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Journal of Democracy, Volume 20, Number 2, April 2009, pp. 78-92 (Article)

Published by The Johns Hopkins University Press

DOI: [10.1353/jod.0.0073](https://doi.org/10.1353/jod.0.0073)

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HUGO CHÁVEZ'S “PETRO-SOCIALISM”

Manuel Hidalgo

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On 15 February 2009, Venezuelan voters approved a referendum to eliminate term limits for all elected offices. The 55 percent majority that voted for this measure cleared the path for President Hugo Chávez to run again in 2012. In order to make sense of the timing as well as the result of this referendum, one must understand both the recent local and regional elections and the broader evolution of Venezuelan politics over the last two years.

On 23 November 2008, Venezuelans had gone to the polls in their country's first regional elections since 2004. After Chávez-aligned candidates defeated those of the unified opposition by 53 to 41 percent, the president declared that the people had voted for socialism and turned his energies back toward his quest for constitutional changes that would allow him to seek reelection to the presidency indefinitely. The 2008 balloting did show that one-time coup leader Chávez still commands ample support ten years after first being elected to his nation's highest office. Yet it demonstrated as well that the opposition has made important political and symbolic gains even at a time when the increasing authoritarianism of *chavista* rule has caused Freedom House to declare that Venezuela has dropped from the ranks of the world's electoral democracies.

The recent campaigning and voting confirmed the existence of an extensive democratic culture that, for the moment, presents a serious obstacle to the president's vaguely defined ideological project of driving Venezuela toward what he calls “twenty-first-century” or “Bolivarian” socialism. Indeed, it is likely that the opposition's 2008 showing at the urns, along with the rough economic times augured by the plummeting

price of the heavy crude oil that forms Venezuela's key export, were behind the renewed push to do away with presidential term limits. Since Chávez's entire political project depends on his personal continuance in office, political conflict is unlikely to abate: A key battle has been joined, and both sides know it.

After winning an August 2004 recall vote and then securing reelection by a wide margin two years later, Chávez began pushing a complex set of constitutional changes whose chief goal was to allow indefinite presidential reelection. In December 2007, the proposed changes went before the voters, who narrowly rejected them. Although the opposition developed a sound strategy and mobilized on a large scale, the key elements that contributed to Chávez's defeat were the problems within the coalition of parties that backed him and a lack of support among *chavistas* themselves. Some abstained because they did not wish to give the president a blank check, others because they wanted to express their dissatisfaction with the government's inability to solve particular problems, and still others because they objected in general to "Bolivarian socialism" (which might better be termed "Bolivarian neopopulism," since it lacks a well-defined basis in the organized working class and instead takes unorganized, state-dependent popular or marginalized groups as its main referent).¹

Whatever it is called, the Chávez model is characterized by a high concentration of power in the president's hands, the elimination of boundaries between the military and civil sectors, and the direct subjection of military personnel to the president's authority. The model also exhibits democratic as well as authoritarian, radical, and Bonapartist elements. The emotional and clientelistic link between the leader and the people is reinforced through various mechanisms and periodically renewed at the polls. Chávez has been savvy in taking advantage of frequent elections to give his regime a plebiscitary character. Accountability is low, and the rule of law is weak. What in a well-functioning democracy would be autonomous institutions are instead subordinated to the president and his lieutenants.

If to these characteristics we add the limits that hem in the exercise of certain political rights and civil liberties, it becomes clear that Freedom House is right to rate Chávez's Venezuela as belonging outside the ranks of liberal democracies.²

Recent elections—including the constitutional referendum overturning term limits—suggest that Venezuela is shifting toward competitive authoritarianism. In this type of regime, democratic principles are violated widely and systematically enough to make the prospect of an opposition victory highly unlikely. Although the inequality of conditions in which the regime and opposition compete has become increasingly obvious in recent years,³ Venezuela is close to, but has not yet reached this point: Despite all the advantages that Chávez brought to bear, he lost the 2007 referendum and had to accept its result, however grudging-

ingly. Then too, much of the opposition's poor record has been caused by its own mistakes and failings, including a last-minute decision to boycott the 2005 parliamentary elections and an enduring inability to widen its social base. Venezuela is not Russia or Belarus, but neither is it Argentina, Brazil, Chile, or Peru, to name four nearby countries where elections are free and fair, and freedom, accountability, and the rule of law are far better secured than they are under Hugo Chávez.⁴

