

**A message to all US citizens from an experienced and Catholic Venezuelan: defend your nation in great peril. Great days are to come.**

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1. Presentation and introduction

Dear US citizens, in particular those who voted for Joe Biden, Supreme Court Justices, US military patriots, and spiritual leaders.

My name is Felipe Pérez-Martí. I'm a Venezuelan. I was the head of the economic cabinet under Hugo Chávez for nearly a year between 2002 and 2003. I am now the head of the Liberators Movement, a civil society volunteer organization that advocates for citizens' political rights.

I want to warn you all of the huge dangers that you are facing today. Your nation is at risk of becoming the next Venezuela. Because of that, I want to talk especially to the US democrats, not only the republicans. To the people who voted for Joe Biden. I know that to most of you Mr. Donald Trump seems like a selfish jerk and liar, and that Biden in the presidency would be the solution for you. But please listen until the end of my message.

Many of you have heard of the struggles of our catastrophe. Venezuela is a country dominated by a criminal government that serves the corrupt military and the foreign interests of Cuba, China, Russia, and Iran. Those actors have exploited our natural oil resources for personal profit and to fund their mafia-like hold on power. Once a very rich country, Venezuela has become one of the poorest nations in the region and in the whole world. Venezuelan citizens are lacking basic services like water and electricity, starving from lack of food and jobs, and dying from lack of healthcare. 90% of the population is poor and the minimum wage is \$2 a month. They are fleeing their homeland in unprecedented numbers.

I want to talk to you about my experience with chavism and how Venezuela came to be like this. I have a Ph.D. in Economics from The University of Chicago, and I will give you a substantial summary of our recent history and the perils you have of falling into the same predicaments.

## 2. How Hugo Chávez fell into the hands of Fidel Castro: change of mafia leaders.

In April 2002, Chávez suffered a coup, but was able to quickly reclaim power. Afterwards, he tried to make a deal with the very people who ousted him, who were led by Fedecamaras, the main union of the private sector. Chavez came to me and tasked me, a Chicago Boy, a market oriented economist, and a professor at the main Business School in the land, with leading the effort to make the deal.

He gave me a lot of power, as I also headed the Commissions for National Transformation and Democratization, which were created at my request in order to push for a transparent and democratic nation; one controlled by the citizens.

I made a Plan for National Consensus, a basic pro-market proposal that also gave opportunities to the poor and disadvantaged, and humbly went to knock on the doors of Fedecamaras and the political opposition. After a lot of effort on my part, and a mutual word compromise in a meeting between the heads of the private sector and Chavez at the Miraflores Palace (the equivalent of the White House), those opposition leaders later decided not to accept my plan and instead started plotting another attempt to oust him out of power. They intended to paralyze the economy using the critical oil sector and part of the military for that purpose.

Chávez ended up also winning this second confrontation. The media, workers unions, intellectuals, and many citizens had participated in acting against him, just like the first time. But they did not know of the efforts of me and of Chavez because the media hid them and branded him a dictator. As a result of that war he gained complete control of the oil industry and strengthened his hold on the military institution.

After that process he fell into the hands of Fidel Castro, who convinced him of a wrong conflict map: that this was a fight between right and left. According to this, both “imperialism” and “the bourgeoisie” were united representing the right wanting to topple him, and he should side with the left, the “proletariat” and the communist regimes around the world. Chavez believed him, and hired a new economic cabinet head to advance given that supposed framework.

They began talking about converting Venezuela into a socialist nation. The support for a pro-market economy was completely abandoned. In its place, a quasi-stalinism approach began to take hold led by the Cubans. Private sector organizations and

opposition parties submissive to Chavez were promoted, while Fedecamaras and independent parties were systematically attacked.

But now I will show evidence that the conflict map of Fidel Castro was wrong, and that what Venezuela really had then, and has now, is the same social illness it suffered even before Chavez, an illness known as the curse of abundance, where the sides are right and wrong, not right and left.

