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Hugo Chavez: Socialism and Dictatorship

by

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Thesis: To date, the actions of Hugo Chavez, the president of Venezuela, are consistent with a pattern of behavior that appears to aim at dictatorial powers and the transformation of Venezuela’s democracy into a socialist regime.

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Once a functioning democracy, Venezuela, under President Hugo Chávez Frías, now operates more like a socialist country. After touting the results of a free and fair election as proof of one’s standing as a democratically-elected leader, one would be expected to govern democratically. Chávez feigns to govern democratically, but truly he does not. He practices demagoguery in order to get away with running the Venezuelan government in an undemocratic manner. Chávez has taken advantage of his popularity with Venezuela’s many poor in order to reinforce his hold on power, providing himself with a longer rule. He has manipulated Venezuelan law, restricted Venezuelan freedoms and civil rights, and debased Venezuela’s democratic institutions, resulting in the reorganization of its government, economy, media, and society to operate under socialism. To date, the actions of Hugo Chávez are consistent with a pattern of behavior that appears to aim at dictatorial powers and the transformation of Venezuela’s democracy into a socialist regime.

In order to understand what is happening in Venezuela under Chávez, it is necessary to comprehend the concepts of dictatorship and socialism. Dictatorship is an autocratic form of government in which the leader rules without the consent of the people. Socialism is a manner of
economic organization that is based on central planning and government domination of the economy, entailing government ownership of the means of production and a balanced relationship between work expended and compensation that attempts to display equality and solidarity among the people.⁴

Chávez first saw his opportunity for gaining power in Venezuela through the military.⁵ In February 1992, he led an attempted coup d’état against then President Carlos Andrés Pérez. The coup took an abortive turn when Pérez was able to flee Caracas to organize his forces to resist Chávez’s men, interrupt their methods of communication, and isolate them in their positions.⁶ Loyalty among Chávez’s ranks began to wane as his men lost contact with him. Eventually Chávez and his units barricaded themselves in the Historical Military Museum, where he was forced to end the coup. He was allowed to make a television broadcast to speak to the 10% of his armed forces who had remained loyal to him in order to instruct them to lay down their arms in order to avoid further bloodshed, but he did so with the provision “for now.” Though he was imprisoned as soon as he completed this broadcast, Chávez had made Venezuela aware that his aspirations for power were not over (Gott 65-67). Chávez remained in prison for two years, until he was pardoned by then President Rafael Caldera and released (Gott 128).⁷

After his release from prison, Chávez decided to change his approach to gaining power by focusing on the upcoming democratic presidential election of 1998. He formed the Fifth Republic Movement (Movimiento Quinta República, or MVR) as his political party.⁸ His campaign strategy involved targeting the poor and working class voting blocs (the majority of the Venezuelan population), to whom he pledged an end to the puntofijismo system,⁹ the initiation of his Bolivarian Revolution, the purging of political corruption, and the eradication of poverty. With his renowned charisma and powerful speaking abilities, Chávez promised change
and social justice, swaying multitudes to his favor (Krauze). He won the 1998 election with 56.2% of the vote (Ellner and Hellinger 73). Once he was sworn in as president, he quickly held a referendum that resulted in an entirely new constitution based on “Bolivarian principles.” The new Bolivarian Constitution altered the branches of Venezuelan government, increased the powers of the presidency, and has so far facilitated Chávez’s agenda. In 2007, Chávez attempted to hold a referendum to alter the Constitution even more, but it did not pass. He has talked repeatedly of furthering changes to the Constitution needed to accommodate his Bolivarian Revolution (“Q&A”).

“When he addresses the nation, President Hugo Chávez sometimes breaks into song. He sermonizes his supporters and taunts his foes” (Jeter). He portrays himself as a “man of the people,” when really he is a man only of the poor, encouraging them to turn their passions and frustrations against other classes. Ingratiating himself with Venezuela’s poor has aided Chávez’s quest for popular support of his socialist revolution (Hawkins 1140-1142). His demagogic practices are especially useful in shielding the detrimental economic results of his revolution from criticism. For instance, Venezuela has the highest inflation rate in Latin America and most industries and jobs rely on the government, which itself is dangerously reliant on oil revenues. And yet, Chávez is able to mute such troubling facts behind populist gestures, like building new schools and creating more government employment (Carroll).

While a savior to the poor masses, Chávez is intolerant of his critics and anyone who resists his socialist revolution. These resistors include much of Venezuela’s intelligentsia, the middle class, the media, professionals inclined toward economic privatization, and anyone prone to capitalist ideas. They suffer from Chávez’s restrictive socialist measures, which have caused many of them to flee the country in search of places that do not stifle their freedoms or minimize
their access to information (Margolis). Also, any foreigners discovered to be critical of Chávez are expelled from Venezuela (Gould). Chávez accounts for Venezuela’s weaknesses (such as high inflation, high crime, poverty, or restricted freedoms and rights) by shifting the blame to other countries, creating external sources of “evil” that distract his supporters from the true origins of Venezuela’s structural and political problems (“Venezuela”). Chávez most frequently takes aim at the United States and Colombia. He is famous for his anti-American rhetoric and his portrayal of America as an evil, capitalist, manipulative nation determined to undermine his revolutionary government and Venezuela’s role in the global community (“Anti-Americanism”). He has accused Colombia’s President Álvaro Uribe of being a pawn of the United States and allying himself with the U.S. to assist in a possible invasion of Venezuela.  

