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Michael Coppedge

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VENEZUELA'S VULNERABLE DEMOCRACY

Michael Coppedge

Michael Coppedge is assistant professor of political science at the Paul H. Nitze School of Advanced International Studies of Johns Hopkins University. He is the author of *Strong Parties and Lame Ducks: Presidential Partyarchy and Factionalism in Venezuela* (Stanford University Press, forthcoming 1993).

On 4 February 1992, over three decades of Venezuelan democracy very nearly came to an end when a battalion of paratroopers led by Lieutenant Colonel Hugo Chávez Frías laid siege to the presidential palace, using a tank as a battering ram. After 15 hours of fighting that killed 80 people, sent President Carlos Andrés Pérez fleeing for his life, and turned parts of Caracas into something resembling a South American version of Beirut, the insurrection was defeated. A three-month suspension of constitutional guarantees helped to restore order, but the blow of February 4 left the democratic regime staggering. Prominent politicians called for Pérez to resign, and his own party, Democratic Action (AD), pressured him to allow early elections for a successor. Opposition parties refused to participate in a national unity coalition, and none were eager to mobilize demonstrations of support for the regime. Colonel Chávez, however, immediately became a popular figure among a significant minority that began calling publicly for his release from prison and an amnesty for the conspirators. The coup attempt spurred a feverish debate on constitutional reform, but rumors of more coup attempts to come kept flying.

The attempted military takeover came as a shock to nearly everyone, for Venezuela had long been considered one of Latin America's most stable democracies. The Pérez government was the latest in a series of seven that had been chosen in fair, competitive elections held every five years since 1958, even during the wave of authoritarianism that swept Latin America from the mid-1960s to the late 1970s. Rumors of planned military coups were common during difficult times, but there had been

no actual attempts for nearly 30 years, and the military high command routinely proclaimed its unswerving allegiance to elected governments. Compared to other Latin American countries, Venezuela in the early 1990s seemed to have a highly stable democratic regime. It had no terrorist insurgents like Peru's Sendero Luminoso and Tupac Amaru Revolutionary Movement; the economy was improving, with 9.2 percent GDP growth and accelerating foreign investment in 1991; unlike Fernando Collor of Brazil or Alberto Fujimori of Peru, President Pérez was no dark-horse antipolitician lacking an organized base of support; and drug trafficking had only begun to make its appearance.

Venezuela's vulnerability challenges the conventional wisdom concerning threats to democratic stability. The central irony of the case is that certain characteristics unique to Venezuela—oil wealth, consensual leadership, and strong catchall parties—which for decades helped democracy to survive there ultimately undermined the legitimacy of the political class that ran the country. As a result, when Venezuela's leaders finally recognized the need for structural adjustment of the economy, they lacked the moral authority necessary to demand sacrifices from the population. Since the fundamental cause of the problem is peculiarly Venezuelan, there is no reason to expect an exact replication of this kind of crisis in other countries. Yet some elements of Venezuela's crisis—especially the need for structural adjustment and the impact of presidentialism—are common to almost all of Latin America, raising the possibility of similar difficulties. Moreover, the sudden outbreak of instability in one of the stronger democracies has great symbolic importance for the entire region, serving to alarm the friends of democracy while emboldening its foes.

Some Unique Advantages

The coup attempt was a shock because Venezuela possessed many of the advantages associated with stable democracy. Opinion surveys always showed that a large majority of Venezuelans considered democracy the best form of government. Democratic procedures were used to select the leaders of most organizations in society. The party system was not fragmented, as the two leading parties—AD and the Social Christian Party (COPEI)—routinely garnered four-fifths of the congressional vote and 90 percent of the presidential vote after 1968. No single party dominated the system, as AD transferred executive power to COPEI following the elections of 1968 and 1978, and COPEI lost the presidency to AD in 1973 and 1983. Although AD is predominantly a center-left social democratic party with a strong base in organized labor and COPEI a center-right Christian Democratic grouping, both received significant support from all classes, occupational groups, and regions. Elections were administered fairly by the multiparty Supreme Electoral

Council, the country had excellent relations with the United States, and the armed forces were considered a model prodemocratic, professional military establishment.

