Oil, Gas and Beyond

I was waiting for the ship to come in. In fact, so was everyone else in Nicaragua. Gas lines stretched around the block. The supermarket shelves were nearly bare. Lights went out again and again, plunging the country into frequent darkness. Telex machines couldn’t work, and we reporters had to depend on the few places with generators to file our stories (for younger readers, this was pre-computer and smart phones). U.S. President Ronald Reagan had imposed a trade blockade on Nicaragua in May 1985. The Soviets were sending oil, dodging the blockade.

We reporters did what we always do: we reported on the ship’s arrival. But we also breathed a collective sigh of relief. The arrival of the Soviet ship meant hot showers and light to read by.

Energy is intensely political. It shapes nations and trade and fuels wars and blockades. Energy, I discovered then, is also intensely personal. It shapes our lives on a daily basis. It’s not only a matter of how we get around or whether we have enough food to eat; energy production affects the communities that receive it and those that produce it. It shapes attitudes toward gender and race and nationalism and identity. It pollutes the air and the rivers. It offers immense economic opportunities. Or it does both.

You might not think of Latin America and the Caribbean right away as a big energy producer or consumer. But Venezuela stands ninth in global oil production with gas reserves almost triple those of Canada. Three countries—Venezuela, Brazil, and Mexico—account for about 90 percent of the region’s oil production. And Latin America and the Caribbean also have the capability to provide abundant alternative and renewable energy sources: wind, solar, geothermal and biomass, among others.

Perhaps because of my experience in Nicaragua, I started to conceive this issue in terms of meta-politics. And there is certainly a lot of politics related to energy in the region: the political upheaval of Brazil as a result of corruption scandals in the national oil company; the turmoil in oil-rich Venezuela; the impact of the semi-privatization of Mexico’s oil industry; the targeting of Colombia’s energy installations by guerrilla forces in a show of strength in the context of the ongoing peace process.

But then I thought back on how the arrival of oil had been experienced on a very local and personal level. I began to hear stories about the production of energy: what it felt like to grow up in an oil camp, how energy production affects indigenous women in one particular region, how local communities involve themselves in deciding what is done with oil.

And just recently Alvaro Jiménez, Nieman Affiliate at Harvard ‘09, happened to mention to me that he was starting a website “Crudo Transparente,” a site that monitors the Colombian oil industry. Out of curiosity—and as a quick break from proofreading this issue—I took a peek. I was pleased to see how much overlap there was with the themes I had chosen for this issue of ReVista.

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Although the website deals with only one country—Colombia—it felt like an affirmation of the focus I had chosen for this wide-ranging topic. Energy is political. Energy is personal. Energy matters.
I GREW UP IN A VENEZUELAN OIL CAMP. EVER since I can remember, I have heard both Spanish and English spoken all around me or conveyed through music or films. With my family, I ate traditional Venezuelan crepas, cachapas, carne mechada (shredded beef), fried plantain, and black beans, but invitations to dinners at friends’ houses often meant sampling curry goat, roti and dulce, borcho, or U.S.-style barbecue.

In many ways, Caripito, the oil town where I was raised, embodied the changes occurring throughout Venezuela after the discovery of oil. In 1930, the Standard Oil Company of Venezuela built a port facility and began work on a refinery in this town, in the state of Monagas in eastern Venezuela, to process oil from fields in Quiriquire, Jusepin and Temblador. The promise of the oil attracted Venezuelans from throughout the country; many campesinos (people of Caripito) had roots in the adjacent state of Sucre. In succeeding decades, people from Trinidad, Italy, Lebanon and even a handful of Russian exiles also made their way to Caripito. By 1939, Caripito had a population estimated at about 5,000 people, some 300 of whom were “white Americans.” In Caripito, as in most oil camps, to be white increasingly became synonymous with being a U.S. expatriate. By 1960, the total population had soared to a little over 20,000 people.

At an early age I became acutely aware of how different the oil camp experience was from the rest of Venezuela. After several years of living in the residential enclave, and seeking to avoid the demanding social expectations of the camp, my parents moved to Los Mangos, a neighboring barrio of Caripito. However, they also recognized the importance of straddling both worlds, and my mother dutifully went back to work in the company school and our family selectively participated in many camp activities.

After oil was discovered in 1914, Venezuelan production was concentrated in the interior of the country, where infrastructure and sanitary conditions had improved little since the 19th century. To ensure operations, foreign companies took charge of basic services including electricity, water, sewage, roads, housing, health services, schooling and a commissary. In these rural areas, the companies created distinct enclaves and their own image as a privileged sector of Venezuelan society.

Yet despite their artificial nature, the camps left an enduring legacy in Venezuelan culture and society. For the generations that worked in the oil industry, the camps reinforced their image as a privileged sector of Venezuelan society. Just as importantly, the camps were sites of cultural and social exchange, with the “American way of life” influencing everything from politics to values. Those employed in the industry expected the Venezuelan state to be the guardian of this distinctive lifestyle. Many residents retained a collective nostalgia for the experience of the camps, looking back on the racial and social hierarchy that prevailed and the detachment that existed from Venezuelan society.

