

Political Conditions Venezuela

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Body

Introduction

Venezuela's history of free and open elections since 1958, and its prohibition of military involvement in national politics earned the country a reputation as one of the more stable democracies in Latin America.

The two main political parties, Democratic Action, or AD and the Christian Democratic Party, also called COPEI, maintained control of most governmental positions on both the federal and state levels from 1958 to 1998, and for the majority of that period, they alternated control of the presidency. Venezuela's political system during that time was characterized as what political scientists call a "partyocracy." That is, the influence of the AD and COPEI parties penetrated almost all aspects of communal life, from federal to state to community level organizations. For example, even organizations such as school boards and boy scouts were usually affiliated with either the AD or COPEI Party.

Venezuela is one of the world's major producers of petroleum. It was a founding member of the Organization of Petroleum Exporting Countries, along with a number of Middle Eastern oil producers and African countries. The large revenues produced by oil sales enabled the AD and COPEI administrations to develop ambitious programs in agriculture, health, education, and industrial diversification, especially after the petroleum industry was nationalized in 1976. Both AD and COPEI were committed to developing coherent economic and social reforms, and, as such, oil revenues served as a link that united the different factions within and between the two parties.

In the mid-1980s, oil prices dropped. In a struggle to maintain foreign investment in the country, then-president Jaime Lusinchi paid the interest on Venezuela's US\$32 billion foreign debt. Although foreign bankers praised Lusinchi for his political courage, they declined to reward him with new loans to his government. An economic crisis ensued, and the government was forced to devalue the currency. Inflation and unemployment soared, and popular discontent with the political system became visible.

Even as Carlos Andres Perez of the AD Party was sworn in to the presidency in 1989 with overwhelming popular support, food riots hit Caracas and public opinion polls showed that many Venezuelans were dissatisfied with the political system and felt that they had little impact on their leaders and the way that policies were drafted and implemented. When Perez imposed an economic austerity program similar to Lusinchi's, Venezuela plunged into a state of political turbulence.

The 1990s

Political Conditions Venezuela

In 1992, two failed coup d'etats broke the nation's pattern of 34 years of uncontested democracy, and the potential for political volatility in Venezuela was revealed. Both coup attempts failed because senior military commanders remained loyal to civilian authorities and suppressed the rebels.

In 1993, the Venezuelan Congress impeached President Perez on corruption charges for the misuse of funds, and new elections were held. The results of the 1993 elections reflected that an opening of the political system had begun to occur. Rafael Caldera won the presidency on a coalition "Convergence" ticket, marking the first time since democracy was re-established in 1958 in which the presidency had gone to a candidate not affiliated with either the AD party or the COPEI.

Also significant in the 1993 elections was the fact that half the members of the Chamber of Deputies were directly elected. This reform resulted in a Congress comprised of five main political forces of roughly equal size, in contrast to the AD- and COPEI-dominated political system of the recent past. On the local level, a decentralization of power from the national government to state and municipal authorities had begun to occur in 1989, when the direct election of governors, state legislators, mayors and city council members was implemented and set for election every three years. Until that year, the president had appointed state governors.

The Caldera administration's primary concerns were economic problems, particularly a financial crisis in 1994. By 1996, it introduced a new economic plan, the "Agenda Venezuela" to liberalize Venezuela's economy and promote economic growth.

Meanwhile, the economic and financial crisis in 1994 led to restrictions on some civil liberties, which culminated in the temporary suspension of rights. President Caldera gave the police the power to detain people and enter homes without warrants, and to seize property without compensation. When Congress voted to restore civil liberties in July 1994, the president signed a decree suspending them again. He then challenged Congress to put the matter to a national referendum, and congressional leaders agreed to uphold the president's decree. Full civil liberties were restored in July 1995, except in some border areas, where civil liberties were not restored until the next presidential term.

Low voter turnout in the 1995 regional and municipal elections is believed to be a direct reflection of Venezuela's continued economic difficulties. Less than 40 percent of all eligible voters turned out for the elections, and less than 30 percent at the capital voted. From a total of 22 state governorships, the AD obtained only one, while the COPEI won 11. Pre-electoral opinion polls showed that President Caldera, with an approval rating of only 11 percent, remained the country's most credible politician.

Hugo Chavez Comes to Power

In the elections held on Dec. 6, 1998, the presidency again shifted. The main candidates included Henrique Salas Romer of Project Venezuela, a conservative pro-business candidate; Irene Saez, a former international beauty queen turned mayor of the municipality of Chacao; and Hugo Chavez Frias of Fifth Republic Movement, a populist leader and former military officer. Significantly, Chavez had been one of the instigators of the coup attempts against former president Perez's government in February 1992. His campaign called for constitutional change, a crackdown on corruption, and far-reaching reforms, including an increase in workers' salaries.

With these three candidates as the front-runners of the election, the two main parties were faced with a clear confrontation. Ultimately, the election results showed Hugo Chavez Frias to be the winner. His election was associated with deep popular dissatisfaction with the traditional parties, income disparities and the country's economic difficulties. Chavez took office on Feb. 2, 1999.

At the parliamentary level, the Patriotic Pole-a coalition made up of the Movement Toward Socialism Party and Chavez' Fifth Republic Movement-acquired most of the seats in the lower chamber, and AD garnered the highest number of seats in the upper chamber. Because a wide variety of groups and parties gained representation, a number of alliances were formed, while group fragmentation also occurred.

Political Conditions Venezuela

The Chavez administration announced that its focus would be on establishing a plan for governmental transition, as well as developing a budget strategy to combat the deficit and inflation and to maintain macroeconomic equilibrium. In his first year of office, Chavez concentrated almost entirely on the former of his goals: the transformation of the Venezuelan political system through what he called a "peaceful revolution" to eliminate deeply entrenched corruption.

One of Chavez's first political moves was to propose a rewriting of Venezuela's constitution. On April 25, 1999, a referendum was held to ratify the public's approval of Chavez's proposal. The referendum results were in favor of such changes, showing popular support for his administration as a whole. On July 25, 1999, elections were held to elect the members of the National Constituent Assembly, also known as ANC. Candidates of the Patriotic Pole coalition won 119 of the 131 seats, so that 90 percent of the constituent assembly was made up of supporters of the president. The ANC was allotted a six-month term to rewrite the constitution.

Upon the sweeping victory of Patriotic Pole coalition in the ANC elections, both the COPEI and AD parties underwent a break-up. National and regional leaders of the parties collectively resigned in the week following the elections, citing as their reason the need to step away so that the parties could undergo internal restructuring and renovation.

Rewriting the Constitution

Soon after its formation on Aug. 3, 1999, the ANC began to expand its powers beyond those of rewriting the constitution. Following Chavez's demand on Aug. 5 for the ANC to declare a national emergency of the executive, legislative, and judicial branches of state, the assembly declared a "judicial emergency," giving itself the authority to fire judges and reorganize the judicial system. Supreme Court President Cecilia Sosa and Magistrate Anibal Rueda resigned in protest against the ANC's actions. The ANC appointed Chavez supporters to the 20 judge's seats.

Later that month, the ANC issued a "legislative emergency" decree, prohibiting the National Congress from convening as a full body and from passing laws. Conflict in the streets ensued when legislators tried to reconvene after a summer recess, and governmental security forces and pro-Chavez demonstrators kept them out. Less than one week later, the ANC ruled to assume all legislative functions.