In the past, however, democracy has failed in other Latin American countries that possessed some or all of these same qualities. The survival of democracy for more than three decades in Venezuela has therefore usually been explained by reference to three other characteristics that are virtually unique to Venezuela—oil wealth, exceptional leadership, and strong party organizations.

Stable democracy is generally thought to be buttressed by a high standard of living and a rapidly expanding economy; the oil industry provided both to Venezuela for half a century. When oil was discovered in 1917, Venezuela was a backward, impoverished nation with a history of civil war and brutal dictatorship. Within a few years, it had become the largest oil exporter in the world. The wealth derived from oil transformed the country and its population, especially after the governments of the 1940s began levying hefty taxes on the foreign-owned oil companies. By 1960, Venezuela's per capita GDP had become the highest in Latin America, and it remains the highest today (\$4,544 in 1988). With economic growth averaging 7 percent annually from 1959 to 1978, democratic governments could afford to provide generous benefits to every group in society: subsidies for consumers, protectionist tariffs and subsidized inputs for producers, cheap and easy credit for farmers, advanced weapons systems for the military, job security and a long list of nonwage benefits for workers, and free public education through the university level for all. This spreading of resources had a mollifying effect on politics, making conflicts less frequent, less intense, and more easily resolved. Oil acted as a lubricant that helped to relieve the frictions of rapid social change.

While the wealth flowing from oil proved useful in the consolidation of Venezuela's democracy, it cannot be regarded as a sufficient explanation; otherwise, Saudi Arabia, Iran, Iraq, and Kuwait would be democratic as well. Any explanation of whatever success Venezuela has enjoyed as a democracy must also take political factors into account. Daniel Levine has argued that political leaders' commitment to the democratic regime above partisan interests explains much of Venezuela's distinctiveness.¹ The country's first attempt at democracy, the "Trienio" of 1945-48, ended in failure when COPEI, the Catholic hierarchy, and conservative interests called for military intervention against the arrogantly partisan rule of AD. After a chastising decade of dictatorship, AD leader Rómulo Betancourt and COPEI leader Rafael Caldera vowed in the 1958 Pact of Punto Fijo to prevent partisan disputes from ever again endangering democracy. While the specific terms of their agreement, which included a national unity government with a common minimum program, gradually became obsolete, the pact initiated a

tradition of *concertación* under which the leaders of the major parties counted on mutual consultations to preclude any crisis from getting out of hand and threatening the regime. This democratic commitment helped the regime to survive the guerrilla insurgency of the early 1960s, the end of the formal AD-COPEI coalition in 1963, the first transfer of power from one party to the other in 1969, and two economic downturns since then.

Betancourt and Caldera, however, could never have negotiated or enforced their pact had they not had the support of their two exceptionally well-organized political parties. COPEI and AD each commanded a vast network of partisans that extended to the farthest corners of the country. By 1985, AD's ranks contained 2.25 million card-carrying members, making it the world's largest social democratic party, while COPEI claimed more than a million members. Together, their respective members comprised almost a third of the electorate, an unusually high percentage by international standards. These two parties penetrated and came to dominate so many of the other organizations in civil society, including trade unions, that they enjoyed a virtual monopoly over the political process. Furthermore, power was centralized *within* the parties so that only a handful of leaders needed to be consulted in order to resolve any problems that arose. Their control over large, tightly disciplined party organizations gave leaders the means to make deals and enforce them.

Each Blessing a Curse

There were always a number of weaknesses in Venezuelan democracy: its wealth was unequally distributed; its federalism (provided for in the 1961 Constitution) remained unimplemented until 1989; its courts lacked independence from political pressures; and its presidential system was prone to executive-legislative stalemate. Yet all or some of these weaknesses are common to other Latin American nations; none explains why Venezuela's democracy has come closer to breaking down in the 1990s than the regimes in Brazil, Ecuador, Argentina, Bolivia, Colombia, or Uruguay. The factors that best explain the difference between Venezuela's situation and that of its neighbors are, once again, the conditions that are unique to Venezuela. The country is in crisis now because over the last ten years each of its special advantages has become more of a curse than a blessing.

