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Venezuela

The process of accumulating wealth in the formation of a new Venezuelan bourgeoisie (2002-2026)



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Since the beginning of the 20th century, the exploitation of oil in Venezuela has shaped particular characteristics of capitalist development: the formation of social classes and their political representation, the model of bourgeois enrichment, and forms of social control. The Brazilian economist Celso Furtado defined the Venezuelan case as “underdevelopment with an abundance of foreign exchange,” manifested in deindustrialisation, corruption, rapid concentration of wealth in the hands of a few, and severe poverty crises. [1]

Rentier Capitalism

The term Rentier State was popularised by Hossein Mahdavy in 1970 to describe states that receive massive incomes resulting from external rents (oil royalties), which develop unique economic and political patterns, with exacerbated dependence on oil exploitation, clientelistic redistribution and precarious incentives to diversify production. Asdrubal Baptista would develop the concept of rentier capitalism (1997) to describe the mode of bourgeois accumulation and hoarding that occurs in Venezuela, based on external rent rather than internal production, with all that the fluctuations in international crude oil prices mean for the local economy.

Since the Venezuelan bourgeoisie is the result of a rentier enrichment process, typical of the uneven and specific development of capitalism in the country, this makes it impossible to study and understand Venezuelan bourgeois hoarding and accumulation within the strict framework of global or regional patterns. That is why we use the term hoarding to describe the capture and concentration of capital, without denying the need of the bourgeoisie to continue expanding its wealth, using part of this money to promote other mechanisms of accumulation by dispossession, as occurs with imports or financial speculation.

The architecture of the economy-power-politics-society relationship of Venezuelan rentierism was structured from the 1920s onwards, with permanent tensions between dictatorship and democracy, political parties and other instruments of social intermediation, the role of the State and social economy, making rentierism a phenomenon not only economic, but also political, cultural and social. The very way of understanding science, innovation, technological development and education was highly influenced by rent-seeking, which also imposed a consumerist cosmopolitanism in all spheres.

Origins of the current Venezuelan crisis

Oil rentierism experienced an exceptional boom starting with the so-called oil booms of 1973-1974 and 1979-1981, causing GDP to grow strongly until the mid-seventies, with features of macroeconomic stability (low inflation, fixed exchange rate at 4.30 bolivars per dollar since 1964, moderate external debt), but this model proved unsustainable in the long term due to its extreme dependence on oil revenues, with expansive public spending, overvaluation of the bolívar and lack of productive diversification. A significant portion of the income flowed into the mechanisms of political intermediation and social control, consumption schemes, and even the ways of understanding so-called social advancement based on distortions in the way of obtaining and displaying goods.

Towards the end of Carlos Andrés Pérez's government (1978) and during the mandate of Luis Herrera Campins (1979-1984) there were signs of the collapse of the model, with the contraction of real GDP per capita in some

quarters or years, the fall in the rate of capital accumulation, inflation that rose from moderate levels (7% in 1978) to higher levels affecting the quality of life of the population in an accelerated manner, increase in external debt, incipient fiscal and trade deficit. The Venezuelan intellectual Arturo Uslar Pietri used to point out that Venezuela had squandered the equivalent of twenty Marshall Plans during that period.

1979-1983 is a period of acceleration in the crisis of the model as a result of the fall in oil prices (1981-1982) which produced a drop in exports of up to 30%, generated a massive flight of capital that some economists estimate at 8 billion dollars, added to the Latin American external debt crisis which affected the possibility of refinancing, and the abrupt decrease in international reserves (19 billion in 1981 to 4 billion in 1983), giving rise to what the prominent analyst Malfred Gerig calls the long Venezuelan depression. This crisis accelerates and intensifies with the arrival of neoliberal globalisation and its pressures on the nation-state, the dismantling of what was related to the Welfare State and the beginning of the post-Fordist cycle.

What happens as a result of the government measures taken in February 1983 is not only the temporary suspension of the free sale of foreign currency, the effective devaluation of the bolívar, the beginning of the loss of purchasing power of the population (70-75% in just hours for savings and salaries in bolívares), the imposition of restrictions on the outflow of foreign currency, but also the rentier hoarding model collapses. This marks the beginning of Venezuela's current systemic crisis, which has persisted for forty-three years without resolution. During this period, the so-called Bolivarian Revolution, while an attempt at overcoming this crisis, unfortunately failed to transcend the rentier model, much less consolidate an anti-capitalist solution. This initial crisis has been compounded by other crises [\[2\]](#) that further complicate the solution from a labour perspective.