Throughout the first year of his presidency, Chavez maintained a publicly affable relationship with Cuban president, Fidel Castro. For this he was criticized both internationally and by the conservative voices in Venezuela. The opposition interpreted the good rapport between the two leaders as an indication that Chavez's vision for Venezuela was one based on the Cuban model of government.

A referendum was held on Dec. 15, 1999, to determine whether the proposed new constitution written by the ANC would be implemented. The constitution was approved by over 70 percent of voters, and it was put into force on Dec. 30, 1999. President Chavez praised the Venezuelan people on their vote, declaring in speeches that the rights of man are better protected in Venezuela under the new constitution than anywhere else in the world.

The new Venezuelan Constitution is composed of nine chapters and 350 articles. Major innovations include the change of the name of the Republic of Venezuela to the Bolivarian Republic of Venezuela, the elimination of the Senate and its replacement by a single-chambered National Assembly, and the creation of the position of vice president or prime minister. Additionally, the constitution fuses the military into a single force under a unified command, gives soldiers the right to vote, and calls for their "active participation in national development," as opposed to their former, "apolitical, obedient and non-deliberative" role. The constitution extends the presidential term from five to six years, and grants the president the possibility of immediate reelection. Citizen participation is expanded by the creation of the Citizen's Power, a body that consists of the general attorney office, the general comptroller office, and the new figure, defender of the people. The constitution institutionalizes the referendum as an instrument for matters of special national transcendence, and the president is allotted the power to dissolve Congress in situations of crisis, or when congressmen reject the candidates appointed to the vice presidency more than twice.

Political Conditions Venezuela

On the day that the constitutional referendum was held, the government dissolved Congress and the Supreme Court, and legislative functions were assumed by the ANC until the end of its term on Feb. 1, 2000. An election was scheduled for May or June of 2000 to select the members of the National Assembly, the governors of the 23 states, city mayors and the president of the Republic. Still hugely popular, Chavez planned to strengthen his mandate by having the presidency contested once again in the 2000 elections.

Political Controversy

In the week following the constitutional referendum, Venezuela suffered the cataclysmic effects of torrential downpours. The horrendous flooding and mudslides that occurred, mostly concentrated around the capital city of Caracas, have been deemed the country's worst natural disaster of the 20th century. They left 25,000 to 50,000 people either dead or missing, and over 200,000 people homeless. Venezuela received emergency aid from many countries and many international and multi-lateral organizations. Monetary losses from the direct and indirect damages totaled US\$3.237 billion, some 3.3 percent of Venezuela's GDP.

In the midst of the natural disaster, chaos ensued and widespread looting, rape, kidnapping and murder occurred. Human rights groups made allegations a few weeks later that military officials patrolling the scene had implemented an unofficial policy of "shoot-to-kill." On Jan. 22, 2000, State Security Police Chief Jesus Urdaneta Hernandez resigned from his position after disputing with the Interior and *Foreign* Ministers, who admitted that human rights violations might, indeed, have occurred during the December rescue missions. The government vehemently denied these allegations, but Chavez later ordered an investigation. The allegations were a potentially enormous political upset for Chavez, since a commitment to human rights has been a primary part of his rhetoric throughout his presidency.

Also during the chaos of the flooding, while Venezuelans were consumed with the disaster and distracted from politics, the ANC embarked on a series of nominations and decrees.

First, the assembly made a spree of nominations of officials to public bodies, many of them former military officers and all of them supporters of Chavez. The positions filled in early January 2000 ranged from the Supreme Court to the Central Bank, and included the electoral authorities, the comptroller-general, the state prosecutor and the national ombudsman. On Jan. 23, 2000, Chavez named Isaias Rodriguez, the first vice president of the ANC, as Venezuela's vice president.

On Jan. 10, 2000, the ANC proposed to decree a "union emergency" and hold elections for Venezuela's largest union, the Venezuelan Workers' Confederation, also called the CTV, which it accused of being corrupt and dominated by the country's traditional political parties. The CTV rejected the proposal, stating that the assembly's intervention in the union would violate all international accords on the right to unionize. The union appealed the case to the International Labor Organization, or ILO, of which Venezuela is a member, and the ILO ruled in the CTV's favor.

Yet another controversial ruling was made on Jan. 26, 2000, when the ANC approved the military's reinstatement of soldiers and officers who participated in the failed 1992 coup attempts.

The ANC came to the end of its term and was dismissed on Jan. 30, 2000. A 21-member mini-Congress called the National Legislative Commission, or CNL, was formed to handle the duties of the legislature until the elections, which were later scheduled for May 28, 2000. The appointment of the mini-Congress occurred with little to no consultation and was greatly criticized by the opposition as unconstitutional.

On the labor front, a number of strikes were in the making in February from the petroleum industry, basic and secondary education, and the public health services. The strikes were to be held to protest the continued low salaries in the country.

Also in February 2000, Chavez began to receive negative feedback from some of his allies. Specifically, his military comrades from the 1992 coup attempts publicly alerted him that they felt that he was straying from the anti-

Political Conditions Venezuela

corruption movement that had gained him popular support. The officers charged the high civilian officials in Chavez's government with enriching themselves illicitly through their public offices.

In March 2000, a different group of former officers who had opposed the 1992 coup attempt set up an outfit called the Institutional Military Front, which they claimed represented a silent majority of active military officers who could not speak out legally. Their complaints against Chavez lay in his politicization of the military, which they said was threatening its unity. Having by then placed many military commanders in government positions, Chavez had in fact begun to describe his administration as a "civil-military" government.

Economic and Social Challenges

Venezuela's economy was depressed throughout 1999 and 2000. The internal debt **skyrocketed** in 1999, and capital flight from the country reached US\$4.6 billion. The GDP dropped 7.2 percent in 1999, and April 2000 estimates placed the unemployment rate somewhere between 15.5 to 20 percent, up significantly from the first half of 1999. Venezuela desperately needed to attract investors, yet businesspeople and international financial institutions were very dissatisfied with the lack of definition of the Chavez administration's economic policies. An entire year after taking office, Chavez produced a "general outline" of his government's far-from-traditional economic program, which alluded to plans to expand government purchases of national products in order to stimulate production and create more jobs. Still, experts indicated that government's economic policies remained unclear.

The Chavez administration stayed afloat during Venezuela's economic depression thanks to high oil prices in 1999 that brought in a healthy supply of revenues to the government. The government announced plans to increase exports to the United States and to boost its oil production by almost two times in the coming decade, with private investors expected to provide over half of the US\$53 billion in funds.

Crime was on the rise in urban centers in 1999 and 2000, especially in the capital city of Caracas. Venezuela ranked sixth place in the world in 1999 for the number of deaths by violence. In April 2000, the country was experiencing an average of 11 homicides per day, in addition to numerous armed robberies and rapes. The Chavez government implemented a nationwide crackdown on crime in April, whereby it began to unify the approximately 200 different municipal and regional police forces throughout the country, putting them under a single administration in Caracas.

The Road to the 2000 Elections

On March 14, 2000, Francisco Arias Cardenas, Chavez's friend, comrade in the 1992 coup attempt, and long-time political ally, resigned from his governorship of the state of Zulia and, by surprise, announced his candidacy for the Venezuelan presidency. Arias was one of the people who had accused Chavez of corruption, ineffectiveness, and abuse of power a month earlier. The other two candidates in the race were independents Claudio Fermin and Alberto Solano.