The two main problems caused by oil are neatly captured by the phrase "boom and bust." For decades, Venezuela's economic performance has been tied to the volatile international price for its principle commodity. Around 90 percent of the country's export earnings and 50 to 80 percent of government revenue have come from the sale of oil abroad. On the "bust" side, falling oil prices caused obvious problems,

most often unanticipated shortfalls in revenue leading to budget deficits that could be closed only by painful cuts in government spending or increased public debt. Declining oil prices have caused economic problems of this type three times in Venezuela's democratic history, but the current downturn is the worst so far. Real prices declined throughout the 1960s, but only very gradually; budgetary dislocations were minor. Oil prices became more volatile in 1971, but for the next seven years they moved upward only. A dip in prices prior to the second major OPEC price hike in 1979 contributed to serious economic and political problems and ushered in the current period of higher inflation and lower growth, but the shortfall in revenue was brief. In the mid-1980s, however, prices again began to fall and stayed low for years, relieved only fleetingly by a spike during the Persian Gulf war. Depressed oil earnings made the 1980s a decade of drastic economic decline; from 1979 to 1989, real wages dropped by a staggering 45 percent.

The prolonged fiscal crunch caused by falling oil prices probably would have been manageable, however, had it not been for problems left over from earlier booms. Windfalls from oil exports had financed the growth of a bloated, inefficient, extravagant, and corrupt state. The magnitude of the problem is well illustrated by the fact that during President Pérez's first term (1974-79), real government revenues were 54 percent greater than the total of all revenues received by *all* previous Venezuelan governments since 1917.² And following the second OPEC price hike, the government of Luis Herrera Campíns (1979-84) took in even more revenue. This abundance encouraged the feeling that there was nothing the state could not afford, and spending increased accordingly. Incredibly, spending still outstripped revenues, and many state agencies simply borrowed the difference; by 1982, the country had a \$34 billion foreign debt. Of course, Venezuela was not the only country to run up a crippling foreign debt in the late 1970s, but the debt was more of a political problem there than elsewhere because so much of what was borrowed had gone to finance bad investments, corrupt deals, and party patronage. The uses to which the money was put were all the more outrageous at a time when Venezuela was earning huge surpluses that should have made any indebtedness unnecessary. Under these circumstances, the spreading news of financial scandals and misuse of funds made ordinary Venezuelans extremely cynical about the character of their leaders.

The Problem with Strong Parties

The political parties' success in disciplining themselves and penetrating other organizations may have been an advantage in overcoming short-term crises, but in the long term, this party monopoly over the political process worked against accountability and authentically

representative government. Most Venezuelans continued to believe that democracy was the best system for their country, but more and more of them concluded that their system did not deserve the name. Instead, it was increasingly called a *partidocracia*: a government of the people, by the parties, for the parties. *Partidocracia* (or “partyarchy”) ultimately endangered the stability of the democratic regime because it blocked channels for representation outside the parties, within the parties, and among the parties.

AD and COPEI (and the minor parties as well) have always sought to enhance their competitive positions by controlling other organizations. Sometimes control was established by coopting the organizations’ existing leadership; sometimes partisans infiltrated the organizations and won control from the inside; other times, the parties established parallel organizations that tended to outcompete the independent organizations because the parallel organizations had better connections with the government officials who disbursed public benefits. Once in control, these partisans were then expected to mobilize their organizations to support the party in elections, rallies, demonstrations, and policy debates. In this way, the parties extended their influence to labor unions, peasant federations, student governments, teachers, neighborhood associations, professional associations, and even beauty contests! Since it was difficult for organizations to act independently in political life, Venezuelans participated either through the parties or not at all.

Senators and deputies elected on AD or COPEI slates were required to support the party on every vote in Congress. As a result, discipline was so close to perfect that votes were hardly ever counted. Citizens who chose to participate as party activists found themselves subject to strict party discipline. Under the Leninist principle of democratic centralism, which was written into the statutes of AD and emulated by COPEI, activists had the right to discuss party policy only before a decision was made; after that, dissent was prohibited. In practice, few activists were ever consulted on policy matters, so the bulk of the membership was expected to supply only quiet (if not enthusiastic) obedience. Those who openly broke with the party line were soon expelled. These practices made it virtually impossible for citizens to express their demands through the parties between elections. The parties were sometimes the site of lively competition between factions, but these rivalries tended to be personal power struggles devoid of principled disagreements. The clientelistic relationship between leaders and followers at the lower levels of the parties further inhibited their usefulness as channels for the expression of collective interests, even during the limited bouts of competition that took place among aspirants to the presidential nomination.