The Bolivarian Revolution between two turbulent currents

The 2002 coup d'état, which briefly removed Chávez from power and placed Carmona Estanga, leader of the business federation Fedecámaras (with the support of María Corina Machado), at the head of the so-called Government of National Salvation, marked an unprecedented break between the bourgeoisie and political power. This reshaped the way in which the leadership of the Bolivarian Revolution had been relating to the bourgeoisie.

As we have explained in other writings, from 2002 onward, Chávez promoted two parallel projects (in fact, though not explicitly): on the one hand, the construction of popular power and 21st-century socialism, and on the other, the shaping of the revolution's economic project, creating a new bourgeoisie. This duality expressed one of the forms that the class struggle took in Venezuela during this period.

This situation generated - and continues to generate - a whole debate within the radical left regarding whether or not the Bolivarian revolution should have been supported, especially given this shift (which it is necessary to point out was not evident at that time). A significant portion of the left, as a progressive movement, supports the call to build popular power and then 21st-century socialism, within the framework of the class struggle. Another debate that will be difficult to resolve with consensus is regarding when it was appropriate to continue supporting it, but that is a discussion for another article.

As we mentioned, Venezuela's model of accumulation and rentier hoarding is a kind of anomaly, which does not correspond to the Fordist models of industrial capitalism, but neither does it fit into the post-Fordism of the production of subjectivities, but rather seems to be a kind of hybrid, with its own identity within the framework of bourgeois accumulation and 21st-century capitalism.

The banking network

In rentier economies like Venezuela's, the banking system doesn't always function as an engine of credit for capitalist production, but rather as a conduit or intermediary for rent. Enrichment through banking occurs by manipulating financial variables that only the state controls.

Between 2002 and 2009, a substantial portion of hoarding occurred through various means. The **first** was **arbitrage with debt securities** (structured notes), a process in which the government issued bonds of the Republic or of the oil industry (PDVSA) denominated in dollars, but allowed national banks to buy them in bolívares, at a subsidised dollar exchange rate. [3] The banks, and their VIP clients (mostly linked to government hierarchies) acquired these securities and then sold them at their real price on the international dollar market.

The **second**, through the “**float**” or **management of public funds**, whose mechanism allowed ministries and state companies to deposit their budgets in private banks, not in the central bank. The banks used these deposits by investing them in government securities that earned interest (similar to treasury bills). In other words, the bank earned interest by “lending” the government its own money, generating low-risk financial gains.

Third, there is the **inflation-indexed and devaluation-linked credit**, whereby banks grant loans in bolívares at interest rates that fall below inflation (negative real rates), which means that those who have access to bank credit under these conditions (generally sectors linked to the political elite) use that money to buy assets (real estate) or dollars on the constantly rising black market, which means that at the end of the loan term they return to the bank bolívares that have no value compared to the goods they acquired. This operated as an accumulation by dispossession, transferring wealth from savers (whose money was losing value) to large debtors with political connections.

Fourth, the bank intermediation fees, which were carried out under exchange control schemes such as CADIVI, SICAD or SIMADI, in which the banks acted as operators. Since the bank acted as a filter for a company to access subsidised foreign currency, these financial entities charged “intermediation fees” or required the opening of accounts in foreign banks owned or partnered by local managers, causing oil revenue to flow to tax havens or private accounts under the guise of legal import operations.

Fifth, the so-called “**briefcase banking**”, financial institutions that were created for the sole purpose of implementing the scheme mentioned in the four previous points. They were not banks in the usual sense, that is, they did not have branches or a network of agencies for the public, but rather they were financial management offices, which also served to legitimise oil revenues obtained through overbilling, public contracts or direct corruption, moving them through the international Swift system before official controls could detect them.