In the days and weeks following the announcement of Arias' candidacy, it became clear that he would be a much more threatening opponent to Chavez than previously had been expected. Arias quickly gained the support of his power base in the state of Zulia, as well as that of traditional Chavez opponents and those more newly dissatisfied with the president. Unlike Chavez, Arias professed that as president, he would cultivate better relations with the United States, promote private-sector investment, and move away from the populist distribution of oil "rents." He would have fewer military officers in government positions and lessen the power of the executive by reducing the presidential term of office to either two consecutive four-year terms or one six-year term with no immediate reelection. With these stances, he wooed the business sector.

As the campaign unwound, accusations of corruption directed at both Chavez and Arias penetrated Venezuela's political scene. There was much talk among public officials and political and civil organizations about the lack of guarantees for a fair election. Then, on May 25, 2000, 72 hours before the polls were scheduled to open, the Supreme Court decided to **delay** the "super-elections" due to technical errors found in the automated voting system and unclear information on candidates. The postponement was seen as an embarrassment for Venezuelan democracy.

Political Conditions Venezuela

The "super-elections" were finally held on Sunday, July 31, 2000. Chavez took the presidential victory with 59 percent of the vote, to Arias' 38 percent. 43.39 percent of the voters abstained. Chavez's Patriotic Pole alliance won 60 percent of the seats in the National Assembly, but not the two-thirds needed to obtain the majority. The alliance also won 14 of the 23 governorships, beating out nine incumbents of the opposition.

Arias accepted the results of the elections, but stated that he thought that electoral fraud had occurred. In the days following the announcement of the results, a number of mayors and governors of the opposition submitted claims of fraud to the National Electoral Commission and demanded a manual-recount of the votes. At least one protest by opposition supporters was disbursed by tear gas. The Organization of American States and other international observers deemed the elections fair and free.

Political Landscape as Chavez Began His Second Term

With the overall victory of Chavez and his Patriotic Pole alliance in the 2000 "super-elections," the president's plan for a series of sweeping political reforms was complete. By focusing almost entirely on the transformation of the political scene up to that point in his presidency, Chavez had neglected the economy, however. Now that he had accomplished his professed task of establishing firm political and legal footing, the president was obliged to address Venezuela's serious economic and social problems, chiefly skyrocketing unemployment rates, crime, poor living conditions and economic recession.

On Aug. 1, 2000, Energy and Mine Minister Ali Rodriguez announced that \$70 billion would be invested in the next 10 years for the development of the economy. Much of that money was to be allocated to a major gas pipeline project and power generation firms.

On Aug. 2, 2000, President Chavez announced a series of initiatives also aimed at spurring the economy. First, he said that he intended to invest oil revenue into sectors that have remained unproductive thus far. With such investment, he claimed other non-oil sectors would become more competitive, thus diversifying the economy and decreasing Venezuela's dependency on oil. The Chavez administration hoped to attract more foreign investment to the tourism, health, education, environment and small-business sectors.

In mid-August 2000, President Chavez went on a nine-day tour of ten member nations of the Organization of Petroleum Exporting Countries in order to invite the countries' leaders to attend an OPEC summit in Caracas on Sept. 27 and 28, 2000. Chavez had been appointed president of OPEC on March 30, 2000. His aim was to increase the bloc's unity and to strengthen Venezuela's leadership role in the organization. Chavez urged member nations to resist international pressure to lower their oil prices, and declared the "fair price" for oil to be \$22 to \$28 per barrel. During his tour, the president made the dramatic move of being the first foreign head of state to visit Iraq since the Gulf War.

By the time of the OPEC summit in September, the price of oil had quadrupled since Chavez first took office, and Venezuela was pulled out of its recession. Social spending increased drastically in 2000 with the rise in oil profits. Those who opposed him believe that he was repeating some of the mistakes of Venezuela's recent past, when economic dependency on oil led to economic crisis when oil prices dropped.

Unemployment continued to prevail in late 2000, and President Chavez experienced his first serious political defeat in October, when the newly rejuvenated Venezuelan Workers' Confederation, or CTV, carried out a successful strike. Chavez was forced to concede all of the union's demands for higher wages. Soon thereafter, teachers and public employees threatened strikes.

On Dec. 3, 2000, a referendum was held in conjunction with local elections, and a single, pro-government workers confederation was adopted. The union leaders of the CTV announced that they would step aside, but only in order to facilitate reinvigoration within the labor movement. Labor groups such as the International Labor Organization and the International Confederation of Free Trade Unions condemned the referendum as a violation of workers' rights, and threatened sanctions. Two members of the National Electoral Council resigned in October 2000 in protest of the referendum.

Political Conditions Venezuela

Although the referendum was approved, only one in four of the electorate turned out to vote, and of those, approximately one-third opted to cast votes in the local elections only. The fact that so few voters supported the referendum was a political defeat for Chavez, whose power to mobilize the populace seemed to be declining. It suggested that Venezuelans were unenthusiastic about the constant voting of the new "participatory democracy." Chavez's popularity seemed to remain intact, however, given that the MVR won 40 percent of the seats in the local elections.

In mid-November 2000, President Chavez signed an "enabling law" passed by the legislature authorizing him to legislate by decree in matters ranging across the economy, crime and "the organization of the state."

Vice President Isaías Rodríguez announced his resignation for Dec. 26, 2000, due to his ambitions to be nominated to the post of attorney general or to participate in the judiciary branch of government.

Discontent

In January 2001, teachers unions, associations of private schools and the Catholic Church engaged in a series of protests. The government had drafted of a plan called the National Education Project, reportedly designed to guarantee the "irreversibility" of the Bolivarian Revolution. The project, also known as PEN, included measures such as new teacher trainings, flexible curriculums, a deconstruction of the school system's bureaucratic administration, and new facilities, but the groups opposing it claimed that it was, in reality, a fairly blatant manifestation of the government's agenda to indoctrinate youth in a way similar to that implemented in Cuba's education system. PEN organizer Carlos Lanz was, in fact, a former guerrilla leader in Venezuela and a self-proclaimed Marxist.

With military-oriented primary education programs already in place since Chavez's assumption of the presidency, the new constitution now required schools to teach "Bolivarian" principles and secondary students to receive "pre-military" instruction. In addition, Cuba had proposed an agreement in which it would provide Venezuela with educational materials and teacher trainers in exchange for oil, and the education ministry was reportedly endorsing new textbooks that reflected the government's version of history.

The campaign of demonstrations against the government's initiatives was launched when the government issued a decree that created a new division of senior school inspectors appointed by the education minister with the power to dismiss existing school employees. The teachers' unions claimed that this and other measures were government schemes to accumulate political control within schools. The teachers' federation asked the Supreme Court to rule on the constitutionality of the decree for senior school inspectors, and while it seemed likely that the federation would have to appeal to international organizations on the ruling, on their side was the fact that in practice, Chavez's administration was fairly incompetent at enforcing its own laws.

Also in January 2001, discontent with the military's role in Chavez's government came to the forefront once again. Early that month, several army commanders were anonymously sent pairs of women's underwear in the mail along with notes that challenged their manhood because of their failure to overthrow President Chavez. After weeks of investigation, military intelligence investigators pinpointed Pablo Aure as a key member of the group that sent the mailings, and the law professor and columnist received a summons to come before a military court. Aure refused on the ground that Chavez's new constitution prohibited civilians from being subject to military trials, but intelligence officers soon arrested him and incarcerated him at their headquarters. Involved in these actions was defense minister General Ismael Hurtado. While several civilian government officials announced disapproval for the army's actions, President Chavez made no comment on the army's blatant violation of the constitution. It was widely assumed that dissident military officers were responsible for the mailing of the packages.

