

to satellization and dependency for the indefinite future would seem unchallengeable.

Tucson, Arizona

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The Politics of Oil in Venezuela. By FRANKLIN TUGWELL. Stanford, 1975. Stanford University Press. Tables. Appendix. Bibliography. Index. Pp. xi, 210. Cloth. \$8.95.

This is a political science monograph. It is dependency theory applied to the evolution of the Venezuelan petroleum industry. The author's 1969 Columbia University doctoral dissertation, "Petroleum and Public Policy in Venezuela, 1959-1966: A Study of Conflict and Interdependence," has been expanded in this book to cover the years 1967-1974 as well.

The model is simple. Because of the high risks involved, multinational corporations will invest in extractive industry in an underdeveloped country only on terms that guarantee high rewards for success. However, as success occurs the bargaining terms shift inevitably in favor of the host government, the result being a steady redistribution of profits from the companies to the state.

In this sixteen-year analysis of the bargaining process, Professor Tugwell adopts the perspective of Venezuelan government authorities confronted by Standard Oil of New Jersey and Royal Dutch-Shell, the world's two largest petroleum corporations and producers of four-fifths of Venezuela's oil. He skillfully explores the subtleties and complexities of government-corporate battles over company secrecy, contract revision, retroactive taxation, pricing policy, production controls, and conservation measures. A yardstick of the state's triumph is its steady increase in the share of industry profits from fifty percent in 1958 to eighty-five percent in 1974.

The author places government-company controversies inside the broad matrix of the democratically evolving Venezuelan political system and focuses upon the reform ideology of the Acción Democrática (AD) Party. The hero in capturing ever more company profits and in extending state controls over the industry is Mining Minister Juan Pablo Pérez Alfonzo, a kind of one-man national petroleum philosopher whose pervasive reform ideals arrived at complete fruition in the January 1, 1976 nationalization of the oil industry. Pérez Alfonzo was also the father of the Organization of Petroleum Exporting Coun-

tries (OPEC), the Venezuelan origins and development of which Professor Tugwell has been the first to explore.

The author concludes that Venezuela won its battle with Standard and Shell through a combination of skill and circumstance. Responsible, flexible, nationalistic policies—the result of Pérez Alfonzo's coherent reform doctrines—combined with a measure of international market pricing luck did the trick. He believes that “an aggressively and openly experimental strategy is likely to be the best for dealing with foreign companies” (p. 149). A key lesson from the Venezuelan experience is that “the companies could not be trusted and that their freedom from domestic control should therefore be terminated as quickly as possible” (p. 160).

In its analysis of government-company relationships this work is outstanding. In the area of relationships between petroleum development and Venezuelan politics, society, and economy it is less satisfactory. The author's observation that “oil income has contributed to . . . democratic procedures” (p. 165) should be tempered by some explanation of the Marcos Pérez Jiménez dictatorship (1952–1958). His apparent view that oil revenues have not induced social change—“the pattern of income distribution has remained almost unchanged since 1957” (p. 169)—seems at odds with a notable statistical expansion of the middle class. And his statement that “there is little evidence that the country is anymore self-sufficient than it was ten or even twenty years ago” (p. 168) seems to ignore the attainment of virtual self-sufficiency in food production and the notable advances in domestic manufacturing over the past generation. Also, Venezuelan opposition party partisans and foreign company officials will probably feel that this otherwise excellent work has a pro-AD bias.

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Revolution and Counter-Revolution in Chile: A Dossier on Worker's Participation in the Revolutionary Process. By MICHEL RAPTIS. Translated by JOHN SIMMONDS. New York, 1974. St. Martin's Press. Appendix. Pp. 174. Cloth. \$9.95.

This book is a useful antidote to the dogmatic and ill-informed diatribes which portray the Chilean working class as merely involved in economic struggles or as helpless spectators in the conflict between the Allende government and the right-wing opposition. Raptis traces the rise of workers' councils in the factories, of community