While severing relations with those he considers enemies, Chávez nurses his relationship with various disruptive national leaders and organizations. He has strong ties with Iran’s President Mahmoud Ahmadinejad, often calling him his “brother” and saying, “I thank God that Iran and Venezuela are standing together forever.” In the past, Chávez was known to praise Saddam Hussein in his struggle against the U.S., also hailing him as a “brother” and “business partner.” He is also known for his admiration of Communist Cuban dictator Fidel Castro and Marxist revolutionary Ernesto “Che” Guevara (“Mr. Chavez’s”). Russia’s Prime Minister Vladimir Putin lends money to Venezuela that allows Hugo Chavez, in turn, to buy weapons from Russia. Chávez may also have ties to terrorist organizations, such as FARC, ELN, al Qaeda, and Hamas (Halvorssen). His praise of other world leaders, such as Zimbabwe’s President Mugabe, North Korea’s Kim Jong-Il, and Libya’s Muammar Gaddafi, has shed even more unfavorable light on Chávez in the eyes of much of the international community (Halvorssen, “Guerilla”). These national leaders do not share identical ideologies, but they do
have share in the fact that they are controversial figures, often acting against the will of the international community.\textsuperscript{22}

Despite falling oil prices, rising inflation, food and water shortages, lack of foreign investment, withered agricultural and manufacturing industries, and a population dependent on the government to provide jobs and generate money, Hugo Chávez maintains that the Bolivarian Revolution is alive, well, and prosperous (Carroll). He demands continuous revolutionary sentiment from Venezuelans, assuring them of his own importance as their revolutionary leader, who is helping them transform their country into a socialist society based on equality and solidarity.\textsuperscript{23} In sum, his persuasive powers of speech, his propaganda,\textsuperscript{24} and his social reform gestures keep the majority of Venezuelans acquiescent to his agenda. Chávez excels at demagoguery, promoting himself, vilifying his opponents, projecting blame for weakness on others, and placating the masses in order to maintain his popularity, whether Venezuela can afford such actions or not (Krauze).

The independence and neutrality of Venezuela’s media has suffered greatly under Chávez. His efforts to restrict freedom of speech in Venezuela stem from his desire to have more control over what is said about him and his government, in effect keeping his support base misinformed in order to maintain their approval.\textsuperscript{25} Chávez has repeatedly targeted media outlets, revoking their broadcast licenses, invading homes and offices to search for suspicious materials, and disparaging those that hold negative views regarding his agenda. He forced public television to air only state broadcasts and relegated to cable those stations he considers unfavorable, a luxury most Venezuelans cannot afford. Chávez has also maintained strict control over Venezuelan radio stations, bringing them under investigation for corruption and anti-Bolivarian sentiment, which often resulted in the revocation of their broadcast licenses.\textsuperscript{26} In 2009, Chávez
passed a law called the “Special Law Against Media Crimes.” This law allows the government to prosecute any media organizations that it believes are disseminating information not “pursuant to the provisions set forth in the Constitution of the Bolivarian Republic of Venezuela, and the laws and treaties, agreements and conventions subscribed and ratified by the Republic” (“Draft”).

Moreover, Chávez also profits from citizens’ apprehensions about Venezuela’s voting system and pre-election corruption. The fear of corrupt voting processes and the lack of faith in the secrecy of the vote cause many voters to vote for Chávez, fearing his wrath if they do not. Venezuelans also face intimidation from political party agents, as well as the unease of observing armed forces at polling centers (Boyd). The legitimacy of Venezuelan voter registration is also questionable. There were incidents where close analyses of birthdates and names revealed false registrations, multiple registrations of the same person, and registration of deceased citizens (Fabregat). In addition to voter fraud, there have been questions surrounding the origins of Venezuela’s Smartmatic automatic vote-counting machines, the suspicion arising that the Chávez government is corruptly involved with the manufacturer, Smartmatic Corp. This has raised concern over vote tampering or vote recording (Boyd).

Chávez has made yet another move toward socialist dictatorial powers by consolidating his support base into one political party. In 2008, he dissolved the Fifth Republic Movement, hoping to provide an example for the other 23 pro-Chávez parties. This example was to demonstrate that he did not believe disjointed political support was good enough. Chávez created the United Socialist Party of Venezuela, PSUV, which is now the most powerful political party in Venezuela, completely in the hands of Chávez (“Venezuela Starts”)

In addition to using the electoral system to his advantage, Chavez is also accumulating increasing power over Venezuela’s governmental institutions. Chavez has left only a semblance
of separation of powers in Venezuelan government and provided himself with unchecked authority. In a healthy democracy, each branch of government should regulate and balance the actions of the other branches. In Chávez’s Venezuela, though, the executive branch has consolidated its power over the other branches, making them apparatuses of the executive.

Venezuela’s National Assembly has long been accused of merely feigning to uphold democratic principles, while in reality operating according to President Chávez’s agenda (Kramer). Until 2005, every legislator in the National Assembly was a Chávez supporter. After the legislative elections of 2005, though, the opposition gained some ground, with Podemos, a leftist, yet anti-Chávez, political party winning seven seats (“Rubber Stamp”). The members of Podemos see their goal as “a defense of democracy,” though they do not have enough legislative strength to truly pose a challenge to Chávez’s overwhelming support in the Assembly (Forero). The National Assembly claims to be productive, though in reality, its members “deal with issues that are absolutely unsubstantial and disconnected with the everyday problems of Venezuelans” (Forero). Chávez has also maneuvered the National Assembly to pass land reform laws, education reform laws, gerrymandering, laws facilitating the nationalization of industries and the Venezuelan market, and laws antagonizing and delegitimizing the media and political opposition. He continues to hasten legislation supporting his agenda, saying, “We must accelerate the discussion and approval of revolutionary laws” (Toothaker). Simon Rafael, a former Assemblyman, has affirmed that the National Assembly has become a rubber stamp, saying, “The Congress is a decorative body that is unconditional in its support of Hugo Chávez. The congressmen even compete to praise, to flatter Chávez” (Forero).

Chávez has further neutralized the democratic system of checks and balances by passing the Organic Law of the Supreme Court in May 2004 to enlarge the Supreme Court and make it
legally easier to appoint his own supporters. “The new law, which President Chávez signed last month, expands the Supreme Court from 20 to 32 members” (“Rigging”). The new Justices are chosen by a majority vote in the National Legislature. The law also has provides Chávez with the authority to nullify the appointments of sitting judges. Through his influence in the Legislature and the authority provided by the law, Chávez is able to dictate his desired Supreme Court rulings in order to benefit his own agenda. The independence of the Venezuelan court system is too diminished to prevent Chávez from dominating it (“Rigging”).