General elections provided the best opportunities for citizens to make their voices heard. Competition among the parties gave voters more

leverage than could be enjoyed by their counterparts in dominant-party systems like Mexico's, but even so, their choices remained severely limited.³ Legislative races were conducted on the basis of proportional representation in statewide constituencies, and a single closed-list ballot was cast for the national Senate and Chamber of Deputies and the state Legislative Assemblies. Before 1979, this same vote also decided the outcomes of city council elections. The voters only decided how many seats each party received; the party leaders decided who actually occupied them. Even nominations for local offices were decided in an extremely centralized fashion, usually by a small group of top party leaders. Voters rarely knew whom exactly they were voting for in legislative elections; members of Congress, not surprisingly, had no notion of accountability to their constituencies. Many parties from all points on the political spectrum competed in elections and won some legislative seats, but only AD and COPEI were perceived as having a realistic chance of gaining power, and they were both pragmatic agglomerations clustered as close to the center as possible. The most meaningful competition in elections was between the presidential candidates of AD and COPEI, who at least differed in character and charisma, if not in program.

In justifying his presidential coup of 5 April 1992, Peruvian president Alberto Fujimori made a bigger issue of *partidocracia* with far less justification than a Venezuelan could, since parties were far less institutionalized and powerful in Peru than they were in Venezuela. By the mid-1980s, the phenomenon had become widely discussed and criticized in Venezuela. As one prominent Venezuelan critic complained:

[W]hen the same center of party power can control, simultaneously, the decisions of the Congress, the executive, and the courts, there is no effective way to subject the state to real judicial control, and party dictatorship is total, because what is unconstitutional or illegal has no remedy and sometimes, as though by magic—the magic of the party—what is against the law is transformed into legality itself.⁴

Strong, controlling parties may have been the ideal institutions for inaugurating and consolidating democracy in the 1940s and 1950s, when Venezuela was poorer, more rural, and less literate than it is today. By the late 1980s, however, Venezuelans were tired of the abuses made possible by this system of limited accountability, and expected to participate through institutions that respected their improved capacities for active involvement in public life.

The Problem with *Concertación*

There were three problems with the tradition of *concertación*. The first was that it was a tool that could be used just as effectively to

conceal abuses as to preserve the regime. When an instance of corruption was uncovered, the party of the guilty person, in order to protect its own reputation, would deny that any misdeed had occurred. The other parties might make an issue of the scandal to win a temporary partisan advantage, but if the party of the accused succeeded in protecting its own by impugning the accuser's motives, buying the media's cooperation, delaying investigations, or replacing or bribing judges, the other parties would let the matter drop. They behaved as though there were a secret clause in the Pact of Punto Fijo stipulating that any serious challenge to any party's right to protect criminals in its ranks would undermine all parties and threaten the democratic regime, and therefore should be avoided. The result was an environment in which many scandals surfaced, but few of the guilty were ever successfully prosecuted—an outcome that maximized the damage to the legitimacy of the regime.

The second problem was that after decades of concealing and therefore indirectly encouraging abuses, the parties gradually ceased to be the only politically relevant organizations. Party control over three different kinds of groups weakened, allowing them to become politically relevant. One kind of group can be called "new social movements," which in Venezuela took the form of neighborhood associations, the leftist student movement, and to a lesser extent church-sponsored base communities and environmentalist groups. Their rise coincided with declining public services resulting from the fiscal crunch, but their efforts were channeled into a struggle against party domination, which they tended to blame for the mismanagement, corruption, and lack of accountability that underlay their day-to-day problems. Second, a new style of trade unionism grew up in the eastern state of Bolívar and a few other places. Led by Andrés Velásquez of the "Causa R" party, it rejected old-line unionism in favor of more autonomous and more militant labor organizations not beholden to the major parties. In part because of the need to compete with the new unionists, and in part because of economic hardships, the leaders of the old party-dominated unions found it necessary to behave more militantly as well. Third, younger military officers, after decades of investment in education and training in diverse fields, came to feel that they too deserved some voice in politics. Their resentment at not being consulted intensified as the fiscal crunch lowered military salaries to abysmal levels.