In the run-up to the 2008 regional elections, unlike those four years earlier, the opposition was united and strongly committed to taking part in the voting. Chávez's loss in the tight 2007 referendum seems to have boosted citizens' confidence that elections could matter and their ballots count. Turnout was 65 percent, the second-highest level ever registered in regional or municipal elections. As is to be expected in such races, local and regional factors loomed large. Despite the strong overall showing by pro-Chávez candidates, who won 17 of the 22 governorships and 264 of the 326 mayoralties that were in contention, opposition parties took two governorships away from the *chavistas* and won a number of symbolically significant victories, chief among these being the race for the mayoralty of the Caracas metropolitan area, which had been in *chavista* hands.

The opposition showing in populous and economically weighty north-central and western Venezuela was robust. Opposition candidates won the mayoralties in two additional Caracas-area municipalities (out of five all told in the capital region), as well as in Maracaibo (the second-largest city after Caracas). The most surprising opposition triumph in greater Caracas came in Sucre, which contains Petare, the largest *barrio* in Latin America and once a Chávez stronghold. Further highlights included the defeat of three of the highest-profile *chavista* politicians (Diosdado Cabello, Aristóbulo Istúriz, and Jesse Chacón) as well as a number of other candidates whom Chávez had backed strongly, at times with intimidation tactics. It is not surprising that after these elections the *chavistas* felt a certain sense of defeat. As victories go, it had been a bitter one.

The Perils of Petroleum

The sense of unease in the pro-Chávez camp may have flowed from a feeling that it had been carried to success by a petroleum bonanza that has now gone bust: World oil prices dropped over the last half of 2008 from almost US\$150 per barrel to less than a third of that figure. Even allowing for a certain amount of inflation in the government's figures, it is undeniable that the Venezuelan economy had been growing at a high rate, although it should be noted that the 4.9 percent growth reported for 2008 represented a considerable falling off from the torrid 10.3 percent pace officially recorded for 2006. From 2004 to 2008, unemployment more

than halved while salaries rose, the share of the populace living in poverty dropped, and the amount of GDP accounted for by the informal economy stood at almost 10 percentage points less than what it had been in 2003. Inflation was high and rising, having been measured at an annual rate of 27.6 percent over the first eleven months of 2008 (up five points from 2007), yet the worst effects of the international economic crisis that began in the third quarter of 2008 had not taken hold at election time, allowing the regime to downplay the troubles in its campaign rhetoric.⁵

The *chavista* regime's ambitious public spending, wage hikes, extension of credit to traditionally marginalized sectors, nationalization schemes, limits on private-sector firings, and wielding of currency and price controls have all been financed with earnings from oil exports. So have the extensive social-welfare programs, especially those known as "social missions," that Chávez began creating in 2003 while he was fighting the recall effort. There are about thirty such programs. The most notable are in the areas of health, education, nutrition, training and employment, and housing.⁶ The government has turned them into fast and flexible instruments for funneling resources to the lowest social classes in a classically clientelistic fashion, made easier by managing the programs outside the framework of traditional public administration and budgeting.⁷ Although many experts doubt their efficacy as sustainable improvers of social indicators, Chávez's off-the-books missions have palliated the pains of poverty and proven prodigiously profitable in ideological and electoral terms.⁸

Chávez's charismatic and messianic leadership style, by means of which he turns every election into a plebiscite, worked less effectively in 2008. He had dissolved his old party, the Fifth Republic Movement (MVR), after the 2006 presidential election, but its successor as his political vehicle, the United Socialist Party of Venezuela (PSUV), emerged as a poorly organized entity whose shortcomings proved a serious handicap during the constitutional-referendum campaign of 2007. A year later, the PSUV was still working on improving its game with a clientelistic presence in the countryside and party machinery meant to mobilize voters through a wide network of grassroots social movements and activists.

Thanks to its institutional hegemony over the courts and the National Electoral Council (CNE), the *chavista* camp has been able to introduce a complicated, mixed-majority system that the *chavistas* can exploit. They do this by presenting supposedly independent but in fact twin (or in Creole, *morocha*) candidacies that enable the PSUV to win additional seats in a way which goes against the spirit if not the letter of the proportionalism that is supposed to be at the heart of Venezuela's electoral system.⁹ In 2008, the PSUV obtained at least thirty seats in the regional legislative assemblies that it would not have garnered without *morocha* candidacies. In the states of Táchira and Carabobo, the PSUV seat bonus that resulted was enough to hand that party a legislative majority even as it was losing the governorship of each state.

