

## A Future Without Chávez?

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The uncertainty about President Chávez's health makes predictions about the proximate future difficult, but it confirms that the transition from the Punto Fijo era (1958-1998) to the current Bolivarian period is far from consolidated. The personal crisis of the president highlights the institutional weakness of the Bolivarian Revolution, which in turn jeopardizes processes that cannot be reduced to old-style populism.

The political conjuncture in Venezuela today is quite different from the middle years of the last decade. Chávez's solid victory in the recall election of August 2004 seemed to portend the consolidation of Bolivarian hegemony. The landslide re-election of Chávez in December 2006, after a massive campaign to register voters and restore effective citizenship to hundreds of thousands of barrio dwellers, reinforced the sense that the political game would have to be played within a consensus defined by Bolivarianism, though with room for an opposition.

Chávez read his victories as mandates to accelerate the revolution and to re-engineer the state. A new law encouraged the formation of communal councils, local bodies that would be funded through the executive branch and by *Petróleos de Venezuela* (PDVSA), the state oil company. The councils would be composed of *voceros*, mandated representatives from various *misiones* and social movements, and would set priorities for projects to meet needs defined by the community. State and municipal boundaries would be reconfigured, and the councils would be drawn together into networks to govern above the community level. Rather than envision participatory institutions as complementary to representative ones, Chávez, though not proposing abolition of the National Assembly (AN), now

considered supplanting representative with participatory democracy.

Complementing this shift was the creation of the United Venezuelan Socialist Party (PSUV) to replace the Fifth Republic Movement (MVR). The PSUV was to be an electoral vehicle for grassroots activists, such as *voceros*, and to diminish the role of professional politicians, be they *oficialista* or opposition. In addition, Chávez called for the rapid deployment of programs of "endogenous development," emphasizing the direct "sowing" of oil profits into the solidaristic economic sector. Private property and the market would remain, but the state would use oil wealth to promote cooperatives and micro-enterprises, to accelerate land reform, and to encourage worker co-determination, leading eventually to self-managed enterprises. The resulting solidaristic sector was to coexist with the capitalist private sector, but eventually it would grow and subordinate the market, producing "twenty-first century socialism."

Under the best of circumstances such a transformation would not fully materialize in five years. The more important question is whether Venezuelans sensed that a "process" toward such an outcome was underway, and it is hard to escape the conclusion that optimism is fading. The *rentier* mentality fostered by the oil dependent economy and the low governance capacity of the regime partially explain this loss of momentum, but in the social media, many chavistas lay much of the blame on the "bureaucracy," the "Boli-bourgeoisie," or the political class for the faltering revolution.<sup>1</sup> Many of these activists absolve the president from responsibility for failure to overcome these obstacles; but many others recognize that the concentration of authority around the

figure of Chávez has made them more, not less difficult to overcome.

In this limited space I cannot adequately place these problems in the context of the considerable accomplishments of the regime, including poverty reduction and rolling back the tide of neoliberalism in the region (Weisbrot 2011). Absent this context, we risk validating the media narrative and most Washington politicians, who stereotype Chávez as a Third World thug. Even in the academic community we tend to reduce political processes in Venezuela to the character of Chávez, ignoring a reality that is much messier, more complex, and not subject to easy generalization.

Consider the cooperative movement. A study undertaken by the Venezuelan affiliate<sup>2</sup> of Prout Universal (an NGO "dedicated to promoting a practical socio-economic alternative to global-capitalism") and the International Cooperative Alliance<sup>3</sup> reaches the conclusion that Venezuela deserves the label "graveyard of cooperatives" because three quarters of the 268,000 cooperatives formed and registered between 2001 and 2008 were no longer functioning in 2009. However, 23 percent continued to function, meaning that the country saw a jump from 1,045 active coops in 2001 to 62,879 in 2009.<sup>4</sup> That same year, Brazil had around 20,000, Argentina approximately 10,000. The "graveyard" of cooperatives was also its cradle.

Though he remains the single most popular politician in the country, it is not unimaginable that Chávez could lose next October's presidential election. The main opposition candidates have attempted to present themselves as centrists. They will capitalize on the high crime rate and chronic corruption, and if they are smart,

they will attempt to lure “ni-ni” (neither nor) voters, the crucial swing bloc, by promising to improve rather than dismantle the most popular social and economic programs.

Still, the prospects for the opposition depend in part on its ability to remain united. Here the presence of Chávez helps more than hurts their chances. Should Chávez be entirely incapacitated, his absence would deprive the fractious and ambitious opposition of its point of unity. The PSUV might also fracture. The picture gets even muddier should Chávez have to resign or retire but not entirely leave politics. Even from a sickbed Chávez would command enough authority to designate the PSUV candidate, but could the opposition remain united under such circumstances?

We might also ponder what chavismo would be like should it lose the presidential election. A healthy Chávez would be leader of a formidable opposition determined to defend highly popular social programs. For two years at least, he would command a majority in the National Assembly, and he would retain ability to convoke popular mobilizations to defend land reform, the Barrio Adentro health program, the communal councils, subsidized food markets, and other signature programs. Defeat in the presidential election could force the PSUV to undertake a much deeper self-examination and reckoning than chavistas undertook after the defeat of the constitutional reform package of 2007 or the gains of the opposition in state and local elections of 2009 and the National Assembly election of 2010.