All of these groups came to see the major-party elites as a unified, self-interested, and corrupt "political class" divorced from the true interests of society. The old party-centered way of dealing with crises became obsolete as these new groups demanded political involvement on their own terms. The days were over when party leaders could simply bargain among themselves (or with business), for relevant actors with the ability to sabotage any interparty arrangement were asserting themselves.

The third problem with *concertación* was that both AD and COPEI suffered internal leadership rifts, making a bipartisan united front impossible. It is tempting to argue that these intraparty splits occurred over the dilemmas of structural adjustment. Indeed, both parties after 1988 contained one faction that defended neoliberal economic reforms (the progovernment *Renovadores* in AD and the faction led by Eduardo Fernández in COPEI) and another faction more critical of such policies (the so-called *Ortodoxos* of AD and Rafael Caldera's faction of COPEI). The rift between Caldera and Fernández, however, began in 1986—years before the two leaders differed in their policy prescriptions—and AD's internal conflict fit a pattern that matched conflicts in every previous AD government. Thus there are equally good reasons to suspect that the divisions were merely the same old personal power struggles with *post facto* policy differences tacked on to justify their existence. Whatever the cause of these divisions, they prevented the key party leaders from displaying the caliber of statesmanship that had saved the regime in previous crises. As a result, the crisis continued to escalate to its current dire state.

How the Crisis Unfolded

During 1989, Venezuela's stable democracy began to weaken rapidly as it came under assault from the twin threats of economic discontent and disillusionment with the political class. Toward the end of the AD government of President Jaime Lusinchi, just before the December 1989 elections, economic policy was in a slow transition from a statist and protectionist system to a more open and market-driven system, and the population was suffering from the drawbacks of both. Confused by multiple and volatile exchange rates and a constantly varying list of subsidies, controlled prices, and minimum wage rates, investors were reluctant to commit their funds to projects in Venezuela. Economic growth had been near zero or negative in real terms during 1979-85 and in 1988. Inflation, rarely as much as 10 percent before 1979, averaged over 16 percent annually after that year; consumer purchasing power had declined nine years in a row. Urban infrastructure—transport, housing, sanitation, water supply, and telecommunications—were inadequate due to neglect and population pressures, and the police were overwhelmed by rising crime. Shortages of basic foods and medicines were beginning to occur as some merchants hoarded goods in anticipation of future price increases. With oil prices depressed, the government's ability to cushion such hardships was at a low point.

Disillusionment increased during the campaigns of 1988. While Carlos Andrés Pérez and Octavio Lepage struggled over AD's presidential nomination, the party's leaders divided into two camps that tarred each other's reputations and nearly split the party. Similarly, polarization beset

COPEI during the nomination fight between aging party founder Rafael Caldera and his erstwhile protégé, Eduardo Fernández. President Lusinchi, the incumbent, did his part by divorcing his wife during his last year in office in order to marry his longtime mistress and personal secretary, Blanca Ibáñez, who was rumored to have abused her position on the presidential staff to benefit business friends with shady reputations. The growing disillusionment with the parties was reflected in a record abstention rate of over 18 percent in the 1988 elections, quite high for a country with enforced compulsory voting. The combination of economic hardship and corruption was powerfully delegitimizing. The naive belief that economic problems were primarily a result of politicians “robbing the country” gained currency, and hardened the conviction that the government had no right to expect ordinary citizens to make sacrifices.

Carlos Andrés Pérez won the election largely because to many voters he represented the hope of returning to the boom years of his first presidency in the late 1970s. Those hopes were dashed on 16 February 1989, two weeks after his inauguration, when Pérez announced a radically neoliberal economic program that would slash protectionist tariffs, eliminate price controls and most subsidies, and free interest and exchange rates. On February 27—the day the first price increases went into effect—commuters and students enraged by higher transit fares began overturning and burning buses. When it became evident that the police were unable to control the disturbances, thousands of urbanites went on a spree of vandalism and looting that lasted for five days and left no major city untouched. The Army and National Guard were mobilized to restore order, which they eventually did, but in a brutal fashion that sometimes involved firing at random into the mob. The casualties totaled at least three hundred dead and one thousand injured, in addition to extensive theft and property damage.

