

# WebMemo



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## Venezuela: Democracy Dodges a Bullet

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Would-be President for Life Hugo Chávez intended to write an obituary for Venezuelan democracy on December 2, 2007, but the people of Venezuela refused to take it off life support. The people no doubt noted the irony of the date Chávez chose for the constitutional referendum, since it was almost 50 years to the day after an earlier generation of Venezuelans wrote the birth announcement for true democracy by throwing out former dictator Marcos Perez Jimenez in December 1957.<sup>1</sup>

Chávez tried to intimidate, threaten, bribe, or cajole enough Venezuelans to approve “reforms” to the “Bolivarian Constitution” that he himself wrote just eight years ago so that the way would be clear for him to extend his grip on power indefinitely and construct an authoritarian socialist system based increasingly on the Cuban police-state model. Chávez sought to discourage the turnout of the brave opposition through bullying tactics and violent repression, but those tactics appear to have backfired.

Though he cunningly included sweeteners in his reform package—such as a mandatory six-hour workday and expanded social security and pension benefits (without identifying a funding source, of course)—to cement support among the 40 percent of Venezuelans living in poverty,<sup>2</sup> exit polls revealed that even the poor felt threatened by his grab for unlimited power. Many of the recipients of Chávez’ largesse are beginning to feel the impact of Chávez’s bumbling mismanagement of the economy, which has produced record-high inflation and severe

shortages of basic foodstuffs. Rampant crime has also soured many on the president and his policies. “I have always voted for Chávez, but he wants a dictatorship like Cuba,” said Algimiro Polanco, a 56-year-old bus driver, after he voted in the Caricuao neighborhood in Caracas. “I don’t want the government to take my small house. It’s mine.”<sup>3</sup>

This was the first time since taking power in 1999 that Chávez actually faced serious and well-organized opposition, due to a number of recent developments. Chávez’s former comrade-in-arms and defense minister, retired General Raul Baduel, who saved Chávez from being overthrown in a 2002 coup attempt, turned on him and categorized the reform package as a “coup d’etat.”<sup>4</sup> In his now famous shut-down of the obnoxious and overbearing Chávez, who was indulging in a rant against former Spanish Prime Minister Jose Maria Aznar during the Ibero-American Summit in Santiago, Chile, Spanish King Juan Carlos said to Chávez what millions have only dreamed of saying: “Why don’t you just shut up?” The King’s put-down is selling as a cell phone ring tone all over the world.<sup>5</sup>

Sensing that the King had wounded Chávez politically, opponents seized the moment to

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pounce. President Alvaro Uribe of next-door Colombia, a staunchly pro-U.S. ally, kicked Chávez off a mediation panel that had been negotiating with the FARC, a Marxist Colombian narco-terrorist group, over the release of hostages. The preening and posturing Chávez had made much of his role as peacemaker while making little real progress and simultaneously seeking to rewrite the Colombian constitution and funding FARC efforts to overthrow democracy.<sup>6</sup>

Meanwhile, students in Venezuela, who oppose Chávez by nearly 10 to 1 because of his crackdown on press freedom, took to the streets by the thousands in Caracas and elsewhere. They soon encountered Chávez thugs drawn from the purportedly peaceful “Bolivarian Circles.” At least one person was killed, but the students did not back down.<sup>7</sup> Roman Catholic Church leaders in Venezuela and other human rights groups also stepped up their criticism.<sup>8</sup> Even Chávez’s ex-wife deserted him. Journalist Maria Isabel Rodrigues, who divorced Chávez in 2004, encouraged the opposition to vote. “It will be more difficult for fraud to take place if we all vote,” said Rodrigues.<sup>9</sup> She was right.

During the campaign, Chávez confidently jetted off to raise his fist against the U.S. with his authoritarian “brother” Mahmoud Ahmadinejad in Tehran and then attended an OPEC meeting in Saudi Arabia, where he said OPEC should become “an active

geopolitical agent” and take the lead in the global redistribution of wealth.<sup>10</sup> Maybe he should have stayed home.