After multiple unsuccessful attempts to rid the executive branch of term limits, on February 15, 2009, Chávez won a referendum to abolish presidential term limits, giving himself the opportunity to continue running for re-election. His opponents believe that Chávez is setting himself up to be a ruler for life. Others, particularly poorer Venezuelans, feel they should continue to support Chávez because they benefit from his social reforms, though they may not agree with the abolition of term limits (Gould, “Chávez”).

Another important step in creating a socialist regime is to consolidate government power manages most operational sectors of a country’s society. This appears to be exactly what Chávez is doing in Venezuela. He has commenced concurrent assaults on various powerful elements and departments within Venezuela, such as the military, transportation networks, local government, education, markets and economic policy, banking and resource production. He is ultimately transforming them into socialist entities that cooperate with his Bolivarian agenda (Manwaring, “Venezuela” 9).

Chávez has taken measures to strengthen his authority over the Venezuelan military. As recently as May 2009, he has dismissed many military leaders who disagree with his “micromanagement and politicizing” of the armed forces, replacing them with supporters. “The
authority of as many as 800 military officers was stripped away last year after doubts surfaced over their loyalty to Mr. Chávez” (Romero). After an officer is dismissed, his reputation is typically assaulted with rumors of treason and disloyalty, and he may even be brought to trial by the government. He would then be in the position of having to defend himself against a judicial system manipulated by the very government initiating the trial. With Venezuela’s history of a strong, independent military, it is clear that Chávez wants to keep a firm grasp on it and minimize its independence in order to retain its loyalty (Romero).

In addition to the military, Chávez has also begun to take Venezuela’s transportation system under his control by having the National Assembly give the federal government responsibility for Venezuela’s highways, ports, and airports, effectually taking it out of the hands of states and provinces. The government says it has done this for “strategic reasons.” “Critics say it is unconstitutional and will further consolidate Mr. Chávez’s hold on power by weakening governors and mayors in opposition-run states” (Wilpert 32).

Since he was first elected to office, Chávez has consistently called for education reform that would orient Venezuela’s education system around socialist principles. On August 6, 2009, he was able to pass the Organic Law of Education through the National Assembly. This law strengthens the role of government in education, ensures the universality of government-provided education, and requires private businesses to fund the continued education of their workers under the Bolivarian system (“Elements”).

The Organic Law of Education provided Chávez with another means of restricting the freedom of the press in Venezuela (“Elements”). The incorporating Article 50 subsection 12 into this law “requires the media ‘to fulfill informative, formative, and recreational functions’ that contribute to the development of the values and principles established in the Constitution of the
Bolivarian Republic of Venezuela.” The education law prohibits the scope of information that Venezuelan media can cover to exclude any information that could be considered aggressive, undisciplined, degrading in language, hateful in nature, terrifying to children, or against the principles, goodness, values of the Bolivarian Venezuelan people (“Venezuela’s Polarized”). It also puts limits political expression and opposition as it states: “Proselytism and political party propaganda is not permitted in educational centers and institutions of the primary education system through any medium: oral, print, electronic, radio, informative, or audiovisual” (Suggett).

The goals of Chávez’s “organic” education reform are clear: to expose Venezuelan children to his Bolivarian principles at an early age, to educate them in socialist ideology, to increase the government’s role in determining the information that the Venezuelan people receive, and to further limit how the media and Chávez’s political opposition can operate (“Venezuela’s Polarized”).

Concurrently, Chávez has begun to reshape Venezuela’s economy in order to facilitate socialism. This involves decreasing the private market and increasing the government’s role in economic matters. He has instituted processes of wealth redistribution and land reform that provide more regulatory power and centralize ownership and operation of economic resources in the government. He encourages the creation of cooperatives that aim toward socialist business ethics, as well as experimentation in worker-managed factories, eliminating the alleged bourgeois class distinctions that arise out of having separate management and working classes (Wilpert 77). The government not only promotes cooperatives, but it favors those that buy resources from government companies and state providers, like national oil company PDVSA, giving them preferential treatment and benefits. Chávez also calls for Social Production Enterprises (EPS), which make their production and consumption communally-based and
operate with consideration of socialist solidarity and community-based sacrifices (Wilpert 82).

As his socialist transformation has decreased the role of private enterprise, Chávez’s government has taken-over of many sectors of Venezuela’s economy. Chávez has nationalized Venezuelan and foreign companies in order to give the government more power over the market, profit-gathering, and resource allocation. He uses the threat of nationalization to coerce non-compliant companies to cooperate with his goals (“Cargill”).

The Chávez government relies primarily on oil revenues to operate as it does. Restructuring Venezuela’s government into a socialist regime requires massive nationalization of markets, government centralization and expansion, and increased restrictions on economic and political freedoms of Venezuelan people and businesses. The socialist Bolivarian Revolution takes an enormous amount of funding, which Chávez provides primarily through oil revenues (Schoen and Rowan). He nationalized Petróleos de Venezuela Sociedad Anónima (PDVSA), the national oil company, in order to manage its profits, but also to use it as a geopolitical weapon. Venezuela is the fourth largest exporter of oil to the United States. Chávez manipulates oil prices not only to keep bankruptcy at bay, but also to protect his regime from the full weight of American criticism (Rodriguez). He seeks alliances in price manipulation through OPEC, and has halved Venezuela’s oil production in order to make its oil reserves less accessible (therefore more expensive) and more sustainable (Kozloff 9). He may even be trying to use his new South American oil company Petrosur as the basis for a regionalized version of OPEC (Kozloff 5). If Venezuela were not such an important oil exporter, Chavez would not be able to get away with as much as he does (Rodriguez).