### 3. The Curse of Abundance and previous attempt to get out of it.

To that effect, I will mention that before Chávez came to power there was another effort to do a market-oriented reform with basic social justice. It was under President Carlos Andrés Pérez, who hired a dream team of economists, all of them educated in the best US universities, to lead the changes intended to break from the establishment. However, the media, the political parties, the private sector, the worker union heads, as well as many intellectuals, all accused him of being a dictator and a right wing president (a “neoliberal”). They were able to oust him from his presidency on false pretenses using a democratic institution to do so, the Venezuelan Supreme Court. The country then went back to corruption, underdevelopment, inefficiency and social discomfort.

It turns out that Chavez came to power in this context. He was elected as a nationalistic leader by an important majority of the Venezuelan population, reflecting the fact that the people wanted an alternative to the political establishment with generalized corruption and the bad social and economic conditions. 60% of the population was poor and there was a marked social inequality. His tenure, and that of Maduro, the current strong man in power, made the situation even worse for the people with the Cuban influence. The illness escalated to incredible levels, but it was basically the same illness.

In fact, connecting the dots I later came to realize that Venezuela did not fit the standard model of a normal democracy. The pattern was in fact a reflection of an illness, an illness called rentism, which is also known as the Curse of Abundance. In this model, a variation of which I claim to be the one at risk of being imposed on the US right now, the fight is not between right and left, capitalism and socialism, or government and opposition. The conflict is between a mafia cartel and the people. The bad side of the conflict captures every national institution independently of ideology. In Venezuela the cartel has simply changed the mafia leaders before and after Chavez.

Today we have the corrupt Cuban and military copula leading the government and the rest of the public institutions, instead of the Fedecamaras and “democratic” parties we used to have before. These mafia leaders tried to topple Chávez, as they did with President Carlos Andrés Pérez. The current leading mafia cartel is worse for us due to many factors. But the character of the system remains.

The Curse of Abundance has been well characterized in Economics, and appears in countries with large amounts of commodities owned by the state, such as oil, gold and diamonds. The main Political Economy symptom is that a mafia cartel captures not only public institutions, but also key opposition figures to exploit the economy. The mafia is composed of powerful groups like corporations, the media, and foreign interests. Once in power, they manipulate citizens to elect puppet representatives, while they enjoy the economic and political benefits of controlling the rent; the commodity in question. The technical remedy in these cases is a Norwegian kind of fund that guarantees that the rent from the commodities does not go to the government, but directly to true owners: the citizens. In this solution, the government is supported only by taxes that come from the works of the citizens. With the solution, the mafia cartel ceases to exist, since there is no source of rent for them to keep their business going. The political remedy is quite difficult, as I will describe below.

#### 4. The risk of the US having to fall sick, and the black hole.

I see the US in great danger of falling into a variation of this illness. The difference with Venezuela being the source of rent. The abundance of the curse would come in your case from the abundance you have of technology, energy, financial and human capital, economic development, big consumer market, world currency, and so on. In the case of the US, the rent would not come from the sales of the commodity, but from the rent of monopoly power and from taxes to the citizens in the context of the mentioned abundance of economic development and worldwide power.

In the US what really is happening reflects the same pattern: what you observe is a power struggle where a mafia cartel accuses the President of being a dictator. He came to power as an anti-establishment leader who has been mostly consistent with his electoral pro-market, nationalistic promises, and the cartel wants the situation to come back and even strengthen the pre-Trump political establishment to the point of capturing the government by placing a puppet in it. Before Donald Trump, you had lobbyists representing corporations obtaining rent from their connections with the political establishment. Now the cartel of corporations want the lobbyists to be the elected officials, taking power completely away from the citizens.

Like in Venezuela during Pérez and Chávez, the mainstream media often uses straw man logical fallacies to focus the fight on the character of the anti-establishment president. In the case of Mr. Trump, they constantly look for character flaws and invent treasonous behavior like in the Russian affair hoax. They hide the fact that Trump has done a remarkably good job in the economy, and has favored the poor, the unemployed, women, blacks, hispanics, and the elderly; all while accusing him of being racist, misogynous, anti-hispanic, etc. They accuse him of 309K US deaths due to Covid19, while hiding the fact that, in relative terms, taking deaths over population, the US President has done a very good job overall compared to other developed nations like Belgium, Italy, Spain, United Kingdom, France, and others. Not to mention the fact that the virus is an exogenous shock that comes from China, and it is not a fault of the US or any other government.