In February 2001, President Chavez dismissed Ismael Hurtado from the defense ministry and moved civilian Jose Vicente to that position from his former post as *foreign* minister. In response to Hurtado's dismissal, a large group of approximately 160 generals and admirals held a meeting to show their support for him, and under the pressure of this display, Chavez gave Hurtado the post of infrastructure minister. Shortly thereafter, in order to further placate the generals, the president moved General Luis Enrique Chacón from his position as deputy defense minister to that of chief of the armed forces. These events, and the fact that the cabinet reshuffling placed many people in

Political Conditions Venezuela

posts to which they were not suited, suggested that Chavez's control over the armed forces was not great. Moreover, his band of allies not as wide as it had previously seemed.

In March 2001, the murder of a rural landowner in an incident allegedly involving squatters brought the issue of land reform into the political spotlight. From the time of his instatement, Chavez swore to abolish the ownership of enormous estates of land, called "latifundio," and redistribute the land among the twelve percent of the Venezuelan population that lived in non-urban areas. Despite Chavez's threats to limit the size of farms and challenge possibly counterfeit land titles, after two years in office, his administration had failed to produce a final land rights bill. Inspired by President Chavez's promises, groups of landless peasants throughout the country began invading farms and squatting on the lands. While justified in their crusade, these groups lacked organization and were often manipulated by local government officials and developers. With the agricultural season about to commence, many farmers were reluctant to invest because they feared that the government's failure to come up with firm measures for rural development would provoke further violence.

In speeches, Chavez declared his infuriation with corruption in the government and with the MVR's leaders. In May 2001, the president announced plans to re-launch the military-civilian group that was responsible under his leadership for the 1992 coup attempt. He invited two radical left-wing veterans to be his co-leaders of the reestablished Revolutionary Bolivarian Movement.

In general, the president's popularity had declined as of mid-2001. Although he remained secure in the fact that the opposition was weak, the price of oil was falling and economic recession prevailed in Venezuela, much to Chavez's political detriment. Chavez's Bolivarian Revolution, with all of its political changes, had done little to interfere with the market economy, but had not done much to promote it, either.

Political Uprising

On April 11, 2002, about 11 people were killed and 88 were injured as outside the Venezuelan government's headquarters as several thousand protestors and union workers called for the resignation of President Hugo Chavez. Most of the violence came when snipers on the presidential palace shot at the crowd, and when indiscriminate shots were fired on the ground as well. Television journalists managed to capture images of the gunmen on the ground, whom the police claimed were "Chavistas" -- militant Chavez supporters -- firing at unidentified targets. Others, however, that the media had failed to capture shooters on the ground who presumably, were not aligned with the president.

The protest was originally sparked by a two-day strike rally, launched by the workers of the country's state-owned oil company, PDVSA, following the firing of the oil company's senior management by Chavez. Other interest groups, such as the Venezuelan Confederation of Workers (CVT), political opposition members, as well as business leaders, joined the rally, as a result of their collective frustration with Venezuela's serious economic problems, and Chavez' failure to deal with them effectively. Thousands of Chavez supporters also took to the streets to display support for the president.

Amidst the protests and mass demonstrations throughout the day, rumors raged across the country that Chavez had been detained by the military and his resignation was imminent. Meanwhile, key members of the military, as well as a number of politicians denounced the Chavez government, stating it had taken the country on a path away from democracy and freedom. They also decried the Chavez government for negotiating with Colombian terrorists, turning the country into a Castro-like communist state, and they warned that Chavez was charting a course toward political and economic tyranny. Despite their calls for the resignation of Chavez, however, the military high command asserted support for the Chavez government, while Chavez himself stated that he was in complete control of the country during a nationally televised address.

Nevertheless, hours later, reports surfaced that Chavez had, indeed, surrendered to three military generals at the Miraflores presidential palace. The presidential family left the capital city of Caracas by airplane earlier. Chavez was reported to have been taken from the presidential palace to the Fort Tiuna military barracks where he was being held. It was believed that Chavez would remain under arrest at Fort Tiuna until a more appropriate site could be

Political Conditions Venezuela

found. His ultimate destination at the time was unknown, although much speculation suggested that he would fly to Cuba and live in exile with his friend and ally, Cuban President Fidel Castro.

A group of generals informed a local Venezuelan television station that their actions compelling Chavez to surrender power had been motivated by their long-term dissatisfaction with the Chavez regime, in conjunction with the violence and bloodshed at the rally. They went on to note that their pressure on Chavez for surrender did not constitute a coup d'etat, but rather, the military's action was aimed at facilitating a peaceful transition of government.

Venezuelan business leader Pedro Carmona, who led the opposition against ousted Chavez, also announced he would head a transitional government to run the country. Carmona stated that the interim government -- called the Advisory Council -- would take office and he also promised swift elections, although no specific date was offered. The Venezuelan Army Commander Gen. Efrain Vasquez Velasco announced that the other members of the new government would be named within the next several hours. The general also reported that the country was calm, the capital of Caracas was under the control of the city police force, and the military would deal with any outbreaks of violence or unrest.

In the aftermath of these events, the international community called for a return to full democracy, the state-owned oil company's strike had ended, and the police searched for the Chavista gunmen. Interestingly, a statement from Chavez' daughter was offered contradicting the claim that Chavez resigned as the President of Venezuela. She was emphatic in her claim that her father did not resign or surrender, and instead, he had been forced out in a de facto military coup d'etat.

Three days later, Chavez returned to power. In the interim, various Latin American countries refused to recognize the legitimacy of the Carmona government and the Venezuelan Attorney General declared that the self-declared new government of Carmona was unconstitutional. Worker unions and groups that had originally backed Carmona also withdrew their support. Chavez, reinstated in the Miraflores presidential palace, promised to be more responsive to the Venezuelan public, in the wake of the violent mass demonstrations that led to his being ousted from power for three days. It was unknown how his return to power would affect national oil production, as well as the price of oil internationally. (Note: Venezuela has enjoyed the distinction of being one of the world's largest producers of oil.)

Acts of Opposition and the Consolidation of Power

In May 2002, Pedro Carmona, the Venezuelan businessman who briefly claimed to be president following the failed coup d'etat, was allowed to travel to Colombia, where he was granted political asylum. Carmona was under house arrest following the failed coup d'etat, and was accused of both rebellion and usurping the presidency. In the face of these grave charges, Carmona took refuge in the Caracas residence of the Colombian ambassador. President Chavez referred to him as a "fugitive from justice," however, he made no move to prevent Carmona from traveling to Colombia, since the government of that country had granted him asylum. Meanwhile, Carlos Molina Tamayo, took refuge in the residence of a Salvadoran diplomat and requested asylum.

In October 2002, Chavez seemingly escaped an assassination attempt as he was returning from a trip to Europe. Reportedly, security forces were able to foil a plot to shoot down his plane because sources friendly to the Chavez administration called the aircraft and advised the crew not to land at Maiqueti a. Although the assassins escaped, a diary, a mobile phone containing the numbers and names of possible plotters, a Swedish-made AT4 bazooka typically used by Venezuela's army, and a map showing the flight path of the presidential plane, were retrieved. Meanwhile, opposition groups called a 12-hour general strike to demand either the resignation of Chavez or early elections. Chavez dismissed the notion of the strike by saying that it was already over before it even began.

