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## SYMPOSIUM: POPULISMS IN THE WORLD-SYSTEM

### The Possibilities and Pitfalls of Left-Wing Populism in Socialist Venezuela

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#### Abstract

Gill shows how Venezuelan President Hugo Chávez's populist style of governance both inspired opposition to U.S. imperialism and drew the ire of many powerful domestic and foreign groups, contributing to the country's current economic malaise.

Keywords: Populism, Socialism, Venezuela

Throughout the 2016 U.S. presidential campaign, observers regularly commented on the populist style of discourse used by then-Republican Party Candidate Donald Trump. Many, in fact, drew parallels between Trump and several foreign politicians, including former Venezuelan President Hugo Chávez. Indeed, and as Leslie Gates also notes in her contribution to this symposium, some superficial similarities exist between Trump and Chávez: both made explicit use of television programming, both sometimes engaged in vulgarities, and both brandished a rhetoric of nationalism. And concerning their populist style of discourse, both proffered an "us vs. them" vision of the world that abstractly pitted common citizens against elites.

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The similarities, however, end there. Patterns of actual governance between Chávez and Trump are non-existent. Trump has cut corporate tax rates, sought to limit immigration, and sought to dismantle efforts towards universal health coverage. On the other hand, Chávez expanded health coverage, nationalized and expropriated corporations, embraced racial/ethnic minorities, welcomed immigrants into the country, and initiated a march towards what he termed 21<sup>st</sup> Century Socialism. Although Trump and Chávez embodied a populist style of discourse, their modes of governance and the policies they pursued diverge quite drastically. In this sense, we can identify former President Chávez as a left-wing populist, and we can identify Trump as a right-wing populist. Populism, in many ways, is a style of political discourse, and discourse surely has ramifications. However, what is much more important to examine are the actual policies pursued by populist leaders. Through such an analysis, we can clearly see who, in fact, leaders actually represent—or at least arguably aim to represent.

Despite all warts, Chávez recurrently praised the poor and working classes of Venezuela and attempted to provide them with a more dignified existence. In doing so, Chávez transgressed some liberal democratic virtues, and placed emphasis on creating a radical, participatory democracy, which downgraded free-market capitalism in favor of state-led and community-focused efforts. In this article, I aim to show how Chávez's populist rhetoric matched with his public initiatives, and also what consequences befell the Chávez administration as a result of its populist pursuits.

At the domestic level, Chávez initiated reforms that sought to enfranchise poor and workingclass citizens. He founded government missions with revenue from the oil industry, which lowered, at least temporarily, levels of inequality and poverty within the country. At the global level, Chávez redirected relations away from the United States, and sought to generate a multipolar system that involved linkages between ideological allies in their struggle against what Chávez understood as U.S.-led imperialism. In doing so, Chávez aligned with regional leaders such as Evo Morales in Bolivia, as well as leaders beyond the Western Hemisphere, such as Vladimir Putin in Russia and Mahmoud Ahmadinejad in Iran.

These objectives, however, also generated obstacles for the Venezuelan government and the progression of 21<sup>st</sup> Century Socialism. At the domestic level, President Chávez's policies drew the ire of much of the domestic business community, alongside upper-middle-class citizens, who viewed government policies as threatening their power and influence. Their anger reached a crescendo with the 2002 coup d'état that temporarily displaced Chávez from power. However, even following the failure of these efforts, the opposition continually sought to displace Chávez from power, all the while with funding from several U.S. government agencies. At the global level, Chávez's brand of left-wing populism drew the ire of many powerful countries throughout the Global North, chiefly the United States, which loudly criticized the Venezuelan government and often strategized and assisted the political opposition.

#### The Rise of Hugo Chávez

Space constraints preclude a full a historical treatment of the rise of former President Hugo Chávez. However, several key events are worth recounting in order to generate a clear understanding of the rise of Chávez and his brand of left-wing populism in Venezuela. Throughout the mid-to-late 20<sup>th</sup> Century, Venezuela remained a two-party, representative democracy, and a faithful U.S. ally amid the Cold War. With the discovery of oil, foreign corporations began to operate throughout Venezuela, even despite a nationalization effort in the 1970s, and economic development projects benefited some portions of the population. With the fall in oil prices in the 1970s and 1980s, Venezuelan President Carlos Andrés Pérez (CAP) implemented structural adjustment reforms at the behest of the World Bank (WB). These efforts incensed working-class populations throughout the country for two reasons. First, CAP ran on a platform condemning the WB and the implementation of structural adjustment policies. And, two, CAP's reforms resulted in a price hike for public transportation, which disproportionately affected the pocketbooks of working-class Venezuelans.