In short, a portion of the banking system operated as a mechanism for capital concentration, fostering the formation of the new bourgeoisie by attracting state deposits, converting bolívares into dollars through arbitrage, capturing the subsidised dollar differential, and facilitating capital flight to the global financial system. From its inception, this new bourgeoisie lacked nationalist characteristics; on the contrary, it quickly integrated itself into the logic of the world-system.

During this period (2004) the Ministry of Food was created, which, as we will see later, would be fundamental to diversifying the bourgeois accumulation and hoarding model.

The new bourgeoisie appears on the public scene

The **2009 banking crisis** exposed this form of capital concentration by the new bourgeoisie. The trigger was the **structured notes scheme**, which had progressed to the purchase of sovereign debt from other countries (especially Argentina and Ecuador) and government bonds, which were then resold to local banks, particularly to the sector where the new bourgeoisie operated. The banks bought these state securities at the official rate of bolívars, and since they were dollar-denominated instruments, they sold them again in US dollars on the parallel market, which increased the profit margin, generating massive instant liquidity, which caused small banks, created or acquired in the period 2002-2009, to go from being modest entities to managing fortunes in just seven years.

This exposed the perversion of **buying banks with state funds**, or the so-called "self-purchase." New (and old) businessmen with political connections received massive deposits from state entities (such as the finance ministries or PDVSA), which they then used to buy other banks or insurance companies (the state also acquired private insurance policies for its employees, which served as an additional mechanism for hoarding wealth). The new bourgeoisie became owners of banks, using not their own capital but the very funds they were supposed to safeguard. This became evident with the 2009 financial crisis, in which relatives and associates of high-ranking officials appeared as owners of banks and insurance companies that had been established using these schemes.

The mechanism of capital concentration did not stop there; on the contrary, it expanded with the **cycle of transferring public deposits to granting loans to own companies**. Contrary to the confrontational political discourse, the old bourgeoisie was not uninvolved in this scheme of wealth concentration; on the contrary, it acted as a driving force by serving as correspondents and operators of the large bond issues of the debt that fueled the speculative financial market. Furthermore, seeing the country risk the predatory acceleration that this dynamic imposed, they opted to sell their banking entities to the new bourgeoisie, often at inflated prices.

In the end, faced with this banking crisis that was the face of the new bourgeoisie, the State acted as usual, launching state bailouts and socialising the losses among the common people. When the structured notes scheme ran out, banks began to show capital gaps due to the diversion of funds to personal businesses, which caused the bourgeois hoarding model to collapse. Beginning in November 2009, the Venezuelan government intervened in several banks (Banco Canarias de Venezuela, Banco Confederado, Bolívar Banco, Banpro or Banco Provivienda, Banco Real, Central Banco Universal, Baninvest, and Banorte). While Venezuela's banking crisis is still feeling the effects of the 2008 global financial crisis, it is necessary to analyse it in terms of both its complementary aspects and its unique characteristics.

This bank intervention and the accusations against the so-called "Tsar" of the MERCAL popular food network, revealed how social programmes were being used for this model of accumulation by dispossession, making poverty functional for the origin, development, and growth of the new bourgeoisie. One key element is the exposure of the Public Treasury's involvement in directing public deposits and allocating structured notes.

This crisis culminated in the creation of Banco Bicentenario (which absorbed and managed the crisis bailout), which was formed from a state-owned bank considered efficient, Banfoandes. The State used oil revenues to return the money to depositors. 2009 was the year in which the existence of two parallel projects within the so-called Bolivarian Revolution became evident and undeniable: the popular-socialist-communal project and the project of creating a new bourgeoisie, which were intended to be combined into a new multi-class model of governance.

Stockbrokers and brokerage firms in

hoarding schemes

After the banking crisis, the bulk of the model of capital concentration and bourgeois enrichment (2008-2010) moved to **operations in Stock Exchange Houses and Brokerage Companies**, a period known as the era of the **swap dollar**. During this period, accumulation was also achieved through securities arbitrage. Because access to official dollars through CADIVI (the state exchange control agency) was very slow (and preferential), brokerage firms created a **legalised parallel market** based on the buying and selling of securities denominated in dollars but acquired in bolívars. In this triangulation, the brokerage firms transferred the security to an account abroad (Panama, Switzerland, Miami), selling it at the normal (non-subsidised) dollar rate, allowing the owner of these securities to obtain dollars (capital flight) abroad and the stock exchanges to profit from the intermediation. This led to a widening gap between the official and parallel exchange rates. Meanwhile, bond arbitrage meant that some brokerage firms received direct allocations of bonds from the National Treasury, which they then sold to other market players at inflated prices, with the brokerages pocketing the difference. Some analysts estimate that a single brokerage firm could earn millions of dollars in a single day. Within this framework, the relationship between stockbrokers, government officials, and the new wealthy elite fostered a highly specific model of wealth accumulation.