In November 2002, under orders from President Hugo Chavez, the Venezuelan army was deployed around the capital city of Caracas, effectively neutering the authority of the city's police force. According to Chavez, governmental and military control of the city was imposed in the wake of demonstrations a week before when two people were killed. Chavez noted it was clear that the police was unable to maintain law and order. The governmental and military takeover of Caracas was viewed by the city's mayor as an internal coup d'etat and most

Political Conditions Venezuela

opposition groups stated that the measure was unconstitutional. As well, hundreds of demonstrators protested the takeover. These efforts, however, resulted in the military's use of tear gas and rubber bullets to disperse protesting crowds.

In December 2002, opposition parties, labor federations and trade union representatives in Venezuela carried out their fourth national strike in less than a year. The strike was aimed at removing President Hugo Chavez from office. Opponents accused Chavez of being an authoritarian leader without sensible economic management strategies.

The real impact of the strike was in the oil industry, where a reported 90 percent of professional employees supported the work stoppage. Oil revenues account for half of Venezuela's revenue and make up a substantial 80 percent of the country's exports. The strike in this sector terribly weakened productivity and eventually had a devastating effect on the Venezuelan economy. By December 2002, reports suggested that productivity had declined as much as 90 percent. With such devastation to the Venezuelan economy, military personnel were positioned at fuel distribution centers. Also, with no apparent resolution in sight, Chavez ordered oil industry employees back to work, threatening the loss of jobs and even criminal charges, if employees failed to comply.

As the strike continued, the climate of political tension escalated into full-blown political crisis. In response to clashes between Chavez supporters and opposition demonstrators, Chavez ordered the national guard to prevent a repeat of the violence that followed an April strike, which ultimately resulted in a short-lived coup d'etat. Nevertheless, the violent clashes continued to mount. Indeed, police and military forces fired tear gas and rubber bullets at anti-government demonstrators; also several people were killed and two policemen were wounded in clashes.

While most people generally agreed that Chavez had not been a good steward of the economy, Chavez supporters asserted that he was the only voice of the "people." In this way, the dividing line surrounding the crisis could be understood as being between (1) white collar workers, most notably in the energy industry, and (2) the impoverished masses. As such, some analysts have suggested that the Venezuelan crisis could be viewed in "white" versus "brown" terms.

Meanwhile, neighboring countries offered assistance to Chavez. First, neighboring countries offered Chavez support, both politically as well as in the form of oil supplies. Second, they had preliminary discussions regarding the development of a Latin OPEC, which would include Venezuela, Brazil, Trinidad and Tobago, Ecuador and Colombia.

Finally, after eight weeks of ongoing chaos, the opposition in Venezuela ended its strike activities. The end of the strike in Venezuela coincided with the commencement of talks with the six-country "Group of Friends" in an attempt to end the country's political crisis. After a failure to resolve the Venezuelan crisis by the Organization of American States, new talks were scheduled between the Venezuelan government, opposition and other peace brokers, in an attempt to bring the chaos to an end.

Attempts to Broker Peace and Stability

The "Group of Friends," which was made up of the United States, Portugal, Spain, Mexico, Brazil, and Chile, was presented with a peace proposal from former United States President and Nobel Peace Prize Winner, Jimmy Carter. Carter's proposal was positively received by Venezuela's embattled President Hugo Chavez, as well as United States Secretary of State Colin Powell. It was hoped that backing from the "Group of Friends" for the plan would bring resolution to fruition.

The Carter plan offered two possibilities:

(1) A constitutional amendment providing for early elections would be voted upon; a majority of votes in favor of constitutional change would sanction early elections (constitutionally, Chavez was elected to serve in office until 2007);

or

Political Conditions Venezuela

(2) In August, halfway through Chavez's term in office, there would be a binding referendum on the president's mandate, as provided for in the current constitution (according to the constitution, the earliest date for a referendum would be midway through his office in August 2003).

Either option would preserve the constitutionality and legitimacy of Venezuela's government and its democratic underpinning.

Although the "Group of Friends," other international bodies, and even President Chavez, expressed support for the Carter plan, it was clear that there was very little trust between the Venezuelan government and the Venezuelan opposition. As such, resolution on the basis of the Carter plan appeared rather dubious in late January 2003. In fact, talks with the "Group of Friends" came after another day of violence in Caracas, the nation's capital city. In that round of violence, yet another person was killed and a dozen injured when a suspected bomb exploded at a pro-government rally.

Meanwhile, the government was handed a symbolic victory in mid-January 2003 when the Supreme Court postponed an early referendum scheduled for Feb. 2, 2003. As well, oil sector data suggests that oil exports had increased 62 percent in the past week. Although not up to the usual standards of exporting up to three million barrels a day, the rate of almost 700,000 barrels per day was a marked improvement and boded well for the Venezuelan economy.

Continuing Political Challenges

In late February 2003, a judge placed the head of Venezuela's employers' association, Carlos Fernandez, under house arrest until his trial for rebellion and inciting criminal acts. The third charge of treason was dismissed by the court. Although Fernandez denied the charges and declared that he was the victim of political persecution, Venezuelan President Hugo Chavez described him as "a terrorist and a coup plotter." Chavez blamed Fernandez for playing a part in the two-month long strike discussed here (see above). Fernandez was faced with a possible 20-year jail term. Another strike leader, Carlos Ortega, who was head of the Venezuelan Workers Confederation, refused to emerge from hiding.

In May 2003, a day after an accord was brokered between the government of Venezuela and its opponents, violence erupted at a rally in the capital city of Caracas. Supporters of Venezuela's President Hugo Chavez, as well as members of the opposition group, Red Flag, were present at the demonstration. Both factions blamed one another for the violence which left one person dead and 15 people injured. The protest was organized by the Red Flag group and dubbed "the conquest of western Caracas;" however, it was also attended by Chavez supporters who earlier warned against holding such a rally.

In June 2003, violence flared again in the streets of Caracas as battles raged between supporters and opponents of President Hugo Chavez. Altercations with police forces also ensued. The opposition organized a rally in one of the poorer areas of Caracas, typically a stronghold of Chavez, to show that the Venezuelan leader was losing popular support.

Brokering A Peaceful Resolution

In an attempt intended to broker a peaceful resolution to the otherwise contentious situation in Venezuela, an accord was developed following six months of negotiations. It was brokered by the Secretary General of the Organization of American States (OAS).

The agreement would compel President Chavez to participate in a referendum on his rule halfway through the presidential term (in August), in accordance with the constitution (see item #2 of the Carter Plan noted above). Opponents of the government had to accrue signatures from 20 percent of the electorate in order to hold the referendum, and there would have to be some sort of National Electoral Commission established to verify the referendum petition.

Political Conditions Venezuela

Until the possible referendum date, both government supporters and opponents were expected to end the violence, disarm the civilian population and respect Venezuela's democracy.

The Road to the Referendum

As 2003 drew to a close, Venezuelans were in the process of signing petitions aimed at compelling the aforementioned referendum on the leadership of President Hugo Chavez. Although there were reports of some violence in the northeastern part of the country, and the chief election official claimed some obstructionism on the part of the military, most observers reported that the petition-signing process had proceeded smoothly. Indeed, Cesar Gaviria, the head of the Organization of American States (OAS), noted that 97 percent of the signature collection centers had not encountered any issues. In addition to the OAS, the Carter Center, founded by United States President Jimmy Carter, was also present in Venezuela to oversee the signature collection process.