Before the riots, party leaders had recognized the problems in the political system and had begun to reform it. The Presidential Commission for the Reform of the State, appointed by President Lusinchi in 1984, had proposed far-reaching reforms to democratize the parties, depoliticize the courts, decentralize governmental authority, make the bureaucracy more efficient, and provide for the direct election of governors and mayors. At the urging of presidential candidates Pérez and Fernández, a few of these reforms, including the direct election of governors and mayors, were adopted in 1988 and went into effect in 1989.

Sadly, the first year of the Pérez government did not provide a propitious environment for political reforms to inspire new confidence in the regime, for both economic discontent and political disillusionment intensified. Production shrank by 8.3 percent in 1989, while inflation soared to 80 percent—the worst economic performance in modern

Venezuelan history. In the meantime, now that Lusinchi had left the presidency, revelations of the extraordinary corruption that had taken place during his administration emerged in a seemingly endless stream. In the most notorious scandal, it was learned that high government officials connected to Blanca Ibáñez had used the agency in charge of allocating foreign exchange, RECAD, to funnel discounted dollars to businesses in exchange for kickbacks. Ten former cabinet ministers were indicted in the scandal, confirming the public's worst suspicions about the character of the ruling political class. In this atmosphere, there was little enthusiasm for the first elections of governors and mayors in December, and abstention climbed to a shocking 54 percent.

This was the year when a group of elite junior military officers who called themselves *los Bolivarianos* because of their fanatical devotion to Simón Bolívar, the Venezuelan who freed much of Latin America from Spanish rule, began plotting their coup attempt. As academic standouts in a highly educated military establishment, they had a lofty opinion of their own potential for running the country, and a corresponding contempt for the venal politicians whose mismanagement had led Venezuela into an economic and political crisis. The *Bolivarianos* also resented their superior officers, who had risen to their positions under the direct tutelage of the corrupt parties. To add to these economic grievances, real military salaries had been allowed to plummet to poverty levels. Finally, the *Bolivarianos* were anguished by the role that they had played in putting down the riots of 1989, and felt that economic policy had to be changed so that they might avoid having to fire on their fellow citizens again.

The coup attempt was bound to occur, then, unless something dramatic happened in 1990 or 1991 to improve living standards or restore confidence in the political class. Inflation fell to 36 percent in 1990 and 31 percent in 1991, but was still too high. Economic growth was negligible in 1990, but took off in 1991 with a 9.2 percent expansion, the fastest in Latin America that year. Investor confidence was returning, and in international circles Venezuela was beginning to be considered a structural adjustment success story. Domestically, however, the benefits of renewed growth had not yet trickled down to most people, and economic discontent remained high. President Pérez became more resistant than ever to making compromises on an economic program that was finally starting to bear fruit. His rigidity, combined with his fondness for international travel at a time when the majority of the population was living in unaccustomed depths of poverty, alienated almost all of his support. Pérez's approval ratings declined continually, and in AD's October 1991 internal elections, his critics won control of the party.

By the time the coup attempt took place, Pérez's unpopularity had made him an inviting target. The coup leaders enjoyed a burst of

popularity because they gave expression to the widely and intensely felt desire to get rid of the president somehow. This did not mean, however, that a majority of the population favored military intervention. On the contrary, polls showed that 65 to 75 percent of the respondents continued to favor a democratic, constitutional solution to the crisis. Still, when a quarter to a third of the population actively favors a military solution, and many more would acquiesce in one, it is a sign that a democracy is vulnerable to regime breakdown.