The opposition, learning from years of mistakes, avoided splitting its vote, particularly in most gubernatorial races (a split in Bolívar state may well have cost it the governorship there, however). Across all elections dating back to 1998, when Chávez first won the presidency, the opposition's average vote share has been around 40 percent, which underscores how little fragmentation oppositionists can afford. One estimate holds that splits within municipalities (often occurring for reasons that have nothing to do with national issues) have handed the *chavistas* 26 mayoralties.¹⁰ Yet oppositionists did well in densely populated urban areas, reflecting a large protest vote against the Chávez regime's poor handling of basic governance tasks. Although the scale of voter anger surprised some, public disaffection had already made itself felt as a driving factor behind the defeat of the 2007 constitutional referendum.

Free and Fair Elections?

Since 2000, the CNE has come in for frequent criticism. In a polarized society ruled by a regime with ever more pronounced authoritarian characteristics, oppositionists see inconsistencies, irregularities, and problems in successive elections as worrisome signs that results are tainted. Many fear that elections have been reduced to a veneer, a thin coat of "democratic" paint used to hide the ugly reality of an authoritarian or even totalitarian political project that has learned how to manipulate the voting process as part of its strategy for consolidating itself. Some observers think that what unfolded in Venezuela between 2000 and 2006 was the building of an "electoral authoritarian" regime on the basis of institutional fraud.¹¹ In such a regime, electoral processes outwardly satisfy certain minimal requirements in terms of inclusion, pluralism, and competitiveness, but are manipulated extensively and systematically via a wide range of mechanisms—a democratic institution become, in effect, a tool of antidemocrats.¹²

Can this be proven? In many cases, an empirical finding of fraud or unfairness can be hard to establish. We can define "free" and "fair" in the abstract rather easily: Elections are free when no major legal or practical impediments stand in the way of citizens exercising their right to vote, or candidates and political organizations wielding their rights to participate and campaign. Elections are fair when the rules of the game are applied impartially, and when the distribution of resources between the government and the opposition is not overly disproportionate. In practice, however, there are obvious methodological difficulties in evaluating these concepts. Moreover, as Jørgen Elklit and Palle Svensson point out, there is a lack of consensus on the criteria that should be taken into account. The approach that they propose is useful: Analyze a list of indicators that covers the two dimensions of freedom and fairness, and track these through all the different phases

of a given election.¹³ In addition, to avoid the risk of reductionism one must link all the events of the electoral process with previous patterns and events that condition the electoral context, and then weigh their relative importance.

In the Venezuelan case, there is evidence that campaign interventions by high-level public employees wielding various threats and incentives

In 2008, Chávez threatened to withhold government resources from areas that elected “counterrevolutionaries” and spoke of “sending the tanks” if “the oligarchy” won the governorship of Carabobo state.

have compromised the freedom of elections. Both Venezuelan electoral law and international agreements in this field prohibit public employees from being mobilized in election campaigns, but neither prohibition has prevented these abuses—which on occasion the government has blatantly legitimated. There have been frequent accusations of pressure brought to bear against beneficiaries of government subsidies.

Most problematic of all has been the compiling of lists, full of personal information regarding individual voters, that serve to intimidate and control them. The use of such data became a matter of public record both before and after the presidential-recall referendum. With the consent of the CNE and other official organs, a list was drawn up compiling information on those who had signed the recall petition—more than 2.5 million people—supposedly to help prevent fraud. This spread fear and led to arm-twisting and blackmail as signatories who had received or might seek a job, a contract, or a service from the state faced reprisals. The so-called Tascón List took its name from the *chavista* parliamentarian who developed it and published it on his website. It was later perfected using the “Maisanta Program,” which appeared in June 2004. The latter contained additional information on all the voters who appeared in the electoral registry as of March 2004: their polling place, whether they had ever abstained from voting, and whether they had had contact with any of the social missions. This database played a less important role in the parliamentary elections of 2005, and by 2006 most of the public controversy over it had died down. Some reports reveal multiple cases of discrimination. Although it appears that these situations were less frequent than some media alleged, it is also likely that many victims chose not to publicize their cases. Nevertheless, the effect of this practice was amplified by other discriminatory practices outside the electoral arena.¹⁴

With respect to the dimension of electoral “fairness,” one finds greater deficits. Gaps in the rules for conducting campaigns and elections, as well as failures to apply these rules consistently, invite abuse.