Hugo Chávez’s socialist-oriented Bolivarian Revolution and his apparently dictatorial ambitions have propelled Venezuela down a dangerous, undemocratic path. Chávez has
centralized the government, abolished the separation of powers, and given himself more authority and free reign over Venezuela’s election process, media, and democratic institutions. The most dangerous aspect of this transformation is that he has been able to do all of this while giving the false impression of respecting democratic principles. Chávez caters to the poor and working classes, who for years felt unjustly treated in pre-Chávez Venezuela, placating their desires while assuring them of his democratic legitimacy. Using the techniques of a demagogue, he has maintained a strong approval rating from compliant Venezuelans who profit from Chávez’s handout policies. This has subsequently allowed him to violate the democratic rights and freedoms of those who are not so easily conciliated by social briberies. By enlarging the power of his government and minimizing its checks and balanced, Chávez has paved the way for his unjust socialist dictatorship. To date, the actions of Hugo Chávez, the president of Venezuela, are consistent with a pattern of behavior that appears to aim at dictatorial powers and the transformation of Venezuela’s democracy into a socialist regime.
Endnotes

1 See Appendix A for a chronology of key events in Venezuelan history.

2 See Appendix B for a map of Venezuela and the flag of the Venezuelan government.

3 See Appendix C for an official picture of Hugo Chávez.

4 In May of 2006, Chávez said, “There is no solution within capitalism, one must transcend capitalism. We must reclaim socialism as a thesis, but a new socialism. We have assumed the commitment to direct the Bolivarian Revolution towards socialism and to contribute to the socialist path, with a new socialism, a socialism of the twenty-first century…The symbol of capitalism is Judas, and of socialism, it is Christ” (Wilpert 238).

5 Chavez graduated from the Venezuelan Academy of Military Science in 1975. He served in the army until 1992, when he was sent to prison for attempting to overthrow the government. While serving, before his coup, Chávez developed strong relationships with a small number of other officers, who would all meet occasionally to discuss their common admiration for Simon Bolivar. These officers would become Chávez’s main supporters during his military coup in 1992 (Gott 44-49).

6 Chávez’s plan on February 4, 1992, was to capture, along with five army units, Caracas, as well as President Pérez, while additional forces overtook other parts of Venezuela. Chávez focused on taking locations such as La Carlota military airport, Miraflores presidential palace, the Historical Military Museum, and the Defense Ministry. (Gott 64-5)

7 In June of 1993, President Pérez was removed from office, not by a military coup, but by a congressional coup. He had lost most of his support after enduring two military coups in 1992. Congress and his opponents accused Pérez of corruption and bullied him until he finally resigned from office, with Venezuelan historian Ramón J. Velásquez replacing him to complete
the term. Presidential elections were held in December of 1993. Chávez, from prison, instructed his supporters to abstain from voting. This distortion in voter-turnout opened a window of opportunity for Rafael Caldera, who won the election with 30% of the vote. As it turns out, 40% of the Venezuelan population abstained from voting, indicating that Chávez would most likely have won this election had he been available to run. Caldera felt obliged to Chávez because during the election, Caldera appealed tapped into some of Chávez’s support base by praising Chávez’s actions in 1992. “Only Caldera, with 30 percent, managed to edge ahead, and everyone recognized that he owed his victory to his famous speech to Congress in February 1992, in which he virtually legitimized the Chávez coup. To show his appreciation, Caldera ordered that all participants of the 1992 coups be released from prison (Gott 127-130).

MVR, the Fifth Republic Movement, was a left-wing socialist political party founded by Chávez in 1997. Chávez affiliated with this party and won as its presidential candidate in the elections of 1998. The party is named as a tribute to the new republic that Chávez wished to create in Venezuela, which would become the fifth republic in Venezuelan history. The goal of the party was to promote Bolivarian principles and act as a voice of the Venezuelan poor. For the extent of its existence, MVR constituted the largest political following in Venezuela, usually holding more seats in the legislature than any other party (Gable). See Appendix D for one of Chávez’s MVR campaign posters. In 2006, Chávez announced that MVR would be dissolved in the hope this would create an example for the 23 other pro-Chávez political parties in Venezuela. Chávez wants all of his supporters to consolidate into a massive, unified United Socialist Party of Venezuela (PSUV). MVR is now dissolved, with PSUV having replaced it as the most powerful political party in Venezuela (Reuters, “Venezuela”).
Venezuelan democracy consolidated in the Constitution of 1961 was based on the Pact of *Punto Fijo*, which was a system of clientelism that assured the distribution of oil rents to a few powerful political parties, allowing them to maintain their control over Venezuela’s politics. In the years leading up to Chávez’s presidency, this system became known, in a derogatory sense, as *Puntofijismo* (Hellinger 27).

“Chávez’s coup attempt and the popular support he received among the country’s poor and the left were a direct result of the brutal 1989 *Caracazo*, of 12 years of economic decline and of 25 years of political repression against the country’s left (Wilpert 17).”

The *Caracazo* was a series of violent protests that took place in and around Caracas on February 27, 1989 in response to President Pérez’s *paquete* (“the package:” a series of economic reforms that emphasized free markets, decreased government intervention in the economy, tax reform, modernization, and privatization). This rioting resulted in anywhere from 300 to 3,000 deaths. The most controversial part of the *paquete* was the elimination of gas subsidies that capped domestic gas prices to be lower than international prices (Ciccariello-Maher).

Hugo Chavez idolizes Simon Bolivar, the Latin American political leader of the late 18th century and early 19th century, who is greatly credited with attaining Latin American independence from Spain. Bolivar is a Venezuelan national hero, and Chavez has named his own socialist revolution after Bolivar, considering it to be complementary to, if not an extension of, Bolivar’s Latin American independence movement (Smith). See Appendix E for a picture of Hugo Chavez in front of a portrait of Simon Bolivar.

