

December 10, 2008

Whither Venezuela? A Dialogue on the Bolivarian Revolution

By Antonio Gonzalez, WCVI*

Background

Hugo Chavez' election to President in Venezuela in 1998 opened a near continuous era of progressive electoral victories in Latin America. Since then Brazil, Argentina, Uruguay, Chile, Bolivia, Ecuador, Nicaragua, Guatemala, Honduras and Paraguay have elected leftists of various shades to their respective presidencies.

Furthermore, progressive presidents have won re-election at every opportunity to date (Venezuela, Chile, Uruguay, Brazil, and Argentina). For the most part Latin America's progressive presidents (including Chavez) have delivered more open and democratic governments, income redistribution to the poor, increased investment in public works, education and healthcare, and cooperated among themselves on many regional and macroeconomic policies and issues.

Yet none of these regimes experienced linear, uninterruptedly ascending processes. They faced destabilization from domestic oppositions, external interference as well as problems created by their own shortcomings. All of these factors have hampered their ability to fulfill their campaign promises promptly.

Still these Latin American progressives in power mostly enjoy the patient support of increasingly empowered masses. More than anywhere else in the world, Latin America (particularly South America), is home to an alternative project to global neo-liberalism that continues to capture the imagination and embody the hopes of the multitudes of historically excluded populations.

Phases in Venezuela's "Bolivarian" Revolutionary Process

Venezuela's "Bolivarian" experiment (named for famed leader of the independence movement from Spain Simon Bolivar) has had four distinct periods. An initial phase during 1999-2001 in which Chavez and his followers successfully mobilized public opinion to win the enactment of a very progressive new Constitution, and win electoral majorities in Congress and most state and municipal governments.

A second phase in which the opposition sought to destabilize/overthrow the Government constituted the Revolution's first "plateau" during 2002-05. In turn, the opposition used violent and illegal methods like a military coup and oil industry lock out, as well as legal methods like recalls and electoral abstention-ism to try to halt and reverse the changes underway in Venezuela. "Chavista" forces ultimately politically defeated and out-mobilized the opposition during this period.

During 2005-06, the revolution returned to ascendancy with consolidation of grassroots organizing projects or "missions" in every nook and cranny of society, massive redirection of ample oil income to the poor in the form of education and health access as well as rising income and land reform. This surge of wildly popular policy and political changes ultimately led to Chavez' landslide re-election in December 2006 in which he won 63% of the vote in widely acclaimed open and transparent elections.

However, this second ascendant phase seems to have stalled with the right-wing opposition's unexpected electoral victories last Sunday in key states and the capital Caracas, as well as the surprising defeat in 2007 of Chavez' Constitutional Reform to transform Venezuela to "21st Century Socialism."

Venezuela's Off Year Elections on November 23, 2008

Given this apparent pause in the revolutionary process, it is important to understand the tendencies and characteristics involved, as well as their modalities.

First, the undeniable facts:

- On Sunday, November 23, 2008, for the 12th time in the last 10 years the National Election Council of Bolivarian Republic of Venezuela executed an exemplary national election. Citizen participation was record breaking, all parties and observers recognized its scrupulous transparency and accuracy. Featuring nearly 100% distribution of state-of-the-art computerized voting machines with receipts and rigorous "audit-ability", in many ways, Venezuela's "uber-democracy" is model for the rest of the world. Irregularities were modest and isolated, representing the exception, not the rule.
- Hugo Chavez and the Venezuelan United Socialist Party (PSUV) continue to be the majority political force in society (winning 17 of 22 governorships and 75-80% of the municipalities). Preliminary results show that the PSUV won 54% of the popular vote.
- The rightist opposition surprisingly won narrow victories in four important states: Miranda, Carabobo, Zulia, and Tachira, (in one other state –the opposition won tiny Nueva Esparta as widely predicted) and the national capitol Caracas (though the PSUV won the largest municipality within Caracas-Libertador) that comprise nearly half of Venezuela's population. Interestingly, in four of these five "surprise victory" cases Chavez invested his personal capital, spending ample "face-time"

campaigning before the local populations and publicly guaranteeing PSUV success. These victories amount to a very important expansion of the institutional power for the opposition.

These clean, transparent and participative elections deepened the move away from the previous paradigm of Venezuelan elections: electoral combat between revolutionaries aimed at creating a new state and economy for society, and counterrevolutionaries aimed at a restoring pre-Chavez practices that consisted of oligarchic and exclusionary systems typical of many dysfunctional developing societies.

The new paradigm in this election (as well as the 2006 Presidential election and the 2007 Constitutional Referendum) was that of competition between a left and a right that both accepted the post-1998 rules of the game (especially the 1999 Bolivarian Constitution), at least for the time being. These rules define Venezuela's socio-political system as democratic, inclusive, redistributionist, nationalist, and anti-imperialist.