The CNE's enforcement arm, dominated by Chávez loyalists, has done little to stop public employees from interfering in campaigns, to correct the progovernment informational imbalance in state media (a problem somewhat offset by the private media's tendency to back the opposition), or to restrain what amounts to institutionalized proregime propaganda. The CNE rarely hands out penalties, and rarely to much effect. Control of campaign financing is practically nonexistent. The CNE has tried to correct certain flaws in some elections in order to generate confidence—for example, on the issue of voters who cast ballots outside their own constituencies. Yet the swelling of the electoral rolls since 2000 has been so marked—often with spikes before elections—that grave doubts remain as to the accuracy of the electoral register. Concern about fairness reached its height during the recall campaign. Since then, agreements between the CNE and various political actors on such issues as the number of polling stations to be audited, the use of an electronic voting system, the inking of voters' fingers, and the rights of observers to be present during vote-counting have made the electoral system more transparent and boosted public confidence in its fairness.

Yet problems remain. Observers from abroad as well as from various Venezuelan parties complain frequently that obtaining credentials is unnecessarily hard, and reports persist of intimidation at the polls. A particular focus of concern is the presence, under a public-security scheme known as Plan República, of military personnel at polling stations. Again, there have been complaints about soldiers abusing their positions. Delays in publicly announcing results have led to tense situations such as those that followed the closely contested 2007 referendum—a vote whose official and definitive results still have yet to appear. Other sources of contention include decisions, often unexplained, to extend voting hours at certain polling places. Finally, the idea of accepting results, win or lose, has become the norm only since the 2006 election.

Until the 2007 constitutional referendum, Venezuela was no more than a defective or low-quality “electoral democracy,”¹⁵ with competitive features seriously hindered by anomalies and obstacles. The 2004 recall referendum was replete with irregularities, but these were not enough to account for the enormous margin of Chávez's almost 60-40 victory in that contest. The opposition accused the *chavistas* of voting-machine fraud, but could not prove it. One can speculate about the precise degree to which vote-buying and other dubious practices may have influenced the result,¹⁶ but Chávez's 20-point win makes it virtually certain that they were not decisive.

The local and regional elections of 2008 are another story. Not only did some previously seen types of irregularities manifest themselves in an intensified form, but new elements raised further doubts about freedom and fairness. The first of these novelties had to do with Chávez's own behavior. Never an anodyne public figure, in 2008 he grew more confrontational and belligerent than ever. He threatened to withhold

government resources from areas that elected “counterrevolutionaries,” spoke of “sending the tanks” if “the oligarchy” won the governorship of Carabobo state,¹⁷ and warned also of military action if opposition leader Manuel Rosales, at that time the governor of oil-rich Zulia state, was elected mayor of Maracaibo. Rosales won and no troops appeared, but both he and the governor of Sucre were later threatened with imprisonment on charges of corruption and conspiracy.

The second troubling new element had to do with administrative limitations on the freedom of candidates to run for office. In February 2008, the comptroller of the Republic used his authority to vet a list of 400 candidates (most of them opposition figures), disqualifying 272 of them for alleged administrative irregularities. The political intention was clear: to keep opposition candidates, including some of the most likely winners, from running. Two nationally prominent leaders, Leopoldo López and Enrique Mendoza, seemed to be particular targets. Requirements for disqualification laid out in the Venezuelan Constitution of 1999 and the American Convention on Human Rights had not been met, but the Supreme Court—a body thoroughly subordinated to the president—refused to block the maneuver. In many cases, the opposition was able to find substitute candidates who won, but it appears that the disqualifications may have changed the result in the state of Yaracuy as well as reduced the opposition’s vote totals in the state of Táchira and in Libertador, one of the five Caracas-area municipalities.

Once the results were in, *chavista* forces proved reluctant to accept them. They attempted to stop the governors of Táchira and Carabobo from being sworn in, and central-government authorities made efforts to prevent certain new opposition mayors and governors from acting with full competency once in office. The events highlighted here cast doubt on the democratic character of the latest elections.¹⁸

Diminishing Decentralization

One of the less-noted but interesting features of Venezuelan politics today is the tension that exists between the empowerment of local communities and efforts to promote recentralization. Venezuela has a long centralist tradition, but under pressures brought to bear by modernization, socioeconomic crises, and government failures, reform efforts beginning in the late 1980s sought to modify this. Early results were promising. Decentralization became a principal axis of reform, one that required bold strategies and laborious consensus-building efforts to overcome the resistance of certain groups and sectors of the elite.