Chávez was born into poverty. In order to appeal to poor Venezuelans, he emphasizes his own experience growing up in Venezuela’s slums. He often uses colloquialisms, slang, and humor that are familiar to poor Venezuelans, making them feel comfortable with him. In seeking
to appear as though he could be their “brother,” Chávez ingratiates himself with the poor in order to gain their support. This is demagoguery because, essentially, he sells himself, as a man, rather than selling himself as a capable candidate for office (Hawkins 1139).

Being “a man of the poor” is not considered a bad thing in and of itself, though, it is important to realize that Chávez is not truly helping the poor. Chávez practices tyranny through mob rule, allowing the idea of the rule of many for the common good to turn into the rule of many for the sake of themselves.

13 Chávismo is the populist movement that supports Hugo Chávez. It describes the indestructible relationship between Chávez and his strongest supporters. Chávistos and Chávistas are mostly poor Venezuelans who show believe in and promote Chávez’s Bolivarian Revolution (Hawkins 1138).

14 See Appendix F for a chart showing Venezuelan debt and information on Venezuelan GDP and GDP per capita.

15 On a list of global inflation rates, including 222 countries, Venezuela was ranked 219th, with only Seychelles, Ethiopia, and Zimbabwe having worse inflation rates than it. Venezuela’s inflation rate, as of 2008, was 30.40% (“Country Comparison: Inflation Rate [Consumer Prices]”). See Appendix G for information on Venezuelan inflation rates.

16 Though Venezuela’s unemployment rate appears to have decreased under Chávez’s government, some do not concur with this assumption. Those who disagree that unemployment has truly gone down refer to the existence of an “informal job sector.” This is the sector of employment where Chávez has most greatly increased job creation. His ability to do so arises out of his increased control over Venezuelan industries. Opponents argue that the “jobs” Chávez claims to create should not actually be considered as such, as they are truly either “no-show
“jobs” handed out to supporters or jobs that do not pay enough for a worker to support himself or a family. See Appendix H for a chart of Venezuela’s unemployment rates.

17 As Chavez has increased his power in Venezuela, freedoms for non-Chávistas have become more and more oppressed. Chávez has restricted the flow of information, enforced socialist ideals, and increased the state’s role in almost every industry. Because Venezuela’s intelligentsia, middle class, media, professional workers, and youth have traditionally valued independence and the right to opportunity, these groups have felt victimized by this Chávez’s Revolution. “In Venezuela, Chávez has pushed hard against anyone who refuses to accept his party line. A study just released by the Latin American Economic System, an intergovernmental economic-research institute, reports that the outflow of highly skilled workers, ages 25 and older, from Venezuela to Organization for Economic Cooperation and Development countries rose 216 percent between 1990 and 2007.

18 Chávez’s assertions arise from the fact that Colombia has agreed to allow U.S. military personnel to use the facilities of seven Colombian military bases. Though President Álvaro Uribe stated that the military cooperation agreement was made in order for Colombia to have stronger U.S. support in the battle against drug-trafficking, Chávez maintains that this is a “pact of war” against Venezuela (Cancel). In spite of these accusations, President Uribe has continually attempted to quell Chávez’s aggressive reaction to the Colombian-U.S. agreement by making good-will gestures, like returning four Venezuelan National Guardsmen who were captured on Colombian soil. Uribe has also tried to send a message to Chávez, saying that there is an “unbreakable brotherly bond” between Venezuela and Colombia (Bronstein).

19 See Appendix I for a picture of Chávez and Mahmoud Ahmadinejad.

20 See Appendix J for a picture and a cartoon of Chávez with Fidel Castro.
By 2007, Putin had sold Chávez at least $3.5 million worth of weaponry (“Friends”). By 2009, Russia has sold Venezuela at least $4 billion in weapons, which include 24 Sukhoi fighter jets, 92 tanks, and the S-300 missile system (that can shoot down fighter jets and cruise missiles). “Critics say Venezuela is fueling an arms race in Latin America, but Chavez says he is modernizing the military for defensive purposes” (“Buy Weapons”).

Hugo Chávez has considers the following leaders to be allies: Mahmoud Ahmadinejad, the late Saddam Hussein, Fidel Castro, Vladimir Putin, Robert Mugabe, Kim Jong-Il, and Muammar al-Gaddafi. All of these leaders are, or were at one point, considered to be rogue agents, operating without the sphere of the international community. The international community is always wary of the actions of such leaders, as well as alliances made among them, because they usually have shown that they act recklessly, without regard for consequences, and wrongly. Many of these leaders find themselves often facing criticism from the international community, and even sometimes squaring off against the United States and other world leaders. This is precisely the situation in which Chávez often finds himself, thus, it follows that he would try to form relations with other rogue leaders for the sake of solidarity (“Friends”).

See Appendix K for a picture of Chávez giving a speech in his characteristic red shirt.”

See Appendix L for a picture of billboards displaying Chávez’s socialist propaganda.”

Nikolas Kozloff, a Senior Research Fellow for the Council on Hemispheric Affairs in Washington D.C. and a writer with a Ph.D. in Latin American History noted in his book, Hugo Chávez: Oil, Politics, and the Challenge to the U.S., that on one of his trips to Venezuela, witnessing the restrictive measures of the Chavez government imposed on the media gave him reason to be concerned. He says, “Chavez’s constant attacks on the press and his singling out of individual journalists made me wonder whether he really had dictatorial ambitions. That was
certainly the concern of some students and faculty I met at the Central University in Caracas. They were on the left, not the right, but were wary of Chavez and his long-term intentions” (Kozloff 4).

26 In 2007, Chávez forced the television station, RCTV, off the air by revoking their broadcast license, and soon afterward he uses threatening language insinuating that Globovision, one of Venezuela’s other large independent television stations, was the next to go. The move against RCTV brought large street protests organized mostly by Venezuelan students, calling for the protection of freedom of speech rights and an end to his aggressive measures (Gould “Stifling”).

