

# What happened with the Cadivi case?

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Interview with José Vicente Rangel in Televen: It is the first day of December 2013 and Nicolás Maduro, the Head of State, reports that he will set up a presidential commission to investigate how the exchange control system established in Venezuela since 2003 was infringed. “I am going to expose the truth about what happened there to all Venezuelans. There is liability of officials, no question about that... there was fraud.” The claim was an admission from the highest level of the State that corruption had nested in the assignment of preferential currency by the government, especially since 2011. A cascade of statements by ministers, deputies and officials of the judiciary came before and after of the decision: most of them spoke of the existence of a fraud scheme in connection with so-called “shell companies” which were assigned at least 25 billion dollars according to estimates by Jorge Giordani, former Minister of Planning, who was part of Hugo Chavez’ cabinets, and Maduro’s himself.

The commission—whose members include Deputies Ricardo Sanguino and Jesús Faría, Attorney General Luisa Ortega Díaz and General Vladimir Padrino, now Minister of Defense—met and produced at least two reports for President Maduro. However, neither the president nor the members of the commission have clarified whether the findings allowed authorities to establish the liabilities of those who chaired or were part of the boards of the official exchange institutions: the former National Commission of Foreign Exchange Administration (CADIVI), an acronym used in the present and which will be used in the future to identify one of the major cases of misappropriation in Venezuela’s republican history.

Other investigations of government agencies have not led to the identification of responsibilities of military officers or civilians who managed exchange control institutions, if judged by the institutional silence. The Public Ministry reported in June 2014 on the prosecution of 1,490 individuals and 782 companies, but did not announce whether former presidents or former directors of Cadivi had been subpoenaed, at least as witnesses of these

processes. There is also no information whether it has done the same with officials of the National Foreign Trade Centre (Cencoex), which replaced Cadivi. The agency conducted in 2014 an audit on 1,062 companies—247 were penalized because their representatives did not present supporting documentation—and no spokesperson has explained if there was a connection between officials or former officials and acts of corruption.

Doubts are not irrelevant to experts, activists, analysts and citizens who agree with what Maduro admitted to Rangel: A fraud scheme at such a scale with preferential dollars would not have been possible without the complicity or negligence of those who handled the assignments. The contrast with the diligence with which criminal justice has punished opposition leaders for alleged ties to corruption never ceases to amaze the public. Does impunity protect the interests linked with the government? That is the \$25-billion question.