##### 5. The origins of Smartmatic: intended to be an instrument of fraud.

Regarding the evidence of electoral fraud, I was a witness of how Smartmatic came to the public light. It was in Venezuela some time after I left the government. It turns out that I had a lot of prestige in the area of informatics, since many great computer specialists surrounded me from the time when I promoted a completely transparent government using free software tools within the Commissions of National Transformation and Democracy. Jorge Rodriguez, the very same person that Ms. Sidney Powell has evidence of being the head of a conspiracy of fraud in the US elections, now using the Dominion machines that use Smartmatic software, called me for advice when he was sworn as the head of the Venezuelan National Electoral Council early in the Chavista period. I answered his call with my team of computer specialists, who presented such an impressive plan that he decided to hire them all to implement an open source software platform to handle elections in the country.

As many of you know, unlike proprietary software, open source software is completely transparent and avoids many of the issues of hidden back doors which can be used to commit fraud. Shortly after my team began working, Smartmatic came along and Rodriguez broke the relationship with us. Later we discovered that the government had spent a huge amount of money purchasing proprietary software and hardware from Smartmatic to handle the elections. In economics you know that something smells when a government official chooses a much more expensive option. In this case, particularly over one that provides a simple and efficient way to perform fraud-free and publicly auditable elections. As some of you know, unlike the open source alternative, proprietary software does not allow you to look at the code, protected by licenses. It is

like a black box: you can only see the output, but not how the input is processed. In your cases not even the input (the ballots) were available for revision. The payout to Smartmatic, the rent, is shared with the public officials who facilitated the corrupt deal.

Politicians and citizens have a natural contradiction that is studied in the Principal vs Agent theory, since they have more information, when making decisions as their representatives, that citizens have. A company which serves the government, as it does in this case, is in a position to create additional private information through the black box, which can be used to further damage the citizens interests in favor of politicians in that contradiction. Electoral fraud is a natural occurrence in this process: the theory bases the evidence that has emerged here. That alone grants an investigation, given the history of the company in Venezuela. But with the additional evidence and the sworn affidavits in place, not to initiate an investigation is a clear indication of malfeasance, which in itself grants an investigation, where the authorities are the culprits.

6. The consequences for the US if the Deep State promoters succeed: another Venezuela and more.

Dear US citizens, democrat, republican or otherwise. You do not want a cartel of corporations, including media, big tech, big pharma, Wall Street, and foreign powers like China and Iran, to take over your nation through manipulation of your will, your information, your interests. The very manipulation of your will using misleading propaganda to deceive you and lead you to vote against your own interests and in favor of your enemies is an act of fraud and of treason against the foundations of your nation: the democracy, and the sovereignty of the people. This is what the US mainstream media has done.

The consequences of this illness are completely disastrous. The curse of abundance behaves like a stable fixed point dynamic equilibrium system. You can think of it like a black hole: if you fall into it, you stay in it, and that is why it is called a fixed point. And if you get out of it slightly, you come back to it in a converging process over time, and that is why it is called stable.

You have had for many years another stable fixed point dynamic equilibrium system: a democratic republic. It has strong mechanisms that avoid getting out of it if there is an external shock to the system that deviates from the equilibrium. Those include your independent judiciary and congressional powers, and the democratic institutions that

allow the citizens to be the bosses. Freedom of information and truth is respected because there is competition in the industry which allows citizens to decide in their own favor.

However, when a sufficiently strong external shock hits the system and you see signals of lack of independence of the institutional powers, and collusion in the media outlets, your Republic might be shaken completely to the point of being overturned and a new equilibrium reached. The actual fixed point of that alternative equilibrium will be reached later on, in some years ahead, because the mafias start capturing more institutions, politicians and government officials, as they tried to do to me while being the anti-corruption czar during my tenure. But the convergence to it begins right now if you allow the mafia cartel to take control of the executive branch of power, toppling Mr. Trump by what is essentially a coup d' Etat, not one that uses the military, but a next gen war process.