This created a **bubble in brokerage firms** between 2008 and May 2010, which operated in luxurious offices without having a real portfolio of minority clients, entities that were used to obtain profits from overbilling of state contracts and to take capital out of the country. This scheme imploded with the so-called Casazo, which led the Central Bank of Venezuela (BCV) to prohibit brokerage firms from trading securities in dollars, creating the SITME (System of Foreign Currency Transactions) that centralised bond business within the BCV. This demonstrated that the dynamics of capital capture by the bourgeoisie shifted toward where the State was investing the surplus oil revenue.

Exchange controls, imports and hoarding

From that moment (2010) a key aspect of the bourgeois appropriation of rentier capital became the importation of food for the popular sectors, whether given at subsidised prices or through direct delivery at zero cost. This scheme is built from **import arbitrage** (the CADIVI/CENCOEX era), through **international outsourcing and logistics control, using the experience of banking arbitrage for food arbitrage, and placing the income in food boxes**.

The death of Chávez (2013) allowed the emergence of Madurismo, a political expression of a new moment of voracious accumulation by the new bourgeoisie and a response to the fall in oil prices, which led this sector to liquidate the part of the national-popular-socialist project promoted by Chávez, in order to concentrate on the consolidation of the process of hoarding by the new rich. Delcy Rodríguez (current acting president), Jorge Rodríguez (president of parliament and Minister of the Interior) and Vladimir Padrino (Minister of Defense), were a structural part of Madurismo, and today they are in the process of mutation and accommodation to the role of the colonial administration board that the United States has assigned to them.

The model of accumulation by dispossession and the Solution to the Food Problem

Starting with the **formation and nationalisation of the Local Councils for Food and Planning (CLAP)** in 2016, the system shifted from private briefcase companies for imports that served as rent-seeking machines to networks of transnational intermediaries with direct connections to the upper echelons of power. This allowed not only the accumulation of wealth, but also the building of political relationships that had previously been adverse to business

sectors internationally linked to social democracy or even the far right (the case of Colombian businessmen associated with sectors accused of links with paramilitarism). These companies bought low-quality products on the global market and sold them as if they were top-quality within the country, quadrupling their profits. Control of logistics (where many companies were linked to military figures) operated as another mechanism for capturing rent through freight and distribution processes in the country (deliveries to community councils or the CLAP programme). Poverty, shortages, inflation, and lack of purchasing power contributed to bourgeois enrichment and the maintenance of the non-ideological power structure.

That is to say, that we have moved from structured notes and bonds to food boxes, from the BCV bank's spread to the widening of this spread plus surcharges, from financial sovereignty to food sovereignty, especially after the sanctions or unilateral coercive measures applied by the United States and European nations. The sanctions served the purpose of rent-seeking, capital concentration, and the enrichment of the new bourgeoisie. At this stage, hoarding did not require bank intermediation, but rather the existence of an associated company in countries with lax controls, high-level government contacts who could grant import licenses, and access to state-subsidised foreign currency.

The mining arc, gold, rare earths and the digital economy in the consolidation of a new bourgeoisie

When US sanctions came into effect and Venezuela left the Swift system, the mechanisms had to dematerialise (cryptocurrencies) and return to physical values (exploitation and appropriation of gold). When the United States froze the foreign accounts of the Central Bank of Venezuela (BCV) and PDVSA, the Orinoco Mining Arc project was fully activated. Lacking public control and accountability, gold production became the slush fund for the new bourgeoisie and the government, creating a new mechanism for hoarding wealth. There is total opacity surrounding this matter; the current gold reserves are unknown, as is how the precious metal from the Orinoco Mining Arc was sold and stored. Furthermore, the Venezuelan Mining Corporation (CVM) began exploiting rare earth elements, or so-called "black sands," around the Orinoco River, particularly cassiterite, nickel, rhodium, titanium, and other minerals. The exploitation, commercialisation, and revenue generated from these highly deregulated resources contribute to the accumulation of wealth for the emerging bourgeois class.