Venezuelans first elected their mayors and governors directly in 1989, beginning a process of territorial decentralization that would turn out to be the most important source of political change in their country between the Pact of Punto Fijo (which reestablished democracy) in

1958 and Chávez's accession to the presidency in 1998. Decentralization aided the relegitimation of state and local authorities, helped to save democracy at critical moments such as the November 1992 coup attempt, promoted political participation, and spurred turnover within regional elites. Yet decentralization also pushed the two-party system of the *puntofijismo* era toward crisis and paved the way for the personalistic style of politics whose big winner so far has been Chávez.

Under decentralization, states took on more responsibilities (for airports, harbors, highways, and bridges as well as in the fields of health care, social assistance, and education), even if they had to do so without revenue-raising powers of their own. Chávez's rise to power in 1999 introduced a new dynamic. Fearing that decentralization was getting out of hand, jeopardizing national cohesion and threatening to create regional counterweights to the central government that they had just come to control, many leading *chavistas* called for a reorganization of the national territory. Various new local bodies were deemed acceptable, even encouraged as bulwarks of participatory democracy and "Bolivarian socialism," but strong governor's offices were not.

Chávez's 1999 Constitution formed the charter of a nominally decentralized federation that, in theory, broke with the centralism of the 1961 Constitution. The new basic law made mayors and governors directly elected by universal and secret suffrage, extended their mandates from three to four years, made them subject to recall by referendum, and allowed them to run for consecutive terms. In keeping with Chávez's attitude of populist suspicion toward "bourgeois democracy" and its restraints on the people's immediate will, the old bicameral Congress was replaced by a unicameral National Assembly that also assumed greater power over organizational dimensions of regional and local government.¹⁹ Reflecting Chávez's rhetorical stress on participatory democracy, the municipal level of government (the one presumably closest to the people) was strengthened and earmarked for more funding as well as more authority over areas, such as health care and early schooling, where states had once held considerable sway. A new Federal Government Council was supposed to improve coordination among the various levels of government, while State and Local Planning Councils were to solicit input from civil society.

On the ground, the current reality is different.²⁰ The Federal Government Council has met only once, and that was back in 2002 after an abortive coup against Chávez. The meeting had nothing to do with intergovernmental coordination, but rather was part of the president's "national reconciliation" campaign. Regional-government financing mechanisms called for by the 1999 Constitution have yet to be developed, and the central government has reassumed some of its competencies in the areas of health, recreation, and policing. States and municipalities alike have been dismayed to see their overall share of the national budget shrink. Although national-budget figures show a small increase in the regional and local share

of the budget from 1998 to 2007 (from 26.8 percent in the former year to 28.6 percent in the latter),²¹ these figures fail to reflect the impact of 2006 reforms that transfer funds from regional and local authorities to the newly created Communal Councils (CCs). Also left out is the recent resumption by the central government of responsibility for healthcare provision, and the budget share that goes with this. One could argue that since the official national budget omits any mention of several discretionary funds that contain many millions of dollars, local and regional governments' true share of the *real* budget is even smaller. Governments at all levels are still heavily dependent on Caracas for their funding, and they chafe at this.

Chávez, a former army officer, started his presidency with a political agenda that revolved around centralizing state power in the hands of a new civil-military elite. He entrusted his first major social program, Plan Bolívar 2000, to military personnel, pushing the governors to the sidelines. Since then, he has come to look upon centralization as a valuable means for implanting a hypothetical socialism. His worry that subnational governments could impede this project explains his eagerness to see their wings clipped. Among his tools for accomplishing this is his authority to appoint and fund ad hoc regional authorities tasked with carrying out specific functions. He has also used his sweeping powers to create two special funds into which huge amounts of oil income have been funneled and which, thanks to a legal maneuver, remain under his discretionary control and need not be shared with the states. Chávez has made it clear for years that his regime requires the centralization of resources and the disciplined commitment of *chavista* governors and mayors.²² Following the recent elections, Governor Marcos Díaz of Mérida highlighted this again, calling himself and his fellow *chavista* governors "soldiers of the revolution."²³

States versus Local Communities

From inflation and unemployment to crime, poverty, poor housing, and inadequate public sanitation, problems requiring cooperation between different levels of government continue to beset Venezuela. Under Chávez, however, the federal executive is less interested in cooperation or decentralization than in systematically weakening the states. Their putative status as hotbeds of "bourgeois" democracy and even "neoliberalism" makes it urgent, in the president's eyes, to replace them insofar as possible with municipalities and communities empowered, organized, and run in ways that promote "Bolivarian socialism."