Caripito was typical of this oil town culture. The same ships that navigated the San Juan River to load oil also brought an array of U.S. fruits and canned products for sale in the camp commissary. I still recall the arrangement of eating individually wrapped red Washington apples for the first time, or savoring crisp Mexican tortillas that came in vacuum-sealed metal cans. Long before McDonalds appeared in Venezuela, the soda fountain at the company club regularly served the “all American meal” consisting of hamburgers, fries, and Coke. The Venezuelan diet quickly incorporated U.S. culinary preferences and tastes.

Like other children in the camps, I went to a bilingual company school that incorporated both the Venezuelan and U.S.-mandated curriculum. To a certain extent, and countries. With few if any roots to the local community, workers were frequently transferred between camps, and the company promoted an espirit de corps among its employees that centered on an all-encompassing corporate culture. Company practices favored hiring family members, thus handing down values such as the “American way of life” from generation to generation.

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Exposure to a bicultural milieu shaped the consciousness and personal sensibilities of people like myself who inhabited the camps or its environs. Beyond simply the ability to speak both languages, the camps conveyed the importance of dealing with difference. This experience, however, was not shared equally, and it usually fell on the Venezuelans to learn English. Besides understanding English, familiarity with U.S. norms and customs proved essential for Venezuelans seeking to advance in the company. Interacting with foreigners became natural, but so did the imposition of a social racial hierarchy reinforced by U.S. expatriates at the top of the social order.

Festivities in oil camps highlighted the extent to which the camps represented self-contained enclaves of U.S. culture in the heart of Venezuela. Seldom if ever questioned, the pervasive influence of the U.S. oil industry made political and cultural ties with the north appear normal. The U.S. oil industry made political and cultural connections with the camps or its environs. Beyond similarity, the oil company typically decorated the surroundings with imported pine trees. To add to the festive scene, but in the oil camps, this practice was slowly displaced by ornament-laden Christmas trees. Traditionally, children dressed as Mickey Mouse, cowboys, ghosts and witches wandered throughout the senior camp decorated with seasonal melodies.

Daví Crocket starring Fess Parker. The importance of oil to the U.S. economy and military thrust Venezuela into the midst of the Cold War. In 1962, Peace Corps volunteers were assigned to Caripito to teach English in secondary schools and promote U.S. values. In case their efforts failed, Green Beret advisors gathered intelligence and trained the Venezuelan National Guard. In 1962, guerrillas launched an offensive in eastern Venezuela. The U.S. military advisors assigned to Caripito asked my local Scout troop to report on “suspicious activity,” includ-
Behind the Corporate Veil

Company Control in the Lago Colony of Aruba

BY KODY JACKSON

IT BEGAN AS MOST THINGS DO THESE DAYS, WITH a simple Google search. Looking to flesh out my graduate seminar paper on the Lago Oil & Transport Company of Aruba, I typed the company's name into that infamous search bar and prayed that those fickle gods of the Internet might have pity on me, a humble researcher. The title of a domestic court case caught my eye among the results. "Richard Mink v. Lago Oil & Transport Co. (05/02/64)," it announced promisingly, so I clicked on the link and began reading. An appeal before the Supreme Court of New York, "Mink v. Lago" held some starting allure. Walter Mink, a U.S. citizen and former Lago employee, was suing the Aruban refinery for "improper medical care" given to his newborn son Richard in 1956. In the midst of a simple procedure, company doctors had misplaced an intravenous feeding tube, leading to disastrous consequences. "The fluid," Mink explained emotionally in a 1965 court affidavit, "was not fed into the vein but into some fickle gods of the Internet might have pity on me, a humble researcher. The title of a domestic court case caught my eye among the results. "Richard Mink v. Lago Oil & Transport Co. (05/02/64)," it announced promisingly, so I clicked on the link and began reading. An appeal before the Supreme Court of New York, "Mink v. Lago" held some starting allure. Walter Mink, a U.S. citizen and former Lago employee, was suing the Aruban refinery for "improper medical care" given to his newborn son Richard in 1956. In the midst of a simple procedure, company doctors had misplaced an intravenous feeding tube, leading to disastrous consequences. "The fluid," Mink explained emotionally in a 1965 court affidavit, "was not fed into the vein but into some fickle gods of the Internet might have pity on me, a humble researcher. The title of a domestic court case caught my eye among the results. "Richard Mink v. Lago Oil & Transport Co. (05/02/64)," it announced promisingly, so I clicked on the link and began reading. An appeal before the Supreme Court of New York, "Mink v. Lago" held some starting allure. Walter Mink, a U.S. citizen and former Lago employee, was suing the Aruban refinery for "improper medical care" given to his newborn son Richard in 1956. In the midst of a simple procedure, company doctors had misplaced an intravenous feeding tube, leading to disastrous consequences. "The fluid," Mink explained emotionally in a 1965 court affidavit, "was not fed into the vein but into some fickle gods of the Internet might have pity on me, a humble researcher. The title of a domestic court case caught my eye among the results. "Richard Mink v. Lago Oil & Transport Co. (05/02/64)," it announced promisingly, so I clicked on the link and began reading. An appeal before the Supreme Court of New York, "Mink v. Lago" held some starting allure. Walter Mink, a U.S. citizen and former Lago employee, was suing the Aruban refinery for "improper medical care" given to his newborn son Richard in 1956. In the midst of a simple procedure, company doctors had misplaced an intravenous feeding tube, leading to disastrous consequences. "The fluid," Mink explained emotionally in a 1965 court affidavit, "was not fed into the vein but into some...