There is no longer any guarantee that the formation of a united front by the major parties can resolve the crisis. Community organizations and new political groupings are petitioning for the creation of a constituent assembly designed to enact fundamental reforms and select a new government; the party leadership prefers more limited reforms to be initiated by the Congress, on the grounds that a constituent assembly would involve too many elections and too much uncertainty. None of these reforms, however, is guaranteed to satisfy the military, which is rumored to be hatching still more plots against the democratic regime. Thus the old formula of *concertación* is no longer likely to be effective.

Even if agreement among the leaders of the two parties were sufficient to save the regime, however, the situation would not be much more hopeful, for such agreement has eluded them since the coup. President Pérez tried for weeks to convince other parties to join him in a government of national unity, but was not willing to compromise on economic policy to make that possible. COPEI could hardly join a formal coalition as a party, for Rafael Caldera has been loudly calling for Pérez to resign. The best that Pérez was able to manage was the formation of a new cabinet containing two ministers from the Fernández faction of COPEI. These, however, participated as individuals (albeit with their party's permission) and not as representatives of their party in a formal coalition. AD and COPEI also hammered out a pact with business representatives to pass constitutional and tax reforms in the Congress. Even this arrangement was short-lived, because the two COPEI ministers were forced to resign in protest over the president's desire to travel to the June 1992 Earth Summit in Rio de Janeiro. Pérez's relations with his own party are not much better; three times AD has asked him to support a constitutional amendment that would permit early elections, only to have him win each face-off by threatening a sudden resignation that would create a power vacuum. If things do not improve soon, however, the party may decide to call the president's bluff.

Regaining Public Confidence

In several respects, Venezuela's experience is unique. No other country in Latin America suffers the extreme windfalls, shortfalls, and temptations to corruption that the oil industry affords; none has

developed a partyarchy as stifling as Venezuela's; and none has become so dependent on consultations among such a small group of leaders for crisis resolution. Nevertheless, many Latin American countries share some of the problems that contributed to the crisis of democracy in Venezuela. All of Latin America has suffered through the debt crisis, and continues to suffer from depressed wage levels. In some countries—notably Peru, Bolivia, Brazil, and Colombia—corruption is arguably as much of a problem as it has become in Venezuela. And in all Latin American countries, presidential constitutions make executive-legislative deadlocks more likely and their resolution more difficult. If Venezuela had a parliamentary system, Pérez would have been dismissed with a vote of no confidence long ago, and the disloyal and semiloyal groups that now conspire against the regime would be jockeying for influence over his successor instead. This crisis is a classic example of the perils of presidentialism as described by Juan Linz.⁵

In the long run, the reequilibration of Venezuelan democracy requires the renovation of the major parties to make them more representative of and accountable to the population. The decentralizing reforms already adopted have provided an excellent stimulus for that renovation, but such changes would have to percolate through the system for years, over a series of elections, before they could restore legitimacy to Venezuelan democracy. In the meantime, there will be no long run for the democratic regime unless the leaders of both parties buy time by acting boldly and in concert to regain the public's confidence in more immediate ways. The hope of buying time through strong economic performance increasingly appears unrealistic as oil revenues are expected to fall nearly 44 percent in 1992. Nonetheless, if several corrupt figures are effectively prosecuted and a solution is found to the impasse over shortening President Pérez's term, the democratic regime may yet survive.

NOTES

1. Daniel Levine, *Conflict and Political Change in Venezuela* (Princeton: Princeton University Press, 1973), which is summarized in his "Venezuela Since 1958: The Consolidation of Democratic Politics," in Juan J. Linz and Alfred Stepan, eds., *The Breakdown of Democratic Regimes: Latin America* (Baltimore: Johns Hopkins University Press, 1978).

2. Terry Lynn Karl, "The Political Economy of Petrodollars: Oil and Democracy in Venezuela" (unpublished Ph.D. dissertation, Stanford University, 1982), 17.

3. For a comparison of the Venezuelan and Mexican systems, see Michael Coppedge, "Parties and Society in Mexico and Venezuela: Why Competition Matters," *Comparative Politics* (forthcoming 1993).

4. Allan Randolph Brewer-Carías, *Problemas del estado de partidos* (Caracas: Editorial Jurídica Venezolana, 1988), 21 (author's translation).

5. Juan J. Linz, "The Perils of Presidentialism," *Journal of Democracy* 1 (Winter 1990): 51-69.