At that new, alternative equilibrium, you will have another Venezuela, with complete control of all the powers, including Congress, the Courts, the States, Cities, and even the Federal Reserve Bank; territorial centralization, losing local and state independent powers; generalized corruption at all levels, including at the community level; rentistic populism, implying buying of votes and popular vote lobbyists; rentistic culture that praises the abandonment of the rule of law and the patriotic symbols; economic underdevelopment and militarism (instead of protecting the nation, they protect the mafia cartel). In that equilibrium even the US Dollar would lose its standing as the main world currency to the Chinese Yuan. The security and the sovereignty of the nation, as such, is completely compromised at this very moment, as you can see.

#### 7. The Supreme Court of the United States of America and its key responsibility.

With all due respect, I dare to give an opinion of the SCOTUS decision not to hear the case brought by Texas against Pennsylvania and other states. It was wrong. In economics we know about negative and positive externalities. If a neighbor makes too much noise playing the trumpet, you have the right to ask the authorities to make him behave. If one State of the Union commits fraud and that affects the national election, you have the right to ask the Supreme Court to make it behave, so that you are not hurt by its negative actions. If there are several neighbors complaining about the trumpet, the authorities should at least investigate the facts. It may be that there is no fraud in this election, but it is the obligation of the courts to hear the complaints and take a look at the evidence.

In political economy we know the consequences of the authorities not acting in this case: either the neighbors try to enforce the law by their own hand, or they move out of the neighborhood. If the Supreme Court Judges do not assume their responsibility, the nation is in danger of a civil war, the dismemberment of the Union of States, and the lack of faith in the authorities and the electoral system. The negatively affected players of this political conflict like Texas and others will believe that there was no justice for them, and that their rights to decide according to the rule of law don't count anymore, so that it is not worthwhile to continue to be part of the Union.

8. The Mainstream Media should serve the people, not the mafia cartel. The need of an executive war decree.

Regarding the Mainstream Media, a word is required. In economics, monopolies are in general bad for society. They extract a rent from consumers and produce less than a competitive alternative would deliver. If an oligopoly of media outlets collude, as in this case, they become a monopoly, and have to be regulated to control social inefficiencies. Now, if that monopoly produces a public bad, and not a public good (information has that characteristic, since its use by a consumer does not exclude its consumption by others), the inefficiency mounts to unbearable levels. Disinformation is, in addition, poison: it hurts the consumers. If on top of that you have that the poison is administered on purpose, to manipulate the consumers against their very interests, that monopoly becomes a mafia cartel, like a drug cartel. If the consequences are bad, in addition, for the country of those consumers, hurting their fundamental rights of being part of its nation, you have outright treason.

In a situation like this, not only a decree of national emergency is justified in the US, but a war decree based on the principle of necessity, since the nation is being attacked by foreign nations in alliance with local agents. The activities of those media outlets should then be immediately closed, and their heads should be prosecuted for criminal acts. A similar reasoning applies to big tech, for which there is also evidence of collusion. The big tech companies are colluding with the MSM on this, and with foreign powers and interests. They should respect the freedom of expression and choice of their users, who want in general to produce a public good, since the basic assumption in a democracy and social choice theory is that the people, if they have freedom to act as they want, will act in their own interest. It works like a well functioning market, where producers strive to please consumers, who are really the bosses when judging and deciding, and their judgment is to be trusted as sound, not only respected.



9. A world authority is really needed. But not the UN, EU, much less the Deep State: it would be a decentralized worldwide republic to serve the world citizens.

The consequences of negative externalities, production of public bads, and hurting the citizens freedom of expression have wide ranging consequences not only for the United States of America as a nation, but also for the world. That mafia cartel, in fact, is organized at the world level already. This global cartel wants a worldwide level Deep State dominated by corporations and powers like China and Iran. This is why we need a worldwide authority to act against the worldwide mafia cartel: An authority that represents the will and the factual political power of the world citizens. The United Nations is not acting properly in this situation and has been marred by bureaucracy and corruption. As it has failed to do in many other cases, we need to revise it, because the globalists want a mafia cartel to substitute it.