In August of 2009, Chávez forced the discontinuance of 34 radio stations’ signals, writing them off as committers of media crimes. While 200 more radio stations throughout Venezuela still face investigation, Chávez has declared that “the radio broadcasters now belong to the people and not to the bourgeoisie” (Moffett).

27 While Chávez’s proponents claim that the law is merely a measure necessary for the proper Bolivarian, socialist education of the Venezuelan people, his opponents argue that it is merely a tool he will use to spread misinformation that favors his agenda and his laws (Padgett).

28 Many Venezuelans believe that after election day, Chávez receives a list of voters that voted against him. They believe government knowledge of how they voted will lead to punishment or retribution (Boyd). Before the 2004 presidential election, “opinion polls released before the vote tended to favour the president, with seven out of ten polls published in July giving him a lead of at least six percent points. However, the polls also showed many voters were undecided and pollsters believed that, fearful of intimidation, they might have hidden their preference” (Lapper and Webb-Vidal).
For example, according to the report released by the “European Electoral Observation Mission,” during the Recall Referendum of 2004:

There was a presence of the armed force Plan República at 25% of polling centers, when there were officially supposed to be no security forces within the actual voting centers.

There was a presence of political party agents within 70% of polling centers, 68% of which were pro-government political party agents. This presence was against official electoral provisions, as well (Boyd).

It is possible that the true shareholders of Smartmatic Corp. are Chávez-controlled Venezuelans operating through European proxies. In addition to possibly having a hand in Smartmatic Corp., the Venezuelan government owns 28% of Bizta Corp., the software company responsible for designing Venezuela’s voting ballots (Boyd).

In a healthy democracy, there is a system of checks and balances in the form of separation of powers. Each branch of government is supposed to regulate and balance the actions of the other branches. In Chávez’s Venezuela, though, the executive branch has consolidated its power and gained control over the other branches.

Whenever Podemos members attempt to express their ideas or question President Chávez’s policies, “they are ruled out of order or their speeches are drowned out by their foes.” The Podemos legislators are usually ignored, insulted, or labeled as traitorous oligarchs, and are often harassed, if not physically assaulted, by pro-Chávez demonstrators as they enter and leave the National Assembly (Forero).

The National Assembly is reported to spend a great deal of time performing theatrical gestures, such as singing revolutionary songs, chanting pro-revolutionary mantras, extolling the virtues and goodness of Chávez, discussing the legacy of Ernesto “Che” Guevara, celebrating
Afro-Venezuelan culture by dancing around the Assembly chambers to drums, making pacts with irresponsible world leaders, such as Zimbabwe’s self-destructive President Mugabe, and hoisting a Palestinian flag above the Assembly, while dressed in keffiyehs, in support of the Palestinian cause (Toothaker).

34 Poor Venezuelans benefit from Chávez’s social reform policies, or as some would say, “hand-out polices.” Chávez uses welfare programs, such as food credits, literacy programs, housing initiatives, or employment programs, to maintain his popularity with the poor, even though these programs often detract from the viability of Venezuela’s economy. This is because in order to enact these programs, Chávez must use redistribution tactics (which some think of as theft) that reallocate wealth from one class of people to another (Manwaring, “Venezuela” 9).

In 2007, when Chávez made his first attempt to abolish presidential term limits, some “said they wanted to vote against Chávez’s proposal, but felt obligated to vote yes because they benefited from government social programs.” This is most likely what happened in 2009, when a referendum resulted favorably for Chávez’s desire for unlimited terms (Gould, “Chávez”).

35 For example, early on, Raul Isaias Baduel was one of Chávez’s strongest supporters, even participating in Chavez’s unsuccessful military coup. He went on to be chosen as army chief, and eventually to serve as defense minister. Due to Chávez’s governing tactics, though, a rift grew between them. In 2007, Baduel was removed from office, and brought to court, accused of being responsible for the loss of $14 million during his tenure as Defense Minister. Baduel claims to have no idea where these accusations could be based, except in lies, and maintains that he is innocent (Romero).

36 The government of Venezuela is a federal government, operating under a constitution. Venezuela is divided into 23 states, which are further divided into municipios, or municipalities,
that are the basic components of local government. The Venezuelan states have been grouped into formations of administrative regions run by governors (“Country Briefings”).

Venezuela’s private schools have been warned that if they do not comply with the new education law, they will either be closed or nationalized. The schools must also submit to inspections by the government. Chávez stated: “Society cannot allow the private sector to do whatever it wants (Chávez Warns”). See Appendix M for a picture of Chávez reading to schoolchildren, promoting his Bolivarian education reforms.

In 2003, Chávez initiated Plan Zamora as a program within the National Land Institute. “The goal of the program is to support sustainable agricultural development based on a philosophy of a just distribution of land in accordance with values of equality and social justice.” He also launched “Vuelta al Campo” in 2003, a program to draw Venezuelans back to the country, providing them with land and financial credit to become farmers (Kott). These types of land reform initiatives have been enacted throughout Chávez’s time in office.

State promotion of the cooperative movement occurs largely vis a vis Sunacoop, the National Superintendancy of Cooperatives, which is supposed to promote, supervise, and legalize cooperatives in Venezuela” (Wilpert 77).

For example, in March 2009, Chávez ordered the nationalization of Cargill, a U.S.-based rice production company. He made the order claiming that Cargill had maneuvered its production processes in a way that it could potentially elude government price controls. Chavez said what Cargill was attempting to do was “a flagrant violation of everything we have been doing” (“Chávez Cargill”). Additionally, Chávez has nationalized the steel industry, giving the Venezuelan government control over its resources and profits, as well as opening another sector to job creation and bureaucratic employment designation for his supporters. CANTV was warned
in 2007 to adjust its pension-payment processes to be more socialist, but even though it complied
with the order, the government still nationalized it in January of 2008. Chávez has also warned
that cement-making companies could be nationalized, blaming them for Venezuela’s housing
shortfalls (‘Chávez Cement’).

\[41\] ‘Chávez has pinned the success of his program of social equity and diversification of
the economy on oil revenues. His main economic order of business, as he repeatedly states, is
’sowing the petroleum.’ He is counting on high and rising oil prices as they undergird vast
increases in government spending, a growing state presence in the economy, and subsidized
prices for certain domestic products (mainly gasoline but also imported consumer goods,
including food). In 2004, $1.7 billion of the state oil company’s $15 billion budget was allocated
to fund social programs; soon thereafter it went to $4 billion a year” (Lotta). See Appendix N for
information on oil.
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Appendix A

A Chronology of Key Events in Venezuelan History

1498-99 - Christopher Columbus and Alonso de Ojeda visit Venezuela, which is inhabited by Carib, Arawak and Chibcha peoples.