The high-profile opposition wins in 2008 irritated Chávez so much that he began arbitrarily taking important powers, duties, and resources away from the mayors of Maracaibo, Sucre, and metropolitan Caracas, as well as the governor of Miranda. The intention seemed to be nothing short of "overturning" opposition victories by stripping the resulting state and local governments of cash and authority. The resulting challenge to op-

position governors seemed particularly acute, since the states depend so heavily for funds on the good graces of the Chávez administration.

Among the methods of marginalizing the states is the transfer of power to communities below the state level in order to promote the building of a hypothetical popular power. This approach stresses participation by citizens in the design and execution of public policy regarding the problems that most affect them. The novelty in Venezuela is not so much the method itself as the scale upon which it is being applied. More than 25,000 CCs have been formed since 2006.²⁴ These councils, each of which includes an executive body, a community bank, and a social-comptroller's office, have been created as the result of a decision taken by citizens assemblies, community participatory bodies whose decisions are binding. All CCs must register with the federal executive for any projects they wish to undertake.

When it comes to results, the CCs have been a mixed bag. It cannot be denied that some, often in joint efforts with other community instruments founded over the past two decades, have helped to improve local conditions and get around the deep-rooted inefficiencies that plague the public administration. In this way, the CCs have served the poor and increased their participation in democratic life through deliberation and decision-making processes. But the CCs have also posed problems and dangers: They often have an improvised, slapdash quality, and many are too small to tackle challenges that require better coordination. Their members are frequently ill qualified for the work they are asked to do, or are overburdened. Their skill and effectiveness at administering public resources to meet pressing social needs remain in doubt. Their origin as bodies called into being by executive decree casts a shadow on their authenticity as mechanisms of empowerment—are they truly democratic and participatory, or are they pawns in a *chavista* plan? In the period between the December 2008 subnational elections and the February 2009 referendum on indefinite reelection, the federal executive made it clear that the CCs and other grassroots organizations were expected to mobilize on behalf of passing the referendum.

The idea of using the CCs as building blocks of “popular power” suffered a serious setback with the failure of the December 2007 constitutional referendum. Voters not only denied Chávez his desire to be able to run for reelection indefinitely, but also rejected a constitutional change that would have turned the unelected CCs into territorial public authorities. The proposed new status for the CCs was part of the plan for what *chavistas* call “a new geometry of power.” In essence, this consists of a hierarchy of new territorial entities that would depend financially and politically on the central government (whose power would also be increased), and that are conceived as the framework for the expression of “popular power” in a new socialist state. Apparently unfazed by his 2007 referendum setback, Chávez has continued promoting this vague socialist design through maneuvers such as a set of 26 decrees, issued at the end of July

2008, that have widened the central government's control over the economy and handed the CCs new powers and tasks in areas such as national security and defense, public administration, and the provision of food as well as other goods and services deemed vital to the public interest. More recently, he has taken steps to make socialist "communes" (groups of CCs and productive units) the primary public entities within municipalities. The idea, as Chávez has repeatedly said, is that these communes are to serve as the basic organizations of his new socialist order.

Prospects for Change

In the medium term, what if anything is likely to change in Venezuela? Recent developments throw into question the sustainability of the *chavista* project, at least in its most extreme variant. Many citizens have received socioeconomic benefits (some real, some symbolic), and some innovative participatory mechanisms have been put in place. But a critic—even or perhaps especially a leftist critic—might point out that the regime appears to be repeating and exacerbating mistakes seen in past socialist failures: statism, centralism, bureaucratization, and a cult of personality around the leader. The problems that flow from corruption, inefficiency, administrative discontinuity, and dubious nationalization schemes may prove to be too heavy a burden to bear. At the same time, the *chavistas* face opposition from social movements, civic organizations, and political parties that continue to resist the regime's authoritarian tendencies.

