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Venezuela oil offer already generating heat in USA

From staff and wire reports

An offer by Venezuela's leftist president to sell heating oil at discount prices to low-income households in Massachusetts is warming the hearts of some and giving others heartburn.

Venezuela's state-owned oil company, which is essentially controlled by President Hugo Chávez, ran full-page advertisements in major U.S. newspapers Thursday saying it will sell 12 million gallons to families at a discount.

The ads, one of which ran in USA TODAY, is headlined "How Venezuela is Keeping the Home Fires Burning In Massachusetts" and describes the deal as a "simple act of generosity."

Critics say it is an attempt by Chávez to embarrass President Bush and take heat off allegations he supports terrorism. On Wednesday, The Wall Street Journal scolded Massachusetts' Rep. Bill Delahunt and former representative Joe Kennedy, both Democrats, for brokering the deal. "Mr. Delahunt's lobbying for the dictator undermines any official U.S. pressure on Mr. Chávez to behave more humanely, which is precisely why Mr. Chávez is returning the favor by plying Mr. Delahunt with cheap oil," the Journal said. "Leave it to the congressman ... and a Kennedy to close the deal."

Delahunt chief of staff Steve Schwadron said the deal was an attempt to reduce tensions between the two countries. The main concern is keeping people warm, he said.

"The bald fact here is an oil company, and only one, is willing to respond to what is a crying need," Schwadron said.

Schwadron said 12 million gallons of heating oil will be reduced by 60 to 80 cents a gallon by CITGO, which is owned by Venezuela's state-owned oil company, Petroleos de Venezuela SA. The first shipments are due Dec. 12. Other states may join, the ad stated. Most of the oil will be sold through an agency run by Kennedy.

The offer to forgo millions of dollars in revenue comes as about half of Venezuela's 25 million people live in poverty.

The White House declined to respond. State Department spokesman Sean McCormack said this month that CITGO "is free to decide ... how it distributes oil."

Chávez is a former paratrooper elected president in 1998. The White House has attacked him for supporting communist terrorists in Colombia, opposing free-trade agreements with neighboring countries and for referring to Saddam Hussein as "my brother."

A day after the Sept. 11 terrorist attacks he said, "The United States brought the attacks upon itself."

"Why would it matter where (the oil) comes from?" said Bridget Durkin, 70, who lives alone in Quincy, Mass., and relies on fuel assistance. "Venezuela is doing a good thing for people."