We should strive for the proper alternative, a democratic republic at the worldwide level that puts the citizens at the center of power, so that they use both the market (emphasized by the right wing ideology) and the state (emphasized by the left wing ideology) as tools to be used by them, and not as gods imposed on them. That way people would minimize state failures (corruption that comes from politicians, red tape, and so on) and market failures (externalities, financial and monetary crises, asymmetric information, and so on).

That way, it is the citizens, and not the Deep State, the ones who would be able to solve, using democratic decisions with modern tools of transparency and online government, the issues of negative externalities, including the environment, public bads, abuse, violence, unnecessary wars, nukes, chemical weapons, discrimination, pandemics, taxing currency and financial instability, and minimize bureaucratic corruption, partyocracy and kleptocracy from worldwide institutions like the United Nations or the European Union. Notice again, looking for the right alternative, the difference of a worldwide democratic republic, that would serve the world citizens, and the Deep State, which serves a mafia cartel of corporations and crooked powerful governments like China and Iran. This is a matter for another essay I have written in Spanish called The Solidarity Way, La Vía Solidaria.

10. Venezuela under Biden or Trump: the need of a base to liberate Latinamerica

Coming back to Venezuela's recent history, what happened due to the actions of the previously dominant mafias in the cartel has key relevance now for the US and the world: when Chávez fell in the hands of Fidel Castro, the mafia cartel system was not lost, at all, and only the component mafias reshuffled and the leadership changed. The Cuban corrupt nomenklatura, together with the corrupt military cupola took the leadership within the cartel; and China, Russia, Iran, came to play a major role. As a result, Venezuela then became a base platform for launching an insurrection against the western, Judeo-Christian world.

To defeat the Venezuelan mafia cartel we need a strong force to shake the current bad equilibrium and move to a good one, and we are working on it together with our military, police and civil resistance patriots, who are the vast majority of the population. It is clear that we alone can not make it, since the crooks have external military, political, economic and diplomatic support from Cuba, China, Russia, Iran and the Colombian guerrilla. Joe Biden in power would mean an alliance with that Venezuelan mafia cartel and a strengthening of the coup against the US republic, widened internationally in that eventuality, against the western world.

It turns out that Juan Guaidó, Leopoldo López and the rest of those "democratic" parties are not even going to be able to depose Maduro. They turned out to be puppets of the mafia that was in charge before Chavez, the same one that refused to accept his offer with me in charge of the economy. For some time we hoped they would side with the Venezuelan citizens, but they decided several times to turn their backs on them and instead tried to accommodate themselves within the corrupt system. Instead of using the courage strategy in our current Hawk vs Chicken game, they decided to follow cohabitation with the Maduro regime, playing chicken, and rushed to support Joe Biden early on following the mainstream media announcements, even though the final decision has not been made by the proper authorities.

As we have said, the former mafias in Venezuela do not take us out of the bad fixed point equilibrium, the illness we suffer. But the strategy of cohabitation Joe Biden has announced for Venezuela does not even get rid of the Cuban, Chinese, Russian and Iranian mafias. Juan Guaidó and Leopoldo Lopez are simply losing puppets in this fight, and don't even represent the Venezuelan citizens, given their last trick to stay as the opposition leaders, the "Consulta".

The plan of Elliott Abrams and James Story, the special envoy and US ambassador for Venezuela, respectively, intends a cohabitation with the current system. Guaidó and López have announced that they would use that plan, supported by Joe Biden, to force

Maduro to accept them as one of the puppets in the mafia cartel. This will not happen, simply because the plan does not include enough force to push Maduro out, since this game is not a *de jure* one, but a *de facto* one: it is not by dialogue or by elections that you come out of it: it is by military force (a credible threat would really be enough in this game). So that the proposed strategy does not lead you to a Nash equilibrium: if Guaidó and Biden signal cohabitation, the chicken strategy, the Maduro regime has incentives to cheat and play courage, the hawk strategy, and keep all the territory as it has occurred so far, giving time to Maduro and prolonging the suffering of the Venezuelan people. Of course that would not get rid of the system itself either, which needs a major overhaul, as I have said. In that Biden scenario Venezuela would keep being a platform against the western world. Mr. Abrams and Mr. Story are wrong on Venezuela.