For all the talk of new social models, the material basis of Chávez's regime remains that which has long been the lifeblood of the Venezuelan economy: oil. The new economic and social organizations that he has introduced are not productive, and industry is in decline. If oil prices stay low, the flow of public spending that the *chavistas* have used to consolidate their rule may suffer. If oil prices continue to fall, Chávez will have little choice but to apply economic measures that will cost him popularity and support. But even if the *chavista* version of the Venezuelan petrostate is called into question and change becomes more likely,²⁵ we cannot conclude that liberal democracy will make a full, quick, or easy comeback.

A decade after coming to power, the *chavistas* continue to enjoy majority support and have institutionalized their hegemony. Yet as the 2008 subnational balloting showed, they have been unable to strip Venezuelan society of its pluralism. If the economic situation worsens, the *chavistas* will have less leeway for further radicalization. As a result, their ability to continue reaping the benefits of power until the 2012 presidential election is open to question.

The opposition, for its part, will need years in order to become strong enough to present a real alternative. Despite their progress, the forces of opposition remain weakly organized in too many parts of the country, continue to suffer from serious fragmentation, and lack both the platform

and the leaders needed to expand opposition appeal beyond its traditional bastions. Opposition politicians and activists would be wisest to focus first on the 2010 parliamentary elections, which will give them a chance to regain some of the ground that they ceded through their ill-advised 2005 boycott. Even the elections of town councilors and parish councils, currently set for the fall of 2009, may provide the opposition with an opportunity to recapture ground lost to the *chavistas* at the local level as a result of opposition infighting and yet another, albeit partial boycott.

As has always been the case, the fate of the *chavista* sociopolitical project is extremely dependent on Hugo Chávez himself. This is why, in the face of a worsening economy, he decided to move the referendum on indefinite reelection forward to February 2009, at the same time expanding the proposed constitutional change to cover all elected offices as a way to boost support for the measure and to silence critics who were charging that he had proposed the referendum purely for his own benefit. Although the proposal is not antidemocratic in itself, it will make alternations in government less likely. And what is more dangerous and worrying still was this measure's reappearance on a ballot (in apparent violation of the constitution) so soon after the voters had rejected a similar proposal. This is a leading example among a number of disturbing episodes that one could cite to show how weak the rule of law has become in Chávez's Venezuela. Together, these episodes raise the question of whether the elite currently in power is taking a turn toward authoritarianism.

The results of the recent referendum have strengthened Chávez's standing. As the referendum made clear, his charisma and ability to mobilize the *chavista* grassroots—along with the economic and social policies that he has pursued in recent years—continue to win him widespread support. One must also take into account the strategic use of vague wording in the referendum question itself, which was phrased so that it appeared to defend greater political rights for Venezuelans. Moreover, the regime's recourse to clientelistic mechanisms and its abuse of state resources, along with its mobilization of public employees, were blatantly evident and bespoke a noteworthy decline in the quality of the democratic process. Yet the opposition's loss on February 15 can be traced not only to the institutional advantages that the *chavistas* enjoyed, but also to the opposition's own inability to articulate much of an appeal beyond the idea of rejecting indefinite reelection. At the same time, the opposition not only reaffirmed its support but even increased it beyond the levels seen in the subnational voting just a few months earlier. Clearly, the country is becoming more divided, with the *ni-ni* (or the "neither-nors," meaning the wide slice of voters who are neither *chavistas* nor firm opposition backers) likely to play a deciding role in future electoral contests.

Nearly four years remain till the 2012 election, for which Chávez has already declared himself a candidate. In the short term, one cannot dismiss the possibility that he will keep pursuing his plan to move Ven-

ezuela decisively toward socialism. The government continues to enjoy abundant financial resources, and it may well choose to defer painful economic measures in hopes that the price of oil will rise once again.

Yet the economic and political obstacles that Chávez faces are obvious. His continuity in power, absent clearly authoritarian measures, will rest on his popularity. His popularity, in turn, will rest on implementation in an increasingly difficult economic context. Such effectiveness will likely require agreements with non-*chavista* segments of society. Given the government's strategy over the last decade and the polarization of the political environment, however, this is not a likely possibility. Economic decline and fiscal-austerity measures are the most likely prospects should oil prices fail to go up significantly. This could facilitate the rise to power of the opposition—although, as I have shown, the path to alternation is not an easy one. Likewise, opposition regional and local governments will have to prove their efficacy amid adverse circumstances. Recent history shows that the Venezuelan people would like to resolve their differences in peaceful, democratic ways. Yet in the medium term at least, prospects for containing conflict and undertaking democratic reconstruction do not look promising.

