near monopoly control of Venezuelan television

(besides Venevisión, the Cisneroses also own a goodly chunk of a former rival, the Televén network). When Banco Latino, Venezuela's second largest bank, went under on Jan. 13, depriving its 1.2 million depositors of their life savings and their pension funds, while its directors, including Ricardo Cisneros, absconded with the funds, the Cisneros propaganda machinery immediately began to bad-mouth Banco Latino's other directors, turning attention away from their own criminal role.

This caused the Cisneroses' former cronies and business partners Siro Febres Cordero and Gustavo Gómez López, chairman of the collapsed bank, to accuse Venevisión "of blatantly lying and manipulating the news to hide the obvious responsibility of the Cisneroses in defrauding Banco Latino."

Similarly, Venezuela's Federation of Environmental Organizations went after Venevisión recently when it was discovered that the administrator of a Cisneros-run entity, Bioma, had paid to have dolphins butchered to film for a Venevisión documentary, which was broadcast in November 1993 by Univisión in the United States (see *EIR*, March 11, 1994, p. 43). In his letter to Minister Quintini, Peña asked: "What is the future of a country that allows its communications media to be controlled by powerful mafias who defraud the citizenry and the state itself? Is this not the essence of a dictatorship?"

The U.S. Congress should heed

Peña's call, because the Venezuelan Cisneros brothers and their equally questionable partner, the Mexican Emilio Azcárraga, along with the American Jerrold Perenchio, were, incredibly, handed more than a dozen American TV stations and control of the largest Spanish-language television network in the United States, Univisión, by the Federal Communications Commission (FCC) in 1992, during the Bush administration.

The deal, the largest ever in the history of U.S. broadcasting, was approved behind closed doors. Despite the fact that nearly every major Hispanic organization in the United States, as well as *EIR*, raised objections to the transfer of a limited U.S. media asset to a foreign consortium of questionable character, the FCC refused to hold a single hearing.

An appeal has been filed, but while the case winds its way through the judicial system, Congress should investigate, with a view to having the FCC revoke its 1992 decision. Investigators should explore the question: Why did FCC Chairman Alfred C. Sikes, a Republican, and commissioners Sherrie Marshall, Andrew Barrett, James Quello, and Ervin Duggan never even meet to explore such questions raised by the opponents of the \$500 million deal?

On March 4, former Venezuelan anti-drug czar Thor Halvorssen wrote in the *Wall Street Journal* that he had "incontrovertible evidence" that Banco Latino engaged in money laundering. There is evidence that at least part of the money that Cisneros used to purchase Univisión came from loans obtained illegally from the now defunct bank. If Venezuela confiscates the Cisneroses' other assets to pay defrauded depositors, the Venezuelan government may end up owning a major television network inside the United States.