Donald Trump, on the other hand, would mean a hope and a guarantee if we unite forces with the vast majority of Venezuelans, including our patriots in the armed forces (organized abroad and inside the territory too), to get rid of the mafia cartel and the system itself in our country once and for all, and forming a strong alliance with the internal and international courageous factors against the perils of terrorist and delinquent forces that are trying to subvert our civilization. Instead of serving as a platform to launch a subversion of Western Civilization, Venezuela should serve as a base to liberate Latinamerica from evil forces, beginning with Cuba and Nicaragua.

11. The solution for the US: take your country back and do maintenance and renovation. Act now!

Coming back to your internal situation, many of you in the US believe that Mr. Trump behaves as a selfish jerk and that is not good for you. That is perfectly fine. But fight against him within the democratic “rules of engagement”, respecting the Constitution and the law. You should open your minds and realize that the use of tricks, unfair or criminal practices to beat Mr. Trump will come back against you, against your countrymen, your sons and your daughters, since those tricks will be used by your enemies. Take advantage of this situation in order to clean the US politics from crooked politicians, businessmen, lobbyists, and foreign powers.

I am sure Mr. Trump is willing to resort to dialog and to more sophisticated and diplomatic ways while keeping his strong standing against those mafias which should have zero power, since the power belongs to the citizens. He has accomplished an incredible worldwide historic feat in the diplomatic world: peace between Muslims and Jews in determinant parts of the middle east. I am sure, again, he can also lead, with

proper brokers and strategists, a process of peace and understanding between republicans and democrats about the rules of political agreements, even on how to properly compete, for the sake of your country and to serve the citizens.

The solution to the variation of the curse of abundance applied to you would be to keep your republic as it was originally intended and even to strengthen it to avoid situations like this, by cleaning many infiltrations into the system, like a good building needing strong and overall maintenance and renovation. No rent from economic, political, or geopolitical powers in collusion should be extracted from the US citizens. You should be the bosses of the nation, and its institutions, including private firms, political parties and public powers, should keep serving you even better from now on, as your founding fathers intended. You should consider prohibiting the activity of lobbying for government favor from private firms and foreign nations, and control the money for campaigns that capture politicians.

Some people who know of the fraud say to Donald Trump: wait four years to ask for justice. I say: do not leave for tomorrow what you can do today. Once you fall into a black hole of this kind you would need a military and a general citizens insurrection to perform the counter coup. The mafia crooks will seek to control any threat using money, violence and killing. That is why every US citizen, in particular every patriot, republican or democrat, the US Supreme Court, the White House, the US military and the spiritual leaders should strive to protect your homeland and your souls, since a devastating war of proportions never seen before is being waged against it. Count on the support and prayers of the vast majority of Venezuelans, who know what it means to lose your country to foreign powers, to terrorists, and to crooks.

## 12. Summary and a word of hope and encouragement.

In summary, the fight here is not so much between right and left, but between right and wrong. At the global level and in a spiritual sense too. The citizens of all the world must unite not only to protect our rights but to advance them and defeat the evil powers which have demonstrated their true faces and intentions. We, the people of the world, would suffer a huge negative externality if an important neighbor and ally, the US, falls into the hands of a mafia cartel that seeks to dominate us all. The fall of the US to evil forces would be of bigger proportions than the fall Soviet empire, since now the curse of abundance would fall into the whole world, an illness much worse than the Covid-19 pandemic, because there is no easy vaccine against it, and all the world citizens would be the victims.

Finally, even though I believe in the freedom of religion, and also ecumenism, I am a catholic, and the message of Jesus is universal and ecumenical too and very relevant in these times, since this issue at its core is spiritual. So I will end by sending a Christmas message of unity, healing, faith, hope and determination to succeed in our common endeavor of the bigger Israel, the Kingdom of God for all humankind, in which the evil forces and death are defeated and spiritual resurrection happens, by singing the last verse of the Christmas song O come O come Emmanuel:

O come, Desire of nations, bind  
in one the hearts of all mankind;  
bid thou our sad divisions cease,  
and be thyself our King of Peace.

Rejoice! Rejoice! Emmanuel shall come to thee, O Israel.

Best, and God bless America and the whole world.