In response, working-class Venezuelans rioted, and CAP unleashed state violence upon citizens, resulting in at least several hundreds of deaths. This event, termed *El Caracazo*, became a watershed moment that has shaped politics into the present. Shortly following these events, former President Chávez—at this point a military officer—staged an unsuccessful coup d'état in 1992. However, before his detention, he asked to speak on live television, urging his comrades to put down their weapons "for now." As a result, Chávez became the face of widespread dismay with the economic situation facing Venezuela, as well as the increasing perception that the two-party system was corrupt and unresponsive to citizens.

While in prison, Chávez continued to hone his political views and met with domestic and foreign allies. Set free in 1994, Chávez traveled the country and, thereafter, eventually decided to make a run for the Venezuelan presidency, given his popularity, under a new political party/movement termed the Fifth Republic Movement (MVR). Above all, Chávez promised to seriously combat existing socio-economic inequalities, as well as to rewrite the Venezuelan Constitution and create a more inclusive, participatory democracy. And, indeed, Chávez won the presidential election in 1998.

While it was not initially clear how Chávez would govern the country, his anti-neoliberal and state interventionist intentions became evident by 2001. In addition, Chávez now began to routinely engage in a populist style of discourse pitting Venezuelan political-economic elites in cahoots with the U.S. Empire against poor and working-class Venezuelans. In 2001, Chávez passed two key pieces of legislation: the Land Law and the Hydrocarbons Law. These laws allowed Chávez to expropriate idle lands held by large landholders, and gave the executive greater control of the national oil industry, including the right to select leadership. And, from this point onwards,

Chávez intensified his views concerning the establishment of nationalist, and, eventually, socialist economic policies. In 2006, for example, Chávez officially created the United Socialist Party of Venezuela (PSUV), under which the MVR was subsumed. In the following sections, I detail the sorts of policies that Chávez pursued during his thirteen-year rule, but, for now, I will note that Chávez utilized oil revenues to establish several government missions aimed at combating social problems such as poverty and illiteracy; he expropriated several foreign businesses; provided funding for government-run enterprises and cooperatives; and, set forth a vision of creating a socialist state.

#### Left-Wing Populism in Socialist Venezuela

#### The Possibilities

Throughout Chávez's tenure in office, he routinely justified the policies he pursued with reference to *el pueblo*, "the people" (Cannon 2009; Ellner 2008; Hawkins 2014). Many state socialist leaders in Eastern Europe often utilized these same sorts of discursive maneuvers in order to justify their own policies. However, the key distinction between Soviet leaders in Eastern Europe and Chávez and his vision of 21<sup>st</sup> Century Socialism is that Chávez continually won elections—generally deemed free and fair—at the ballot box. And, on the one occasion in 2007 that a Chávez-supported constitutional referendum was defeated, Chávez accepted this defeat, and regrouped his energies for the next electoral battle.

With his electoral mandate and his desire to enfranchise poor and working-class relations, Chávez pursued a number of policies that clearly sought to diminish the domestic power wielded by political-economic elites throughout the country. He corroborated his populist rhetoric with populist public policies. David Smilde describes:

how the economic decline of the 1980s and 1990s ... spurred a fundamental realignment in social-class identity political cleavages. In effect, Venezuela moved from a modern conflict between Right and Left, to a postmodern clash between those with a place in organized, formal society and those without ... The former work in jobs with benefits and legal protections, have legally recognized property, and enjoy municipal services such as water, telephone, and police protection; the latter lack formal employment, live in barrios and rural areas not fully recognized by the state, and do not enjoy full access to the benefits of modern citizenship: job security and protections, professional health care, municipal services, and professional police protection. (2011: 4-5)

In response to this situation and in keeping with Chávez's rhetoric, then, what sorts of policies did the Venezuelan government pursue under his watch? Foremost among Chávez's public

policies included the creation of several government missions designed to combat social problems throughout the country. Chávez utilized revenue from the oil industry to fund these missions. The missions included programs to combat poverty, illiteracy (Misión Robinson), lack of access to health care (Misión Barrio Adentro), housing shortages (Misión Viviendas), and lack of access to high-quality foods (Misión Mercal), among other initiatives.

As a result of these efforts, the United Nations' Economic Commission for Latin America and the Caribbean (ECLAC) recognized that the Chávez government nearly halved the poverty rate from 49% in 1999 to less than 25% in 2012 (ECLAC 2018). What is more, Chávez reduced the extreme poverty rate from 21% in 1999 to 7% in 2012, that is, the year before his death (ECLAC 2018). As a result, it is hardly surprising that Chávez continuously received support from the (formerly) poor and working-class citizens.

