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Venezuela

# Chavez gets another (last?) chance

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**Latin America is living on the brink of a nervous breakdown. First in Paraguay, then in Ecuador, in Argentina and now in Venezuela, the presidents succeed each other at hourly intervals, illustrating the institutional instability of the continent's countries and the gelatinous character of the type of society which follows from the transformations which these same presidents promised would bring stability and security.**

[[https://internationalviewpoint.org/IMG/jpg/venezuala\\_01.jpg](https://internationalviewpoint.org/IMG/jpg/venezuala_01.jpg)]

In the case of Venezuela, Hugo Chavez was elected with 70% of the popular vote (in 2000) after denouncing - correctly - the country's elites as characters in an 'oil farce'. They have indeed squandered the country's oil wealth by maintaining high prices without seeking to industrialize the country or to free Venezuela from the constraints linked to dependence on upheavals in oil prices. The Chavez government, through its minister, Ali Rodriguez, currently general coordinator of OPEC, contributed to an increase in oil prices by reintroducing a policy of quotas. Thanks to these resources, the Chavez government was able to implement redistributive social policies, reform the Constitution of the country and organize a number of elections and plebiscites that fully respected the rules of liberal democracy.

These transformations have not however changed the fundamentals of power in Venezuelan society. The media have maintained a solid front of opposition, around which resistance to the government is articulated, leaving this latter no space of expression outside the radio and TV interventions of Chavez himself. The supporters of Chavez have not succeeded in implanting themselves in the strategically central sector of the oil industry, whose technicians and trades unionists continue to be affiliated to the union federations traditionally linked to the parties of the old regime like Democratic Action.

Chavez was in the process of undertaking a series of structural transformations: a package of measures, already voted through by Parliament, sought in the first place to begin a profound agrarian reform, but also extended to a series of other sectors, including the oil and fishing industries. However, the external and internal situation had already begun to change for Chavez. To the extent that the US economy passed from growth to recession, oil prices began to fall. Moreover, the internal employers' boycott deepened, with a flight of capital and the closure of productive enterprises.

On the other hand, through his 'Bonapartist' military style - to use the terms of the classic analyses - Chavez gradually isolated himself, leading to the simultaneous appearance of several fronts against him: he began to lose the support of groups which were initially in his camp in the beginning; he came up directly against the hierarchy of the Catholic church - which had been hostile to him since the beginning - and, to the extent that the deterioration of the economic situation aggravated the internal social situation, he began to lose popular support.

## The opposition

The mobilizations against the Chavez government took on breadth with the adoption of the package of measures of December 2001 (the 49 laws that Carmona, the boss of bosses, wanted to suppress immediately during his 35 hours as president). These mobilizations were led essentially by a united front of the big companies, which functioned as a general command for the opposition, articulating the various private companies, the functionaries in the state owned enterprises, the Church hierarchy, the generalized discontent of the middle class, and counting on the external support of Washington.

To the extent that the coalition of Chavez supporters in parliament crumbled - he can only currently count on the support of barely half the deputies - the dissident groups are multiplying even inside the government. Beyond this, the popular layers and in particular the poorest sectors, which constitute the base of the régime and have benefited from the political measures adopted, remain unorganised, without any capacity of expression.

The oil companies' strike was the detonator of the decisive confrontation. Chavez could not tolerate a halting of production, which would have definitively financially strangled his government, while at the same time the functionaries in these enterprises could not accept the new leadership named by the President without risk of losing control of the main resources of the country, which would come under the direct control of Chavez.

While seeking to undermine the Chavez regime and its strategic economic axis, the opposition began to score some points - even if it was only marginally at the beginning - inside the armed forces. Indeed the support of the latter was, with the oil and the personal charisma of Chavez, the essential basis of the regime's legitimacy. As Chavez weakened, the opposition began promoting 'saucepan concerts' and mobilized ever more people - from 150 to 500,000 people, it is estimated.

## Coup and countercoup

The coup was launched by senior officers in the armed forces, following a number of deaths in the repression of the demonstration of Thursday April 11, 2002. Some of the victims were shot by government troops, others were clearly hit by sharpshooters and the indications are that these had been set up by the military sectors of the opposition [and the mayor of Caracas]. The government established by the coup pursued its goals without respecting any institutional procedure and was very open in its pro-employer orientation. Thus, it immediately named a big employer as president and presented a programme for the oil industry: the suspension of sales to Cuba; a distancing from the policies of OPEC and a rapprochement with the US. All this in a dynamic clearly leading to privatisation of the oil sector.

The popular mobilizations were a little late, showing how poorly organised Chavez's popular base had been. However, when these mobilizations began they quickly generalized across the country, and the Palace of government was seized. Meanwhile soldiers loyal to Chavez rebelled, the Parliament met and unanimously demanded the right of the vice-president to take his place in the government, and the OAS (Organization of American States) condemned the coup and reaffirmed the institutional legitimacy of the Chavez government. The employer-turned-president resigned and was arrested, while Chavez returned. In his speech he said he was ready to readjust his government, while announcing that those responsible for the coup, in particular those in the press, would be punished.

## Perspectives

What margin of manoeuvre does Chavez still enjoy? That depends firstly on his capacity to ensure that his project for the popular majority becomes a project for the whole of the country, striking at the axis of those forces which have already shown their determination to overthrow him. That would also depend on the capacity of the opposition to retake the initiative and renew its offensive.

Chavez's margin of manoeuvre has certainly diminished in relation to the armed forces, in Parliament and the oil industry. It is probable that the initial project has been exhausted, because it supposed a clear polarization between

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the popular masses and the elites, which leads to forms of confrontation which Chavez can no longer countenance if he wishes to recycle his image as that of a leader capable of negotiating his projects with broader sectors.

Moreover, both the traditional elites and Chavez himself have taken account of the solid popular and military reaction. We will see what lessons they draw from it. Chavez has already made a gesture of negotiation, accepting the resignation of the oil industry chiefs that he had himself appointed and whose nomination had led to the strike against his government. Nonetheless, to the extent that the blows against his base have multiplied, the team around Chavez has been reduced to its hard core, those least disposed to negotiation.

The coming weeks will show if the wounds suffered by the Chavez project continue to bleed and if its death has just been postponed or if he can give a new élan to the project that brought him to power. The continental context is favourable to him; the price of oil should rise. It will then be on the internal level that things will be played out, which will depend on his ability to organize his base, divide the opposition, punish those are most directly linked to the coup d'état and negotiate with the others. He must succeed in maintaining the essentials of his project, while packaging it and formatting it in such a way as to gradually enlarge the consensus rather than increase the number of his adversaries, as has happened in recent months.