For his part, President Hugo Chavez charged that some businesses forced employees to sign the petition, while several persons had signed their names repeatedly. The Venezuelan President also criticized his opponents for what he termed "mega-fraud" in seeking a referendum on his presidency. His opponents, however, accused Chavez of mismanaging the economy and political authoritarianism.

Opposition forces were given four days to collect 2.5 million signatures, as a prerequisite to a referendum on the presidency. According to the constitution of Venezuela, a president may be challenged after having served the first three years of a six-year term.

In the fall of 2003, the petition signed by three million Venezuelans calling for a referendum on Chavez' presidency was rejected by the National Election Council. The reason cited for the rejection of the petition was the fact that the signatures had been collected several months prior to the half-way point of Chavez' term in office.

By May 2004, at the close of a three-day process in which it was being determined whether or not opposition forces had the requisite number of signatures on a petition [to trigger a referendum on the presidency], Chavez said he would accept a recall referendum on his term in office. President Chavez' comments were made following a meeting with international observers, including former United States President Jimmy Carter.

According to the Venezuelan constitution, 2.5 million supporting signatures on a recall petition were necessary. Although the signatures had been gathered several months earlier, as noted just above, the petition had been under dispute by electoral authorities. The conflict resulted in violent demonstrations in the capital city of Caracas in February 2004. Verification of the signatures on the petition had to take place before a referendum could be called.

After the process of verifying the signatures was completed, a provisional date was set for the referendum in August 2004.

It was also declared that if the referendum was delayed until after August 19 and the vote did not favor Chavez, the vice president would assume the presidency, thus precluding the need for new elections. Such an outcome could hardly be viewed as a victory for opposition forces. Nevertheless, the referendum was held in mid-August ahead of the August 19 cut-off date.

The August 2004 Referendum

Having survived an apparent coup d'etat a few years prior, Chavez again showed his political strength in surviving the referendum on his leadership. In fact, the Venezuelan president claimed victory with 58 percent of votes cast.

Following the announcement of the referendum result, Chavez urged the opposition to gracefully accept the outcome and work toward national reconciliation.

Political Conditions Venezuela

For its part, however, opposition leaders claimed the referendum had been subject to irregularities. Indeed, opposition leader Henry Ramos Allup referred to the referendum result as a "gross manipulation."

Former United States President Jimmy Carter, who had acted as an observer to the referendum, said that such claims appeared to be without merit. Nonetheless, in cooperation with the Organization of American States, Carter announced there would be an audit of the referendum results for the purpose of alleviating any fears about the veracity of the outcome. The audit was to be administered by the Venezuelan electoral authorities; it was also to be observed by international monitors.

Even though the referendum results were eventually validated and certified, opponents of Chavez continued to characterize the vote as fraudulent, even accusing the officials on the electoral board of being biased in favor of the president.

In the end, although the opposition had hoped that the outcome of the referendum would end in his removal from office, that vote served instead to ratify President Chavez's grip on power.

Imbroglio with Colombia

In early 2005, Venezuelans demonstrated in the streets of the capital city of Caracas to reaffirm the country's sovereignty and to protest Colombia's alleged encroachment into its territory. The demonstration was the latest development in a growing diplomatic crisis.

The imbroglio between the two countries was spurred by the arrest of a leading member of the leftist rebel group FARC. Venezuela charged that the arrest allegedly took place in its territory and as such, there was a violation of its sovereign space. In this regard, Venezuelan President Hugo Chavez demanded an apology from Colombian President Alvaro Uribe. For its part, however, Colombia denied that the incident took place in Venezuelan territory and no apology from Colombia was forthcoming. Venezuela thus recalled its ambassador from Colombia in order to register its displeasure with the situation.

While Venezuelan President Hugo Chavez must deal with accusations that he has been sympathetic to Colombia's leftist rebels, Colombian President Alvaro Uribe must contend with the revelation that his government allegedly paid Venezuelan police for assistance in the arrest of the FARC rebel member.

The diplomatic crisis between Venezuela and Colombia eventually came to an end after six weeks of bilateral tension. Rapprochement was reached when Colombia submitted a statement stating that such incidences would not be repeated.

Relations with the United States

In the backdrop of this tense situation has been the fact that the United States seems determined to isolate left-leaning Venezuela. Indeed, United States Secretary of State-designate Condoleezza Rice described the Venezuelan government as being a "negative influence" on the western hemisphere.

In April 2005, Secretary Rice called for the sale of arms to Venezuela to be monitored. An unidentified Venezuelan official responded by noting that her statement was an untoward intrusion of Venezuelan sovereignty.

For his part, Venezuelan President Hugo Chavez has described the Bush administration in the United States as having imperialist inclinations. He has also claimed periodically that the United States has plotted to oust him. Moreover, he has threatened to stop selling oil to the United States if that country's interference intensifies.

In July 2005, Venezuelan prosecutors convened an investigation into the activities of the United States Drug Enforcement Administration (DEA). By August 2005, Venezuelan President Hugo Chavez had accused the DEA of using its agents for purposes of spying. The Venezuela leader said, "The DEA was using the fight against drug trafficking as a mask, to support drug trafficking, to carry out intelligence in Venezuela against the government." In

Political Conditions Venezuela

response, Chavez said that Venezuela would discontinue its agreement to work with the DEA to deal with narcotics trafficking. However, he said that Venezuela would continue to work with other international groups on the matter.

In August 2005, already-strained relations between Venezuela and the United States were further damaged when religious evangelist, Pat Robertson, called for the assassination of President Hugo Chavez on his religious television broadcast of the "700 Club." Robertson, a Christian fundamentalist and strong supporter of the Bush administration, said, "We have the ability to take him out, and I think the time has come that we exercise that ability."

The United States Department of State distanced itself from Robertson's call for the death of the Venezuelan leader by characterizing his comments as "inappropriate." The department also noted that Robertson's words did not reflect the policy of the United States. Donald Rumsfeld, the Defense Secretary of the United States said that Robertson's words were that of a private citizen. United States President George W. Bush offered no comment.

Of course, critics of the Bush administration charged that even though Robertson might be a private citizen, he was one with a public forum, and one known to be a close ally of the American president. As such, they said that a clear response from the administration was necessitated at a time when bilateral relations had suffered. In fact, these sentiments were echoed by the Venezuelan government as well. In an address, Bernardo Alvarez, Venezuela's Ambassador to the United States said, "Mr Robertson has been one of this president's staunchest allies. His statement demands the strongest condemnation by the White House."

Only days prior to the conflagration involving Robertson, a Republican Senator of the United States and the Chairman of the Senate Judiciary Committee, Arlen Specter, sent a letter to the Department of Defense requesting improved relations with Venezuela, for the purpose of working cooperatively to deal with narcotics trafficking. The Venezuelan government had ceased cooperation with the United States DEA on this issue a month earlier. In his letter, Specter noted, "It may well be helpful to, at least, have a moratorium on adverse comments on Venezuela."

Robertson's remarks served only to reinforce the perception by the Venezuelan government that it has been the target of an ongoing campaign of political aggression by Washington, and that it was intended to destabilize the country and ultimately remove Chavez from office.

