

Bush's Energy Pirates Get Ready To Turn Off the Lights

by Dennis Small

EIR published in its Aug. 10, 2001 issue a study on the drive for global energy privatization, which included a case study on Ibero-America, with the above title. The text and table which follow, documenting the role of Spain-centered foreign energy pirates in particular, are taken from that study.

AES for example—whose chairman of the board, Roger Sant, was chairman of the U.S. branch of Prince Philip's wildly anti-development Worldwide Fund for Nature (WWF), from 1994 to September 2000—today singlehandedly controls close to 21,000 megawatts of installed capacity in Ibero-America, which is more than 10% of the continent's total of 203,630 MW (see **Table 1**). They have huge *strangleholdings* in Argentina, Brazil, and Chile, in particular. . . .

After AES, second place in Ibero-America goes to the Spanish energy company **Endesa**, which has used privatization poster-boy Chile as their springboard for assaulting the rest of the continent. Endesa now controls 7% of the region's total installed capacity, with large holdings in Argentina, Colombia, and Peru, in addition to Chile.

As in the case of the large Spanish banks—such as Banco Santander Central Hispano (BSCH) and Banco Bilbao Vizcaya Argentaria (BBVA)—which have taken up major positions across Ibero-America, Spain's Endesa turns out to be a front for Anglo-American financial interests. For example, each of Endesa's major moves in Ibero-America has been orchestrated and bankrolled by Banco Santander (and then by

BSCH, when Santander merged with Banco Central Hispano at the end of the 1990s). As *EIR* documented in a study published Aug. 22, 1997, "British Banks Establish Death Grip Over Ibero-America," Banco Santander is run out of London:

"In 1988, Santander forged what they have called 'a long-term and fruitful alliance' with the **Royal Bank of Scotland (RBS)**, and with **Metropolitan Life Insurance** of New York, controlled by the British Morgan financial interests," *EIR* wrote at the time. After documenting the interlocking directorates of Santander and RBS, and the latter's direct link into the British royal household, *EIR* elaborated:

"The Morgan role in Santander is not limited to the Met Life connection. Santander's rising young star, and CEO of its Santander Investment division, is the 38-year-old Ana Patricia Botín, daughter of the bank's chairman. After graduation from Harvard with a bachelor's degree in economics in 1981, Ms. Botín joined the Madrid office of J.P. Morgan. Rising through the Morgan ranks, by 1986 she had been appointed vice president and head of their Latin American unit. In 1988, her apprenticeship with Morgan apparently over, Ms. Botín returned home to work for daddy at Santander. . . ."

It should come as no surprise that British interests would employ a Spain-Chile connection as a convenient cut-out to further their own financial and geopolitical purposes in Ibero-America—as we have here documented for electricity, and previously for banking. Such operations date back at least to the 1879-83 War of the Pacific, in which London used Chile as its surrogate to destroy neighboring Peru's emerging alliance with anti-free-trade, American System forces in the United States, linked directly to the Lincoln tradition.

More recently, in this century, London deployed its agents of influence on *both* sides of the Spanish Civil War of the 1930s, to transplant religious left-right conflict and even warfare into the Hispanic Americas, and Chile in particular (to wit, the 1971 Pinochet coup against Salvador Allende).

TABLE 1

Foreign Strangleholdings over Ibero-American Electricity

	AES		Endesa		Other Foreign*		Sub-Total, Foreign		TOTAL Megawatts
	Megawatts	% Total	Megawatts	% Total	Megawatts	% Total	Megawatts	% Total	
Argentina	4,264	21%	4,292	21%	1,943	10%	10,499	52%	20,350
Bolivia					964	96%	964	96%	1,000
Brazil	9,606	15%	658	1%	7,572	12%	17,836	27%	65,800
Chile	1,632	16%	4,614	46%	1,350	14%	7,596	76%	10,000
Colombia	1,404	11%	3,055	24%	875	7%	5,334	42%	12,580
Mexico	484	1%			4,100	11%	4,584	13%	35,900
Peru			1,693	31%	520	9%	2,213	40%	5,500
Venezuela	2,265	11%					2,265	11%	21,500
Other	1,079	3%			870	3%	1,949	6%	31,000
Total	20,734	10%	14,312	7%	18,194	9%	53,240	26%	203,630

*Duke, Iberdrola, Enron, PPL, GPU, Mirant, AEP, NRG, Fenosa, Alliant, EDP, CMS, EDF, Tractebel