With Barrio Adentro, for example, the Venezuelan government traded oil to Cuba in order to staff its newly developed facilities with Cubans. From 2006-2009 alone, the Pan-American Health Organization and the World Health Organization, affirmed that outpatient care centers throughout Venezuelan neighborhoods increased by 90% as a result of Misión Barrio Adentro, and that the number of primary care clinics increased by over 150% during the same period (PAHO/WHO 2012: 685-6). Beyond health and development indicators, we can also recognize the varied participatory democratic arrangements that Chávez encouraged throughout his presidency. For example, Chávez championed the development of urban land committees, community councils, and workers' cooperatives all throughout Venezuela. All of these arrangements were understood by the Venezuelan government as key to the development of 21<sup>st</sup> Century Socialism.

Maria Pilar Garcia-Guadilla (2011: 80) describes the urban land committees (CTUs) as having "a broad impact on the rights of citizens to dignified and adequate housing and to city space." With their recognition from the government, CTUs could lay claim to land and housing that individuals had long settled upon, and bring their case before the government for recognition and titling. During the mid-20<sup>th</sup> century, waves of rural citizens migrated to urban centers, such as Caracas and Maracaibo, where formal housing units were scarce. As a result, many citizens erected their own structures on land on the outskirts of the city, effectively squatting. Chávez's recognition of many of these CTU efforts also garnered him much support throughout the urban barrios of the country.

In addition to CTUs, Chávez supported the development of community councils. According to the Venezuelan government, the community councils were ground zero for the development of 21<sup>st</sup> Century Socialism. It was in these councils that citizens were expected to organize and utilize participatory democratic practices to better their lives and communities (Hanson 2018). The councils themselves have taken many different forms, with some focused on cultivating

ideological values and others much more focused on the production of resources, such as food (Ciccariello-Maher 2015).

Within Chávez's vision of populist politics, it was not solely the political-economic elites within Venezuela that he needed to grapple with, but also powerful actors at the global level. More than any other global actor, Venezuela under Chávez would come to contend with the U.S. government throughout three administrations: Clinton, Bush, and Obama. Although a full description of the messy details involving U.S.-Venezuela relations over time this is beyond the scope of this essay, we can surely point to some issues involving the United States and Venezuela under Chávez, and how former President Chávez sought to deal with U.S. global power and its resistance to his mode of governance.

The Chávez administration largely had to contend with both Bush and Obama throughout its tenure. And, during this time, both administrations continually disagreed with and criticized the Venezuelan government. U.S. political elites often referred to Chávez as an authoritarian, a bully, a thug, and even a dictator. And, most importantly, these administrations recurrently assisted the Venezuelan opposition with political aid through several U.S. government agencies, such as the U.S. Agency for International Development (USAID) and the National Endowment for Democracy and its associated agencies, including the International Republican Institute, which I discuss in more depth in the following section (Clement 2005; Gill 2018).

Due to fears of U.S. intervention and a desire to redirect political-economic relations away from *el imperio*, Chávez cultivated relations with a host of anti-U.S. governments, including Belarus, China, Cuba, Iran, and Russia (Smilde and Gill 2013). Chávez received over \$50 billion in loans from China for development projects, including housing and transportation, and bought millions of dollars' worth of weapons from Russia, including tanks and Sukhoi fighter jets. And, while Chávez initially worked with anti-U.S. actors after taking office and made no mention of their ideological kinship, over time Chávez embraced the Chinese and Russian governments, among others, as brothers-in-arms against the U.S. Empire (Gill 2016).

In totality, under his brand of left-wing populism, Chávez pursued social reforms that sought to dignify the lives of poor and working-class citizens, as well as implement several institutional reforms that broadened and deepened democracy, particularly for the popular classes of Venezuela. Chávez indeed campaigned with a populist message and backed his message up with populist policies specifically designed to assist lower classes. These maneuvers, however, would not go without a response—both at the domestic and global level. And these responses contributed to the pitfalls that befell the Chávez government throughout its time in office.

#### **The Pitfalls**

Chávez's populist tactics were met with much resistance from the Venezuelan opposition, which has primarily been headed by political leaders from the upper-class, including Henrique Capriles and Leopoldo Lopez. Following Chávez's 2001 reforms, his opponents began devising plans to overthrow the government. In 2002, dissident military officers, opposition NGOs, opposition activists, and much of the private media conspired to displace Chávez during widespread protests throughout the capital. After members of the Venezuelan military threatened to bomb the Miraflores Palace with Chávez in it, Chávez allowed officers to arrest him and bring him to a small island off the coast of the country. In the meanwhile, the President of the Venezuelan Federation of Chambers of Commerce, Pedro Carmona, assumed the presidency, disbanded the National Assembly, scrapped the newly developed Venezuelan Constitution, and suspended the federal judiciary, illustrating just how intensively the opposition wanted to eliminate Chávez and any remnants. Following counter-protests led by Chávez supporters, though, military members who had remained loyal to the Venezuelan government secured Chávez's return, and many of the coup leaders fled the country, including Carmona.