Three Scenarios for Venezuela through 2012: The Good, the Bad, and the Ugly

However, these facts do not sufficiently answer the question of what logic guided the voters' decisions. I propose three scenarios for debate and discussion:

- I. **The Venezuelan opposition is recovering its natural level of government power.** The narrow opposition victories in the most populous regions (as well as their narrow 2007 victory defeating the Constitutional amendments transforming Venezuela into "socialism of the 21st century") reflected the oppositions' real share of society. Venezuela's opposition consists of social Christian conservatives, as well as some liberal and social-democratic sectors. The opposition is well funded, well established, and relatively populous.

During 2002-05, oppositionists chose to destabilize Venezuela's elected government through coups (2002), oil strikes (2002-03), and electoral recalls (2004) and boycotts (2004-05). These choices caused their dramatic decline in representation in government (among other things).

Today, a wiser opposition has chosen to participate in the genuinely democratic electoral process with significant success. However, they naturally have a ceiling that corresponds to the 40% of Venezuela's electorate that they have won in national elections when they have participated. If this logic persists, the opposition will win their "quota" (but no more) of city council races in 2009 and federal assembly races in 2010.

- II. **Venezuela's voters in the big cities/states punished the PSUV in a "Voto de Castigo".** While it is true that the Venezuelan revolution has transferred wealth to the poor, improved education and healthcare, enacted democratic elections, and so on, it is also true that public services (trash!) and public safety (street crime!) in too many big cities are inexcusably bad.

Years of revolutionary promises raised expectations and a sector of empowered Venezuelan voters in Caracas (particularly the massive eastern barrios), and the states of Tachira, Carabobo, and Miranda simply ran out of patience with the unfulfilled promises to deliver a better quality of life.”

In some cases “chavista” voters simply stayed home knowing that abstention meant victory for the opposition. Preliminary results in some poor neighborhoods showed only a two to one margin for the PSUV, while opposition neighborhoods went nine to one for their candidates.

In essence, voters in these big cities and states are giving the opposition a chance at the helm. In the future elections voters will use the same democratic system to hold opposition Mayors and Governors accountable to their promises to improve governance and services within the purview of their authority.

III. Venezuelans are slowly but surely removing governmental power from Chavez and the PSUV. Revolutions are like love affairs. Since 1998, most of Venezuelans have embraced the egalitarian and anti-imperialist vision of President Hugo Chavez. However, a critical mass of popular opinion began to consolidate against Chavez’s “21st Century socialism” project with the rejection of his socialist referendum in late 2007. Analysts attributed failure to the abstention of three million voters that voted for Chavez’ in the presidential election just one year before. According to respected Venezuelan pollster German Campos, in the low turnout “socialist referendum” defeat of 2007 “chavista” voters sent a signal to Chavez that ‘we won’t vote against you, but we are with you to this point only”’.

However, the 2008’s record turnout election that defeated “chavista” candidates in heavily populated (Miranda, Caracas, Zulia, Carabobo), oil-rich (Zulia), and industrial (Carabobo) states and cities represents a further evolution/emboldening of estranged “chavista” voters. Tiring of the complex and long-term process of social transformation (that Chavez advocates), the masses “love” is waning. A growing number (called the “ni-ni’s”) now affirmatively seek a “divorce.”

If this thesis is true, Chavez’s PSUV will “surprisingly” lose in ensuing elections and the 2012 presidential election will see the end of revolutionary rule in Venezuela.

It is important to understand these scenarios may not be entirely accurate or mutually exclusive. Indeed, whether one or another plays-out is dependent on political and policy choices made over the next year by Chavez/PSUV and the opposition combined with contextual factors only partially under Venezuela’s control.

Policy and Political Choices for Chavez and the Opposition

In no particular order following is a set of additional factors that will help determine which of the above premises ultimately prove true.

- **Chavez and fixing the cities:** President Chavez now has a choice, work in a nonpartisan fashion with his vast grassroots base and central government power in conjunction with the new opposition governments especially in places like Caracas, Maracaibo and Sucre to clean up crime and improve public services like trash pickup or leave the opposition to their own devices. The first option implies opposition cooperation –which they say they support, and if so, will lead to significant progress and shared credit with the voters! The second option means progress on these problems will be more difficult and the opposition will be solely responsible in the eyes of the voters
- **Opposition destabilization or good government:** Similarly, the opposition in power in previous years has meant enhanced destabilization activities. They have a choice to make. Either they throw themselves into solving the myriad of problems in their areas of control as this complete their transition to “loyal right opposition”, or they use their expanded power base to seek the removal of Chavez and reversal of revolutionary policies (i.e. act as counterrevolutionaries). The first choice opens the path to greater cooperative with Chavez and/or his base. The second option will likely return Venezuela to the conflictive days of 2002-2004, a strategy that failed miserably then.
- **The “wildcard” Chavez re-election referendum:** Recent reports indicate the PSUV is launching a signature gathering campaign that if successful will convoke a constitutional referendum to throw out presidential term limits in the very near future (February 09!). If so, Venezuela is in for intense near-term polarization. The betting would be a Chavez victory as he is still very popular with a 60% approval rating. That would also mean his likely re-election in 2012! If the referendum loses, it may mean the end of “Chavismo” and the PSUV may be the underdog in 2012’s presidential elections.
- **Is the PSUV ready (?):** One untold story of the elections is how internal divisions in the still-young PSUV help explain their candidates’ poor showing in the biggest states and cities in Nov. According to many “off the record” sources the party is still not close to being ready as an effective and coherent political vehicle. Whether the PSUV achieves cohesion in the short term will be an important variable in the proposed referendum as well as local elections in 2009.