In response, Chavez' government said it was exploring all possible legal options available. For his part, President Chavez said that he did not "even know who that person is" when he was informed about Robertson's remarks. But Venezuelan Vice President Jose Vicente Rangel framed Robertson's words as a "criminal statement" and challenged Washington's response saying it would put United States anti-terrorism policy to the test. In this regard Rangel said, "It's huge hypocrisy to maintain this discourse against terrorism and at the same time, in the heart of that country there are entirely terrorist statements like those."

As the fiasco continued to dominate the media, Robertson responded first by saying that his remarks were taken out of context. He also claimed he had never called for the actual assassination of Chavez but simply his ousting from office. Presumably confronted with the record clearly stating that he had indeed used the word assassination in his remarks about Chavez, he subsequently apologized.

The lack of response from the United States White House, however, prompted the Venezuelan government to say that it was still going to seek legal recourse. On Aug. 29, 2005, Venezuelan President Hugo Chavez said that if Washington failed to take legal measures against Robertson's "terrorist" proposal (i.e. calling for the assassination of a head of state), then he would take the case to the United Nations and the Organization of American States. Chavez also said Venezuela would not rule out calling for Robertson's extradition to Venezuela to face charges.

A day later, however, the Venezuelan leader took a different approach and said that he would welcome improved bilateral ties with the United States. Standing with American civil rights leader, Rev. Jesse Jackson, Chavez said he sought to improve relations between the two countries and offered inexpensive heating fuel -- at a 40 percent discount -- to impoverished United States residents in anticipation of winter. Chavez also offered food, potable water, fuel, and humanitarian aid to the devastated Gulf Coast residents in the aftermath of Hurricane Katrina. After being asked by Jackson to resume work with the DEA on narcotics trafficking, Chavez said he would consider it.

For his part, Jackson said the political rhetoric had to stop and noted there was no evidence that Venezuela was a "destabilizing force" in the hemisphere, as suggested by the Bush administration. Earlier, Jackson, a religious pastor himself, condemned Pat Robertson's s words.

On Sept. 16, 2005, Chavez addressed the United Nations General Assembly. In that address, the Venezuelan leader condemned the neo-imperialism, militarism and unbridled capitalism of the Bush administration in the United States. He also assailed the United States government for failing to protect the impoverished citizens of New Orleans from the aftermath of Hurricane Katrina. As well, he accused the United States of taking a contradictory stance on terrorism by failing to condemn the aforementioned calls by Robertson, for Chavez' own assassination. On this issue, Chavez said, "The only place where a person can ask for another head of state to be assassinated is the United States, which is what happened recently with the Reverend Pat Robertson, a very close friend of the White House. He publicly asked for my assassination and he's still walking the streets."

After going past the five-minute limit placed on speakers, he was asked to quickly finish his statement. In response, he turned to Jan Eliasson of Sweden, the president of the General Assembly, and said, "I think the president of the United States spoke for twenty minutes here yesterday. I would ask your indulgence to let me finish my statement."

At the end of his address, he was given the loudest applause of any world leader addressing the summit.

Some observers said that his words apparently captured the collective global resentment toward the policies of the United States under the Bush administration. Others explained Chavez' popularity at the summit by noting that United Nations members tend to rally around certain members when they are faced with attacks. For example, when conservative lawmakers in the United States called for the resignation of general Secretary Kofi Annan, Annan was given a standing ovation as a gesture of support. When United States President Bill Clinton was facing attacks by the Republican opposition over the scandal involving Monica Lewinsky, he also received a standing ovation from the General Assembly.

In November 2005, President Chavez led a massive anti-Bush rally in Argentina at the summit of the Organization of American states. There, Chavez was a frequent critic of the Bush administration's policies and found a receptive audience among the massive crowds. On the agenda at the summit was the matter of the Free Trade of the Americas. The hemispheric free trade deal met with resistance from several countries, including economic powerhouses such as Brazil, Venezuela and Argentina, but it was backed by the United States and supported by Mexico.

Relations between Mexico and Venezuela deteriorated in the aftermath of the Organization of American states summit in Argentina. The diplomatic imbroglio was sparked by the aforementioned United States-backed effort to launch the Free Trade of the Americas and Mexico's support therein. Venezuelan President Hugo Chavez claimed that Mexican President Vicente Fox had violated normal protocol by trying to force agreement on the contentious free trade deal, even when it was not on the agenda. While giving an address to business people and political supporters in the Venezuelan capital city of Caracas after the summit, Chavez said: "How sad that the president of a people like the Mexicans lets himself become the puppy dog of the empire." By "empire" he was referring to the United States. The Mexican government responded to the characterization by demanding an apology, and noted that the Venezuelan leader's words struck at "the dignity of the Mexican people." **Foreign** ministers from both two countries met to discuss the dispute but no resolution was immediately forthcoming.

The Case of Posada Carriles

In the spring of 2005, the case of Luis Posada Carriles emerged and quickly embroiled Venezuela, Cuba and the United States. Luis Posada Carriles, along with Guillermo Novo Sampoll, Orlando Bosch and Gaspar Jiménez Escobedo founded the Coordination of United Revolutionary Organizations (CORU), which was believed to have been involved in terrorist activities aimed at ousting Cuban President Fidel Castro from power. Born in Cuba, Posada Carriles became a naturalized citizen of Venezuela and has been linked with several bloody political plots.

Political Conditions Venezuela

The case came to the fore after the Cuban-born militant and possible assassin, Luis Posada Carriles, was detained and held in the United States for charges of illegally entering the country across the Mexican border. Soon thereafter, Posada Carriles requested political asylum in the United States. In May 2005, Venezuela called for Posada Carriles to be extradited from the United States after the Venezuelan Supreme Court approved an extradition request for him. The United States Department of State Assistant Secretary responsible for Western Hemisphere Affairs, Roger Noriega, argued that Posada Carriles may not actually have been in the United States and that the charges against him "may be a completely manufactured issue." But two weeks later, the Miami Herald conducted an interview with Posada in South Florida, making clear that he was indeed on American soil. Later it was revealed that Posada Carriles was eventually arrested while trying to get out of the country, and was being held in Texas by the United States Department of Homeland Security.

The Venezuelan government wanted Carriles to stand trial for the bombing of an Air Cubana airliner traveling from Barbados to Cuba in 1976, which left all 76 people on board dead. But the United States said that it would not deport Carriles to a third country, which might very well hand him over to President Fidel Castro in Cuba. In response, President Hugo Chavez assured the United States authorities that he would not hand Carriles over to Castro. Still, he warned that if the United States continued its path of intransigence on the matter, diplomatic ties between Caracas and Washington D.C. would have to be reconsidered.

There have been several claims made that the United States' reluctance to move against Posada Carriles was motivated by its policy toward Cuba, in conjunction with the government's own clandestine relationship with the man. Indeed, the National Security Archive, a non-governmental organization, was reported to have housed a significant collection of declassified documents pertaining to Posada Carriles' relationship with the United States. Among the documents was a 1965 FBI memorandum that discusses his early years, as well as a 1966 FBI document outlining Posada's relationship with the United States. That particular document suggested that Posada Carriles was a recipient of monthly payments from the United States Central Intelligence Agency (CIA) during the 1960s, and was being considered to lead a military alliance against Fidel Castro's government.

By the close of May 2005, United States officials had rejected Venezuela's request to detain and extradite Carriles. The United States Department of State was holding Posada Carriles on suspected immigration violations; it said there was insufficient evidence to arrest and extradite him in accordance with Venezuela's wishes.