**A Tragic Setback Averted...for Now.** Passage of the 69 reforms in the referendum would have further consolidated the “constitutional dictatorship” exercised by President Chávez and left the Venezuelan people with few remedies against the mischief and incompetence of their increasingly strident and erratic leader.

With incremental steps since taking office in 1999, Hugo Chávez has used both his skills as a charismatic, in-your-face nationalist and populist leader and his total control over the immense wealth generated by Venezuela’s oil reserves, to destroy virtually all of the checks and balances necessary to a functioning democracy. In the process, he has polarized Venezuelan society, crushed a divided democratic opposition, spread his toxic political and economic philosophy to neighboring countries, and won the admiration of a new generation of leftist activists who pine for the resuscitation of socialistic thinking. Unfortunately for Venezuela, their grasp of the mechanics of market-based democracy and sustainable wealth creation is just as feeble as his.

In practice, Chávez’s “21st Century Socialism” is just the same old tired socialism that has failed time

1. Mary Anastasia O’Grady, “More Trouble for Chavez,” *The Wall Street Journal*, November 12, 2007, p. A16.
2. Simon Romero, “Chávez’s Vision Shares Wealth and Centers Power,” *The New York Times*, November 17, 2007, at [www.nytimes.com/2007/11/17/world/americas/17venez.html](http://www.nytimes.com/2007/11/17/world/americas/17venez.html).
3. Tyler Bridges and Phil Gunson, “Chavez: ‘There is no dictatorship here,’” *The Miami Herald*, December 3, 2007, at [www.miamiherald.com/558/story/329639.html](http://www.miamiherald.com/558/story/329639.html).
4. Simon Romero, “Chávez’s Vision Shares Wealth and Centers Power.”
5. Associated Press, “‘Shut Up’ Chavez a Ringtone a Hit,” November 19, 2007, at [www.cnn.com/2007/WORLD/americas/11/19/spain.shutup.ap/index.html](http://www.cnn.com/2007/WORLD/americas/11/19/spain.shutup.ap/index.html).
6. Chris Kraul, “Chavez, Uribe Let Insults Fly,” *The Los Angeles Times*, November 26, 2007, at [www.latimes.com/news/nationworld/world/la-fg-chavezuribe26nov26,0,755781.story](http://www.latimes.com/news/nationworld/world/la-fg-chavezuribe26nov26,0,755781.story).
7. John Lyons and Jose de Cordoba, “To Oppose Chavez, Youth In Caracas Rally Behind Stalin,” *The Wall Street Journal*, November 24, 2007, p. A1.
8. Reuters, “Confident Chavez Says Foes to Cry Fraud in Vote,” November 27, 2007, at [www.reuters.com/article/worldNews/idUSN2746512620071127](http://www.reuters.com/article/worldNews/idUSN2746512620071127).
9. Fabiola Sanchez, “Chavez Vows Referendum ‘Cannot Fail,’” Associated Press, November 28, 2007, at [www.washingtonpost.com/wp-dyn/content/article/2007/11/27/AR2007112702072.html](http://www.washingtonpost.com/wp-dyn/content/article/2007/11/27/AR2007112702072.html).
10. AFP, “OPEC Summit Starts with \$US200 Oil Warning,” November 18, 2007, at [www.abc.net.au/news/stories/2007/11/18/2093924.htm](http://www.abc.net.au/news/stories/2007/11/18/2093924.htm).

and again. Chávez's innovation is one of branding and marketing. He has made skillful use of mass media to give the people the perception that he is placing power in their hands, while off-camera he tightly controls all spigots of state funding and patronage, prohibits most freedom of expression, and keeps a military that is committed to the preservation of his presidential authority on a very short leash.

His revised constitution would have strengthened Chávez's stranglehold on power in a number of specific ways. He would have immediately received an extra year in office, extending his term to 2014, and could have been re-elected indefinitely. He would have had authority both to suspend political rights by declaring periods of emergency and to jail people merely for showing "disrespect" to him. The new constitution would have granted him greater power over the Venezuelan Armed Forces<sup>11</sup> as well as control over the once autonomous Central Bank of Venezuela. He also would have been able to expropriate private property and override local governments, which threatened the power bases of local governors and mayors and may have contributed to his defeat on Sunday.