For their part, cryptocurrencies, especially promoted by the government since 2016-2017, with mining farms, constituted another model of accumulation by dispossession, through speculative financial mechanisms, which allowed the Creole bourgeoisie to "learn" to generate profits in such volatile environments as these. With the creation of the Petro (2017), the Venezuelan cryptocurrency, this digital currency operated as an international trading mechanism that bypassed the controls of countries imposing sanctions. The use of stablecoins (USDT) allowed for the sale of oil and other trade without requiring permission from the global banking system. This scheme collapsed when \$23 billion disappeared from public finances, when it became clear that debts were registered as accounts receivable by PDVSA, even though they had been paid off, but the resources for these concepts had been converted into digital currencies by the nouveau riche in high government positions, especially from the state oil company.

The circulation of dollars from gold, cryptocurrency arbitrage, and overbilling generated what economists call "the mirage of recovery," or the consumption bubble, localised and segmented to the radius of action of those who gravitate in this sub-economy. This led to the emergence of the so-called Bodegones, where there were all kinds of imported merchandise, companies that functioned as mechanisms for capturing rent, mostly in the hands of relatives of politicians and military personnel. Similarly, the opening of dealerships for high-end and luxury vehicles served as another means of capturing this type of income. Other outlets for this capital flow included the activation of the real estate market and the construction of large buildings and shopping centers.

When the Attorney General of the Republic reported the imprisonment of those responsible for the cryptocurrency run, he explained that digital currencies and PDVSA funds had been used by the sector accused of corruption to increase the devaluation of the bolívar along with the rise in the price of the dollar, as another mechanism for appropriating income. In other words, the tragedy that the Venezuelan working class was experiencing, a product of the devaluation of the bolívar's purchasing power and inflation, was not only the result of US sanctions, but also of the hoarding scheme that operated through the constant and upward run of the dollar price by the new bourgeoisie and high officials who controlled cryptocurrencies and oil revenues.

In each of these stages, the proceeds of corruption were legitimised through these mechanisms of expanded rent capture, with the public budget becoming another source of bourgeois enrichment. This explains how Venezuela, despite receiving income equivalent to ten Marshall Plans over the past 25 years, saw its infrastructure rapidly destroyed, along with the material living conditions of its population. The corruption-poverty nexus operated as a system of accumulation by dispossession.

The necessity for inter-bourgeois agreements

The search for inter-bourgeois agreements to maintain power is part of the nature of the bourgeoisie as a social class. That is why, since 2018, the new Venezuelan bourgeoisie has worked intensely to reach an agreement with the old bourgeoisie and form a single class without confrontational divisions. For this purpose it was necessary to rebuild the relationship with the United States, showing that what remained of the Bolivarian revolution had lost all capacity and will for radicalism; the negotiations became public from 2019, when Maduro confirmed that dialogue had begun with the first Trump administration, which would continue with Biden (recognised on March 8, 2022) returning Venezuela to its role as a secure supplier of oil to the United States in the context of the war in Ukraine.

Between 2018 and 2026, there was an accelerated rapprochement between the two bourgeoisies (of the Fourth Republic from approximately 1958-1999 and the Bolivarian Fifth Republic of 1999 onwards), to such an extent that today many of us think that both are practically integrated in their interests and, whose visible face of that fusion is Delcy Rodríguez, the current interim president. Since 2021, Delcy Rodríguez has been a guest of honour at the annual assemblies of the business group Fedecámaras, and after the events of January 3, 2026, she is the one who calls for legal flexibility to promote private, national and international investment with the consensual applause not only of the entire national bourgeoisie but also internationally.

To achieve this bourgeois consensus, between 2018 and 2026 they not only outlawed and intervened in all left-wing parties, but also implemented a package of economic liberalisation, restrictions on union freedoms and the right to strike, limitations on freedom of expression, and usurped popular sovereignty. The Anti-Blockade Law (a euphemism for imposing a new neoliberal adjustment on the Venezuelan economy) and the Law on Special Economic Zones are just two examples of this restructuring.