The opposition did not cease efforts to remove Chávez from power following the unsuccessful coup, however. Opposition leaders thereafter subjected Chávez to a recall referendum election in 2004, which Chávez handily won, followed by another presidential victory in 2006. All the while, opposition members received funding and assistance from several U.S. agencies. USAID, for instance, worked with the opposition to set up community groups throughout poor Venezuelan neighborhoods, which sought to incrementally tear supporters away from Chávez through subtle critiques of the regime (Gill 2018). What is more, the International Republican Institute funded U.S. political leaders to travel to Venezuela and meet with opposition party leaders to help them build their platforms, develop media strategies, and, in the words of one contractor during an interview with the author, help the opposition "get [their] shit together, so they could defeat Chávez."

At the global level, the United States also pursued additional strategies to isolate the Venezuelan government. For instance, the U.S. lobbied governments around the region to reject Venezuela's bid for the United Nations' Human Rights Council in 2006. The United States also sought to generate international criticism towards Venezuelan legislation that prohibited foreign funding for NGOs and political parties (Gill 2016). And, finally, the U.S. government sought to persuade Latin American leaders not to enter into agreements with the Venezuelan government, particularly those involving preferential terms for oil provisions.

In totality, what we see is a concerted effort on the part of the Venezuelan opposition, in relation with the U.S. state, to undermine the Chávez government. While the opposition initially sought and failed to displace Chávez through violent and extralegal means, they would continue

to attempt to remove Chávez through the ballot box. In doing so, the United States provided funding and assistance to opposition groups, and recurrently worked to isolate Venezuela at the global level in order to undermine Chávez's form of left-wing populism.

#### Conclusions

Chávez's brand of left-wing populism unsurprisingly generated a high degree of political polarization throughout the country, which continues into the present. While Chávez and his supporters believed they represented, and needed to prioritize, the necessities of the poor and working-classes, the Venezuelan opposition understood Chávez as a tyrant who wanted to destroy the country and usher in an authoritarian regime that would domestically isolate them. Indeed, the country continues to be wracked by extreme polarization, calls for coups d'état, and institutional battles.

With Chávez gone, Venezuela is suffering serious economic problems, including shortages of food and medicine, and an increasingly depreciating local currency. Chávez's hand-picked successor, President Nicolás Maduro, recently won a presidential election widely condemned as involving serious flaws, and remains plagued by low favorability ratings, as many view him as ruling in a much more authoritarian manner than his predecessor. Maduro has created a parallel legislature, imprisoned dozens of opposition activists, and banned several opposition leaders from running for office. He has also refused to acknowledge the full extent of the economic crisis and, consequently, has rejected aid from regional and international actors, much to the condemnation of the global community.

These domestic problems are not simply the result, though, of populist and/or socialist policies implemented by Chávez and now continued by Maduro. Many of the problems facing Venezuela include problems that the country has routinely faced as a result of its dependence on oil. As the price of oil rises and falls, so too does the Venezuelan economy. Chávez wanted to rectify these structural problems, but he failed to do so, as other Venezuelan leaders have also failed to do.

What the Maduro administration, however, is currently at fault for, is continually portraying the current crisis through a populist-socialist prism that places all blame on an alleged economic war dictated by the U.S. Empire. We know that the Venezuelan government and the oil industry has involved widespread corruption, and we also know that the price of oil has depreciated over the last decade. What is more, we know that the Venezuelan government has prioritized the servicing of international debt over providing Venezuelan importers with the U.S. dollars that international exporters request in their dealings, and that it has likely done so out of fear that international creditors could target Venezuelan foreign assets, such as Citgo holdings in the United States and other assets outside the United States.

In order to find a way out of the mess, the Venezuelan government will need to take practical steps that might contravene the socialist and state-interventionist model that Chávez and now Maduro have advanced over the past two decades. Maduro, however, is seemingly bound both by his conspiratorial rhetoric and perhaps by government stakeholders who continue to benefit from existing economic arrangements, including the military, which controls the oil industry and food distribution. Populist and socialist policies set the stage for the enhancement of the lives of Venezuelan citizens. However, the government cannot remain monolithically tethered to these sorts of policies and the U.S.-centric excuses that Maduro wants to utilize to explain the crisis. The United States has no doubt sought to displace Venezuelan governments not to its liking. Venezuela, however, remains deeply dependent on oil, subject to widespread corruption, and in need of practical steps to ensure that the fruits of Chávez's socialist project are not wholly eliminated by obstinate, ideological views that preclude necessary reforms.

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