1521 - Spanish colonisation begins on the north-east coast.

1749 - First rebellion against Spanish colonial rule.

1810 - Venezuelan patriots take advantage of Napoleon Bonaparte's invasion of Spain to declare independence.

1811 - Independence Act signed.

1829-30 - Venezuela secedes from Gran Colombia and becomes an independent republic with its capital at Caracas.

1870-88 - Venezuela governed by Antonio Guzman Blanco, who attracts foreign investment, modernises infrastructure and develops agriculture and education.

1902 - Venezuela fails to repay loans and, as a result, its ports are blockaded by British, Italian and German warships.

1908-35 - Dictator Juan Vicente Gomez governs at a time when Venezuela becomes world's largest exporter of oil.

1947-48 - President Romulo Gallegos, Venezuela's first democratically elected leader, overthrown within eight months in military coup led by Marcos Perez Jimenez, who forms government with backing from the armed forces and the US.


1960 - Movement of the Revolutionary Left splits from AD and commences anti-government work.

1964 - Venezuela's first presidential handover from one civilian to another takes place when Dr Raul Leoni (AD) is elected president.

1973 - Venezuela benefits from oil boom and its currency peaks against the US dollar; oil and steel industries nationalised.

1983-84 - Fall in world oil prices generates unrest and cuts in welfare spending; Dr Jaime Lusinchi (AD) elected president and signs pact involving government, trade unions and business.

1989 - Carlos Andres Perez (AD) elected president against the background of economic depression, which necessitates an austerity programme and an IMF loan. Social and political
upheaval includes riots, in which between 300 and 2,000 people are killed, martial law and a
general strike.
1992 - Some 120 people are killed in two attempted coups, the first led by future president
Colonel Hugo Chavez, and the second carried out by his supporters. Chavez is jailed for two
years before being pardoned.
1993-95 - Ramon Jose Velasquez becomes interim president after Perez is ousted on charges of
corruption; Rafael Caldera elected president.
1996 - Perez imprisoned after being found guilty of embezzlement and corruption.
1998 - Hugo Chavez elected president.
1999 - Severe floods and mudslides hit the north, killing tens of thousands of people.
2000 - Foreign Minister Jose Vicente Rangel discloses plot to kill Chavez. Chavez wins another
six years in office and a mandate to pursue political reforms.
Chavez becomes the first foreign head of state to visit Iraq since the 1991 Gulf war, in defiance
of strong opposition from the US.
2001 November - President Chavez appears on TV to hail 49 reform laws which his government
has introduced, including land and oil industry reforms, under powers which did not require them
to be approved by the National Assembly.
2002 February - National currency, the bolivar, plummets 25% against the US dollar after the
government scraps exchange rate controls.
2002 25 February - Chavez appoints new board of directors to state oil monopoly Petroleos de
Venezuela in move opposed by executives.
2002 9 April - Trade unions and the Fedecamaras business association declare general strike to
support Petroleos de Venezuela dissidents.
2002 11 April - Some 150,000 people rally in support of strike and oil protest. National Guard
and pro-Chavez gunmen clash with protesters - more than 10 are killed and 110 injured. Military
high command rebels and demands that Chavez resign.
2002 April 12 - Armed forces head announces Chavez has resigned, a claim later denied by
Chavez. Chavez is taken into military custody. Military names Pedro Carmona, one of the strike
organisers, as head of transitional government.
2002 April 14 - Chavez returns to office after the collapse of the interim government.
2002 December - Opposition strike cripples the oil industry. Organisers demand that Chavez
resign. The nine-week stoppage leads to fuel shortages.
2003 May - Government, opposition sign deal brokered by Organisation of American States
(OAS) which sets out framework for referendum on Hugo Chavez's rule.
2003 August-September - Opposition delivers petition with more than three million signatures
demanding referendum on Chavez's rule. Electoral body rejects petition saying it fails to meet
technical requirements.
2003 December - Second petition demanding referendum on rule of Hugo Chavez is delivered. Opposition says it contains 3.4 million signatures.

2004 March - Several people are killed and many are injured in clashes between opponents and supporters of President Chavez.

2004 August - President Chavez wins referendum in which Venezuelans are asked whether he should serve out the remaining two-and-a-half years of his term.

2005 January - President Chavez signs decree on land reform which aims to eliminate Venezuela's large estates. President says land redistribution will bring justice to rural poor; ranchers say move is an attack on private property.

Bitter dispute with Colombia over the capture of a Colombian rebel Farc leader on Venezuelan soil. The presidents of both nations resolve the affair at talks in Caracas in February.

2005 June - Venezuela and 13 Caribbean states launch a regional oil company at a summit in Caracas. Venezuela, a major producer, agrees to supply the nations with cheap fuel. Critics accuse President Chavez of using oil to increase diplomatic influence.

2005 December - Parties loyal to President Chavez make big gains in parliamentary elections. Opposition parties boycott the poll, leaving parliament entirely made up of supporters of the president.

2006 July - President Chavez signs a $3bn (£1.6bn) arms deal with Russia, including an agreement to buy fighter jets and helicopters.

2006 December - Hugo Chavez wins a third term in presidential elections with 63% of the vote.

2007 January - President Chavez announces that key energy and telecommunications companies will be nationalised.

National Assembly grants President Chavez sweeping powers to rule by decree for the next eighteen months.