According to *Chavista* election officials, a bare majority—50.7 percent of voters—opted not to give away their basic democratic rights and place nearly absolute political and economic power in the hands of an executive free of checks and balances and term limits. Unlike his previous abuses of the democratic process through the ballot box, this time Chávez did not permit even one independent outside observer to monitor the election,<sup>12</sup> so it is impossible to know if the regime attempted to rig the outcome and ended up miscalculating the voter turnout. In any case, only 56 percent of Venezuelans showed up at the polls (compared to 70 percent when Chávez was re-elected one year ago), and

many in poorer neighborhoods, perhaps fearful of voting "No," stayed home, voting with their feet against Chávez.<sup>13</sup>

**Conclusion and Recommendations.** While he has been temporarily stymied from achieving his goal of total power in Venezuela, Chávez certainly will not give up his dream. As Chávez's former comrade, retired General Baduel, noted at a post-election press conference by the opposition, the world must remember that Chávez has already been ruling dictatorially through presidential decrees since his rubber-stamp legislature granted him those powers in January 2007, and he has five years left in his current term of office.<sup>14</sup>

Hugo Chávez has very nearly destroyed democracy in Venezuela; it is hanging on by a thread. In his post-election interviews, a calm and seemingly introspective Chávez has cleverly given the impression that he humbly accepts the verdict of the people and that this proves he is now some sort of European social Democrat. Given his blustery threats and pre-election tirades, his apparently measured and philosophical acceptance of the outcome is highly suspicious. Quite simply, it is an act. He will try again after a decent interval, probably scaling back the scope of his "reforms" and no doubt hoping that democratic countries will have been lulled into complacency. That must not happen. The opposition in Venezuela has only begun to fight, and the United States and other freedom-loving peoples of the world must now redouble their efforts to fight against Chávism and win not just this battle, but the war.

Specifically, the U.S. Congress should:

- Immediately approve the U.S.–Colombia Trade Promotion Agreement;
- Hold hearings to examine U.S. national energy security in light of Chávez's control of 5 percent

11. Gustavo Coronel, "Will the Frog Jump?" Cato Institute, at [www.cato.org/pub\\_display.php?pub\\_id=8721](http://www.cato.org/pub_display.php?pub_id=8721).

12. Phil Gunson, "Foreign Observers Won't Monitor Voting," *The Miami Herald*, November 25, 2007, at [www.miamiherald.com/558/story/319806.html](http://www.miamiherald.com/558/story/319806.html).

13. Richard Lapper and Benedict Mander, "Overlooked Poor Bite Back at Chávez," *Financial Times*, December 3, 2007, at [www.ft.com/cms/s/0/4976cc94-a1d2-11dc-a13b-0000779fd2ac.html](http://www.ft.com/cms/s/0/4976cc94-a1d2-11dc-a13b-0000779fd2ac.html).

14. Frank Bajak, "Chavez: Plan May Have Been Too Ambitious," Associated Press, December 3, 2007, at [www.miamiherald.com/889/story/329761.html](http://www.miamiherald.com/889/story/329761.html).

of all U.S. domestic refining capacity through state-owned, U.S.-based CITGO;

- Encourage reduced imports of crude from Venezuela by dropping tariffs on Brazilian ethanol, which would also boost chances of a U.S.–Brazil Free Trade Agreement; and
- Extend the Andean Trade Preference Act for Ecuador and Bolivia beyond February 2008 and work to encourage those countries to turn away from the *Chavista* path and back to market-based democracy.

The Bush Administration should:

- Exercise full-scale vigilance against the threats to U.S. energy security represented by Chávez's control of vital petroleum resources;
- Focus the intelligence community on Venezuela's links with Colombian traffickers and narco-guerrillas and its links with Iran;

- Redouble its efforts to shore up relations with Colombia and strengthen it as a major economic counterweight to Venezuela and a strong friend;
- Seek to negotiate free trade agreements with other Venezuelan neighbors such as Paraguay and Uruguay;
- Seek international censure of the Chávez government's crackdown on press freedom and moves toward totalitarianism; and
- Working with Congress, continue to press forward with ideas and programs to sustain and support a democratic opposition in Venezuela.

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