NOTES

The author wishes to thank Remo Fernández Carro, Luis Gómez Calcaño, Thaïs Maingon, Carlos Mascareño, José Enrique Molina, and Dimitris V. Pantoulas for their comments on earlier drafts of this essay.

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2. Fareed Zakaria, "The Rise of Illiberal Democracy," *Foreign Affairs* 76 (November–December 1997): 22–41; Larry Diamond, *Developing Democracy: Toward Consolidation* (Baltimore: Johns Hopkins University Press, 1999), 10–13.

3. Steven Levitsky and Lucan A. Way, "The Rise of Competitive Authoritarianism," *Journal of Democracy* 13 (April 2002): 51–65.

4. Daniel H. Levine and José Enrique Molina, "La calidad de la democracia en América Latina: una visión comparada," *América Latina Hoy* 45 (April 2007): 17–46.

5. Economic figures are reported by the Central Bank of Venezuela at www.bcv.org.ve. Information about social indicators is available from the Ministry of Planning and Development at www.sisov.mpd.gob.ve/home/index.php.

6. See Yolanda D'Elia, ed., *Las misiones sociales en Venezuela: Una aproximación a su comprensión y análisis* (Caracas: ILDIS, 2006).

7. Michael Penfold-Becerra, "Clientelism and Social Funds: Evidence from Chávez's Misiones," *Latin American Politics and Society* 49 (Winter 2007): 63–84.

8. See Francisco Rodríguez, "An Empty Revolution: The Unfulfilled Promises of Hugo Chávez," *Foreign Affairs* 87 (March–April 2008): 49–62.

9. José Enrique Molina, "La reforma informal del sistema electoral venezolano: De la representación proporcional al sistema mayoritario sin alterar una coma," unpubl. ms., Maracaibo, 2008.

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13. Jørgen Elklit and Palle Svensson, "What Makes Elections Free and Fair?" *Journal of Democracy* 8 (July 1997): 32–46.

14. Human Rights Watch, *A Decade Under Chávez: Political Intolerance and Lost Opportunities for Advancing Human Rights in Venezuela* (New York: Human Rights Watch, 2008), 10–35; Ana Julia Jatar, *Apartheid del Siglo XXI: La informática al servicio de la discriminación política en Venezuela* (Caracas: Súmate, 2006).

15. For a common definition of "electoral democracy" and a corresponding methodology, see the discussion by Freedom House at www.freedomhouse.org/template.cfm?page=35&year=2005.

16. Miriam Kornblith, "The Referendum in Venezuela: Elections versus Democracy," *Journal of Democracy* 16 (January 2005): 124–37.

17. Reuters, "Chavez Mentions Tanks If Ally Loses Venezuela Vote," 9 November 2008. Available at <http://uk.reuters.com/article/worldNews/idUKTRE4A83DT20081109>.

18. This also may explain why Freedom House in its latest *Freedom in the World* report has attached a downward trend arrow to Venezuela for the second year running. Freedom House's 2008 country report on Venezuela is available at www.freedomhouse.org/template.cfm?page=22&year=2008&country=7519.

19. Allan R. Brewer-Carías, *La Constitución de 1999* (Caracas: Editorial Arte, 2000), 56.

20. Carlos Mascareño, "Descentralización, re-centralización y sociedad civil," in Cendes, *Venezuela Visión Plural: Una mirada desde el Cendes*, vol. 1 (Caracas: Cendes, 2005), 146–65.

21. The latest available figures for actual expenditure are from 2007. Available figures for 2008–2009 reflect projected spending (26.4% and 24.6% respectively).

22. See, for instance, the document entitled "Intervenciones del Presidente de la República Hugo Chávez Frías: Taller de Alto Nivel, El nuevo mapa estratégico," 12–13 November 2004, Caracas, 12. Available at www.mct.gob.ve/Vistas/Frontend/documentos/El%20nuevo%20mapa%20estrategico.pdf.

23. See his statements at <http://marcosdiaz.psuv.org.ve/?p=77>.

24. Hernán Lugo-Galicia, "Gobierno obliga a Consejos Comunales a trabajar por el Sí," *El Nacional* (Caracas), 8 January 2009, Nación, 3.

25. Terry Lynn Karl, *The Paradox of Plenty: Oil Booms and Petro-States* (Berkeley: University of California Press, 1997), 69–185.