2007 March - President Chavez says 16 large farms have been seized for redistribution under a land reform plan.

2007 May - Government takes control of oil projects in the Orinoco Delta as part of the nationalisation drive.

Thousands gather in Caracas to mourn, or celebrate, the government's closure of the RCTV channel which has been critical of President Chavez.

2007 June - Two leading US oil companies, Exxon Mobil and ConocoPhilips, refuse to hand over majority control of their operations in the Orinoco Belt to the Venezuelan government.

2007 December - Mr Chavez suffers his first defeat at the ballot box, when voters in a referendum narrowly reject proposals to extend his powers and accelerate his socialist revolution.

2008 January, February - After President Chavez's mediation with the Farc, the Colombian rebel group releases six hostages.
Relations with Colombia deteriorate after Colombian President Alvaro Uribe rejects Mr Chavez's call for left-wing rebels to be treated as insurgents instead of terrorists.

2008 March - Diplomatic crisis after Colombian armed forces make cross-border raid into Ecuador, a Venezuelan ally, killing senior Farc rebel Raul Reyes. Mr Chavez mobilises troops along Venezuelan-Colombian border.

2008 July - Relations with Colombia begin to improve again in the wake of the freeing of Farc's most high-profile hostage, Ingrid Betancourt. Mr Uribe visits Venezuela for talks with Mr Chavez.

2008 August - President Chavez announces plans to nationalise one of the country's largest private banks, the Spanish-owned Bank of Venezuela. Mexican cement giant Cemex seeks World Bank arbitration over Venezuelan nationalisation of local subsidiary, which the company deems illegal. Government lifts some price controls on staple foods in an attempt to avert shortages.

2008 September - Government approves nationalisation of household fuel distributors and petrol stations. Venezuela and Russia sign oil and gas cooperation accord. Russian warplanes visit Venezuela, with Russian warships heading there for November joint exercises - first return of Russian navy to Americas since Cold War.

2008 October - First Venezuelan telecommunications satellite launched from China.

2008 November - Opposition makes gains in regional elections and wins Caracas mayoral poll. President Chavez's allies retain control of 17 out of 22 governorships. Russia and Venezuela sign accord on joint civilian nuclear cooperation.

2009 February - Voters in a referendum approve plans to abolish limits on the number of terms in office for elected officials; this would allow President Chavez to stand again when his current term expires in 2012.

2009 July - Relations with Colombia begin to deteriorate again after plans are announced to allow US troops to use Colombian military bases as part of a drive to curb drug-trafficking.

2009 August - Tensions between the two neighbours increase still further after Bogota accuses Venezuela of supplying arms to Farc rebels, and Mr Chavez accuses Colombia of allowing its troops to stray over their common border.

2009 November - The diplomatic row escalates after the Colombian government and the US sign their long-trailed deal on the use of Colombia's military bases. President Chavez orders 15,000 troops to the Colombian border, citing increased violence by Colombian paramilitary groups.

<http://news.bbc.co.uk/2/hi/americas/1229348.stm>
Appendix B
Information on Venezuela

1. Map of Venezuela
2. Flag of the Bolivarian Republic of Venezuela

The official flag of the Bolivarian Republic of Venezuela (República Bolivariana de Venezuela) consists of three equally wide horizontal stripes, yellow over blue over red. The yellow stripe represents Venezuela’s rich earth; the blue represents the large ocean separating Venezuela from Spain; the red represents blood spilt in honor of Venezuelan independence. In the center of the blue stripe, there is an arc of seven white stars that represent the seven original provinces of the “Capitanía General de Venezuela” of July 5, 1811. The Venezuelan Coat of Arms is found in the upper, left corner of the flag, within the yellow stripe.


Appendix C

Official Picture of Venezuelan President Hugo Chávez

Fifth Republic Movement Campaign Poster of Chávez in 1998

Appendix E

Hugo Chávez in Front of a Portrait of Simon Bolivar
Appendix F

Venezuelan Debt, Venezuelan GDP, Venezuelan GDP Per Capita and Latin American GDP Per Capita

1. Venezuelan Debt

2. Venezuelan Negative GDP Growth Rate

![Venezuela GDP Growth Rate Chart]

3. Venezuelan GDP Per Capita

![Venezuela GDP per Capita Chart]
4. Venezuelan GDP Per Capita in Comparison with Other Latin American Countries


Appendix G

Inflation Charts

1. Venezuelan Inflation Rate

![Inflation Chart](image-url)
Venezuela has the highest inflation within food prices in Latin America.

Chávez took office in 1998.
Appendix I

Hugo Chavez with Iranian President Mahmoud Ahmadinejad
Chavez’s Reverence of Former Cuban President Fidel Castro

1. Political Cartoon Displaying Hugo Chavez and Fidel Castro as Mirror Images

   ![Political Cartoon](http://www.coxandforkum.com/archives/001177.html)

   **I think, I’ll stay President of Venezuela for the next 25 years...**

   **Saves the bother of rigging elections.**

2. Chavez Hugging Fidel Castro

   ![Chavez and Castro](http://www.coxandforkum.com/archives/001177.html)


Appendix K

Chavez Giving a Speech in His Characteristic Red Shirt
Hugo Chavez uses billboards as socialist propaganda. The billboard above says, “Towards socialism in the twenty-first century.”

This billboard says, “Yesterday independence, today socialism, the winners accept the challenge.”
Hugo Chavez Promoting His Bolivarian Education Reforms
Appendix N

Information on Oil

1. World Oil Prices from 2000 to 2009

[Graph showing West Texas Intermediate Crude Price from 2000 to 2009, with a peak in 2008 and a decline in 2009.]

Source: DOE

2. Venezuelan Oil Prices from 1996 Onward


3. Venezuelan Oil Production, 1965 Projected to 2015

Oil Production Venezuela in Decline *since 1965 and forecast to 2015*