The Venezuelan bourgeoisie (both of the Fourth and Fifth Republic) accepts the colonial relationship

In the context of the emergence of a new world order, which the United States aspires to lead, the granting of oil rights and the economy that Maduro had promoted was insufficient; the Trump administration wants total access to Venezuelan energy and wealth. The US military offensive in the southern Caribbean begins in August 2025, finding

The process of accumulating wealth in the formation of a new Venezuelan bourgeoisie (2002-2026)

the Venezuelan bourgeoisie unified and attempting to maintain its status quo of wealth accumulation. For this unified bourgeoisie, the democratic closure that began in July 2024 is not a primary concern, nor is it for the United States after the events of January 3, 2026.

In the 30 days following the imperialist attack against Venezuela, the capture and kidnapping of Maduro, and the imposition of a protectorate situation, directly monitored on the territory by the American chargé d'affaires in the country, Laura Dogu, the Colonial Administration Board (Delcy Rodríguez, Jorge Rodríguez, Diosdado Cabello and Vladimir Padrino) has initiated a set of structural legislative reforms, which seek to guarantee that in the new situation of domination, the Creole bourgeoisie receives a part of the rentier hoarding. Trade laws were modified and simplified, and a reform of the Hydrocarbons Law was enacted that broke even with the type of limited nationalism promoted by Venezuelan social democracy in 1943 and 1976, taking the country back to the time when transnational oil companies dictated the relationship with the national treasury. The reduction of royalty rates (from 30% to 15%), the concession to transnational corporations to sell oil directly, and the acceptance of the United States' authority to decide on the administration of resources derived from oil trade are a shameful attempt by the unified bourgeoisie and the colonial governing body to maintain some level of control over capital accumulation. Now, labour law reform is being announced to end the structural adjustment programme dictated by the Trump administration.

The unified bourgeoisie of today has gone further than the old bourgeoisie of the Fourth Republic, losing all nationalist character and accepting the colonial protectorate status that the US seeks to impose. But the final word will be spoken by the events of the class struggle to come.

11 February 2026

*Translated by David Fagan for **International Viewpoint**.*

In Spanish [viento sur](#).

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[1] Due to the length limitations of this article, we could only address the most representative milestones in the formation of the new bourgeoisie during the period 2002-2026. However, this work should be complemented by an analysis of the tensions this generated with the popular movement at each of these moments, as evidence of the different paths the class struggle takes in each situation and historical moment. There will surely be time and space to undertake this analytical task in the future.

[2] These complementary crises arises from the schism of the popular-national State as a result of the Caracazo of 1989 (the notion of the people as a consensus for state control dissolves), the return to the contradiction between the military and civilian world (military uprisings of February 4 and November 27, 1992), the questioning of electoral power by the multitude (1993, expanded in each subsequent election), the first radical distancing between the Creole bourgeoisie and its political representations in government when the rich attempted to break the democratic thread (2002), the process of the emergence of a new bourgeoisie with liquidationist intentions of its predecessor (2002-), the tensions of the new model of multi-classism that the Bolivarian revolution attempts to promote (representative democracy, communal power, new bourgeoisie), the definitive failure of the exchange control models based on the subsidy of the dollar (as a form of enrichment of the financial bourgeoisie), the problems in the type of price control (capture of surplus income) that led to the shortage crisis and the evaporation of bourgeois developmentalism due to the collapse of basic public services (2014-2026), the escalation of tensions between Venezuela and the United States (2004-2017/ 2018-2025/ 2026

The process of accumulating wealth in the formation of a new Venezuelan bourgeoisie (2002-2026)

-) whose trade relationship had been central to the rentier model, the democratic shutdown (2024-2026), and the risk of the Republic's collapse in the face of US colonial ambitions (with the submission of the governing junta installed on January 3, 2026). Overcoming the Venezuelan structural crisis requires resolving all these problems simultaneously—or at least in a convergent manner—something that will be very complex in a colonial situation like the one that began in January 2026.

[3] In Venezuela the dollar was subsidised, placing an official value below its real market value, a difference that operated as a mechanism for capturing oil revenue.