External and Contextual Factors that Impact Venezuela’s Options

- **Obama (!):** Its no coincidence that opposition destabilization efforts geometrically intensified after George W. Bush took the U.S. presidency in Jan. 2001. Bush immediately put the Cuban-exile “mafia” in charge of Latin America.

Previously, President Clinton was benign during 1998-2000. Similarly, President Obama should be benign in the short term. Simply put, he is not interested in Latin America –yet. The Miami crowd is definitely on the outs. For the moment, there is a window of calm with respect to destabilization originating from the U.S.

In the midterm, however, if the Bolivarian process sustains itself and continues to expand its influence, the Obama Administration will inevitably have to define its attitude towards Venezuela, particularly given the energy-based interdependence of the two nations.

In this regard, it behooves Venezuela to propose a new beginning with Obama consisting of modest, confidence building agreements, perhaps around energy security or climate change.

- **Oil prices and recession:** Oil prices will be down for the short-mid term though growing global demand and the growing likelihood that OPEC will cut production (sometime during the first half of 2009) creates pressure for price increases by mid-late 2009. Prices will be volatile thereafter –rising and falling as the west slowly but surely weans itself from fossil fuels even as global demand grows.

Fortunately, Venezuela planned to withstand a recession and has financial reserves to continue its present course in 2009. The year 2010 is another matter however, and an enduring global recession or failure of OPEC to cut production will hurt Chavez ability to continue his growth, investment and redistribution agenda.

How this affects the popularity of the revolution is a big question mark in the mid-term (and probably explains why the PSUV wants to strike Presidential term limits now, versus the previously contemplated schedule of 2011).

- **UNASUR and Latin America:** For nearly ten years, Chavez has built goodwill in Latin America with Venezuela’s oil wealth and political solidarity. Intellectually, Chavez gave voice to the now solid Latin American dissent from Washington, DC’s neo-liberal project. Increasingly, Chavez has led development of a more and more articulated alternative vision that now includes institutions like ALBA, PetroCaribe, Banco del Sur, Telesur, Fondo del Sur, and so on.

The Union of Nations of the South or UNASUR, a sort of nascent “European Community” of South America may be the crown jewel. Already having distinguished itself by intervening in and calming down a potential civil war in Bolivia, UNASUR may be the answer to Latin America’s age-old conundrum of how best to engage with the U.S. and Europe, as well as how to lock in endogenous and equitable investment, growth and prosperity.

- **China, Russia and Iran:** Interestingly, these three countries while the source of much consternation in the West, particularly the U.S., may be the source of a

momentary lifeline for the Venezuelan economy, if in fact oil prices continue to drop through 2010. China provides a growing market for Venezuelan oil, Russia has committed to establishing a Venezuelan development fund, and Iran is co-producing automobiles with Venezuela in Venezuela –the popular, low cost (\$5,000!) “Venir”! Conversely, these relationships may be obstacles (especially Iran and Russia) if the U.S. or Venezuela seek rapprochement during the “Obama” window.

*Since 2004, WCVI has conducted educational activities regarding U.S.-Venezuela relations, as well as the social change processes unfolding in Venezuela (and other Latin America countries). In late November 2008 as part of an international observer contingent, WCVI was able to continue to learn about the electoral process in regional and municipal elections in this South American country

WCVI has used travel seminars to educate Latino leaders about “intermestic” issues since 1987 with scores of trips to Mexico, Nicaragua, El Salvador, Chile, Costa Rica, Honduras, Cuba, South Africa, France and Sweden.

NALACC, NDLO, and HF accompanied WCVI in Venezuela. This group was the third such that WCVI has organized since 2006 to witness firsthand the social changes underway in Venezuela. Previously, WCVI has traveled with leaders from MAPA, Anahuak, DSO, LULAC, KPFK-FM 90.7, and Urban Semillas to Venezuela.

In the near future WCVI hopes to expand its purview to include Colombia, Peru, Brazil, Argentina, Ecuador, and Bolivia.