Chávez’s health crisis also raises important questions about the future of his international policies. We tend to overlook the leadership role that Chávez has played

in advancing new hemispheric institutions, such as UNASUR, the Banco del Sur, and, of course, ALBA, the Bolivarian Alliance for the Americas. The discounted oil sold to Cuba has generated the most headlines in the North, but the program of sales to other nations has been equally important. PetroCaribe has been a vital energy lifeline to many small states in Central America and the Caribbean, and the loss of these discounts would deal a heavy blow to these economies.

Upon news of Chávez’s health crisis, *Stabroek News*, the leading independent newspaper in Georgetown, Guyana, editorialized that the region should be concerned that a successor might terminate PetroCaribe. The oil program has “proven to be critical to the immediate solvency problems of many countries in the context of the rise in oil prices,” and Venezuelan aid was needed for “critical infrastructure projects.”<sup>5</sup> An opposition government might have to think twice about cutting the oil lifeline to the Caricom region, where Venezuela has historically sought to extend its influence.

One of the main achievements of the Bolivarian Revolution has been recovery of national sovereignty over the subsoil. The oil reform of 2001 insured majority state ownership in joint ventures (adhering to the spirit, if not the letter, of the 1976 nationalization law) and a substantial increase in royalty payments (compensation for extraction of a non-renewable nature resource). These measures followed Chávez’s diplomatic success in strengthening OPEC and his victory over the three-month production stoppage orchestrated by PDVSA executives beginning in December 2003 (Mommer 2011).

Recently, however, Chávez has returned to a practice that helped sow the demise of the Punto Fijo era—borrowing against future earnings from oil exports. In fact, some new investment contracts and loans have been collateralized with future deliveries of crude, an opaque arrangement that may seriously undermine the fiscal reforms. These reforms have ensured state appropriation of windfall profits in boom times, and maximized revenues in times of low oil prices. With Chávez still in power, the signature accomplishment of his administration, maximizing appropriation of oil rents, is already in jeopardy.

From the founding of the Bolivarian movement within the military in the 1980s to the present, Hugo Chávez has assigned to himself a mission of national transformation, one that would earn for himself historical immortality—“glory” in the Machiavellian sense (Zuquete 2008). Early signs indicate that his cancer has intensified rather than tempered his sense of urgency to complete this mission.

David Smilde, introducing a co-edited volume (2011), recently advised that we devote more attention in Venezuela to “ground-level research on the relational contexts in which politics occurs in everyday social life... The most tangible effects of the revolution might not be the concrete institutions and actors the government creates, but the development of new discourses, identities, networks, and forms of association” (2011: 2). Julia Buxton writes in the forward to the same volume, “A consuming focus on the figure of President Chávez in the academic and policy literature further obscured the dynamics of change at the grassroots level, while marginalizing the complexity of the process of social change” (2011: xi).<sup>6</sup>

Over the years I have had many conversations with chavistas—ambassadors, community organizers, musicians, taxi drivers, professors, cabinet ministers, journalists, local mayors, military officers, and other traditional and organic intellectuals who identify with the Bolivarian Revolution. In recent exchanges I have sensed growing pessimism about the direction of the country. A high-ranking official of the oil ministry expressed concern that the country is mortgaging its economic future by borrowing against future oil deliveries. A young professor at the Universidad Bolivariana described the process as *entablada*—stalemated. A local PSUV activist in an eastern city complained that the primary for a selection of candidates to the National Assembly last year was rife with clientelism and abuse of campaign regulations.

For some, continued support for Chávez is based on a mixture of personal interest and a desire to keep alive the Bolivarian project, even if it is stalled. A long-time community organizer fears that she will lose her job, the first steady one in thirty years, with the labor ministry processing cessation claims. Members of a textile cooperative know that an opposition victory will likely result in loss of its contract to provide uniforms for Bolivarian schools. Thus, despite their misgivings, every chavista I know fears a future without Chávez.

#### Endnotes

- 1 To get a sense of chavista thought beyond Chávez, consult <[www.aporrea.org](http://www.aporrea.org)>.
- 2 For more information, see the web page for the Venezuelan organization <[priven.nhlf.org](http://priven.nhlf.org)>.
- 3 For more information, see the web page of the ICA <[www.ica.coop/al-ica](http://www.ica.coop/al-ica)>.
- 4 See “Diagnosis and Perspectives of the Social and Solidarity Economy in Venezuela.” *Venezuela Analysis* August 25, 2011 <[venezuelanalysis.com/analysis/6443](http://venezuelanalysis.com/analysis/6443)>, accessed September 20, 2011.
- 5 “Chávez and His Neighbors,” *Stabroek News* <[stabroeknews.com](http://stabroeknews.com)>, July 20, 2011.
- 6 Ironically, when our final manuscript was about to go to press, the publisher insisted that the original title be amended to include the term “Chávez” somewhere so that it would show up more readily in on-line searches. Though we are not the keenest marketers, we recognized the wisdom of doing so in order to get our book in more readers’ hands.

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