In response to the decision by the United States, tens of thousands of Venezuelans demonstrated in the streets of the capital city of Caracas. The protest rally was largely peaceful with demonstrators dancing in the streets, blowing whistles and shouting anti-American slogans. Many Venezuelans believe the United States' position is rife with double standards, and some accuse United President George W. Bush of hypocrisy for allowing a possible terrorist into its jurisdiction even while he wages a "war on terror." Throughout, demonstrations were also going on in Cuba with Cubans at home calling for Posada Carriles to face justice.

The case of Posada Carriles has contributed to the devolution of already-strained relations between Venezuela and the United States. The diplomatic imbroglio over Posada Carriles has not helped the situation. In fact, a new problem emerged to exacerbate the situation when the United States canceled the tourist visa of Venezuelan Supreme Court President, Omar Mora. In response, Venezuela warned that it would halt visits by American officials. The United States said that an administrative error precipitated the cancellation of Omar Mora's visa. It also noted that the cancellation was not political and that the Venezuelan Supreme Court President could re-apply for a new visa. The Venezuelan government, however, was not assuaged. Venezuelan Vice-President Jose Vicente Rangel characterized the incident as a "slight to Venezuela's dignity." Other Venezuelan officials, including Omar Mora himself, suggested that the cancellation of the visa was linked to Venezuela's calls or the United States to extradite Luis Posada Carriles.

Political Conditions Venezuela

Posada Carriles' immigration hearing was set for June 13th, 2005. There, he renewed his request for political asylum in the United States, and also requested that he be transferred from Texas to custody in Florida, where his family and attorneys were based. On June 21, 2005, the judge refuses Posada Carriles' request to be transferred to Florida and set a date for an immigration hearing before a Homeland Security judge in Texas. In that regard, Posada Carriles was expected to face a Homeland Security judge in the United States on August 29, 2005. Following that hearing, the

Department of Homeland Security judge ruled that he could not be deported due to a possible threat of torture in Venezuela, if was, indeed, sent back to there.

It was reported in the Cuban media that on March 22, 2006, United States Immigration and Customs Enforcement (ICE) decided that Posada Carriles would continue to be detained because he continued "to present a danger to the community and a flight risk." The ICE also acknowledged that he had "a history of engaging in criminal activity, associating with individuals involved in criminal activity, and participating in violent acts that indicate a disregard for the safety of the general public."

It was the first major admission on the part of the United States government regarding the potential criminal activities of Posada Carriles. Nevertheless, on April 27, 2006, the New York Times reported that Posada Carriles has applied to become a United States citizen.

Other Developments on the Domestic Scene in 2005

Meanwhile, the domestic scene in Venezuela, political changes were afoot in the first part of 2005.

Notably, two leading Venezuelan opposition figures announced that they would join forces to form a new political group in May 2005. Claudio Fermin, the former mayor of the capital city of Caracas, and activist Carlos Melo, claimed their newly established Popular Assembly was intended to "rescue political discourse" in Venezuela, and it would be aimed at opposing both President Hugo Chavez as well as the existing anti-Chavez opposition.

By August 2005, hundreds of people participated in a demonstration in the capital city. The demonstrators marched in the streets of Caracas hoping to draw public attention to their demands for electoral reform ahead of parliamentary elections scheduled for December 2005. Chanting anti-Chavez slogans and carrying Venezuelan flags, they also called for the officials of the National Election Council to be replaced. One banner was seen emblazoned with the words, "We need a New National Elections Council, Now!"

As the demonstrators closed in on the city center, clashes broke out with pro-Chavez contingents. Violent altercations resulted in injuries to several people as rocks and bottles were thrown from both sides, and as tear gas filled the area. Media reports suggested that it was the worst violence in months. Indeed, Venezuela has enjoyed a state of relative calm since Chavez won the August 2004 referendum on his leadership, as discussed above. Despite the voting audit, which was carried out to ensure the veracity of the referendum outcome, anti-Chavez groups charged that the certification of the result was tainted because, according to their claims, officials on the country's election board were supporters of President Chavez. In fact, this latest demonstration was organized to press home this claim. For its part, the National Election Council dismissed that accusation, characterizing it as unfounded.

In Venezuela's legislative elections held in early December 2005, President Hugo Chavez' ruling party, the Fifth Republic Movement (FRM), in conjunction with various allies, appeared to have claimed an overwhelming victory. Early election results suggested that Chavez' party and its allies had swept all the 167 seats at stake. The massive win by Chavez and his allies was helped, to some degree, by the election boycott staged by the country's five main opposition parties. Still, Chavez criticized the decision by the opposition to boycott the election and charged the opposition with trying to lead the country "down a violent path."

Political Conditions Venezuela

An election official said that barely 25 percent of Venezuela's eligible voters had participated at the polls. Jorge Rodriguez, the president of the National Electoral Council (NEC), said that the low turnout was not because of the boycott, but an unfortunate consequence of "torrential rains" that made it difficult for voters to get to polling stations. Still, some members of the opposition claimed that low voter turnout undermined the legitimacy of the election results and, as such, they would go to court to try to get them invalidated. Other opposition leaders dismissed court action as pointless, saying the courts simply obey the head of state. Still others, including the group Sumate, said the government also controlled the election council, intimating that the election results were not to be trusted and accusing it of widespread fraud. For its part, the head of the National Elections Council said "the voting went ahead with absolute normality".

Meanwhile, the United States made note of the low voter turnout and also expressed a lack of confidence in the fairness of the election. The United States stopped short of condemning the election results, saying instead it would wait to see the reports from international monitors.

Regardless of the actual reason for the low level of participation, the election results strongly consolidated Chavez' political power and augmented his political agenda, which he has called the "Bolivarian revolution" in memory of Latin American nationalist hero Simon Bolivar. The victory at the legislative elections also effectively paved the way for constitutional changes that will allow him to stand for another term in office. In this regard, the Speaker of the National Assembly, Nicolas Maduro, said that a new draft of the 1999 constitution would be written in 2006 and would be submitted to a referendum in 2007.

Developments in 2006

At a pilgrimage to honor the Virgin Mary in January 2006, the most senior Catholic clergyman in Venezuela, Cardinal Rosalio Castillo Lara, told worshippers that the country had "lost its democratic course and presents the semblance of a dictatorship." In response, Venezuelan President Hugo Chavez described the Cardinal's words as "a provocation" and demanded a full apology. He also characterized the incident as "shameful for the Catholic Church" and warned the church to stay out of political affairs. Chavez also demanded an explanation from the Pope's representative in Caracas but said that the response offered by the Vatican's ambassador was not satisfactory.

In early February 2006, President Hugo Chavez announced that he intended to purchase more weaponry for Venezuela in order to protect his country from potential invasion by hostile powers. Chavez noted that the 100,000 Kalashnikov assault rifles already on order from Russia were insufficient to meet this need. He also asserted that Venezuela would require a million armed men and women to protect the country.

Chavez' words came after already-bad bilateral relations with the United States sunk to a new low after both countries expelled one another's diplomats after Caracas accused Washington D.C. of spying. Venezuela also warned that if Washington severed diplomatic ties with Caracas, it would respond by closing all Venezuelan refineries in the United States, effectively disrupting oil supplies, and potential leading to further price increases.

In a related development, Spain rebuffed pressure from the United States to refrain from selling 12 military aircraft to Venezuela using American technology. Spain said that it would go ahead with the deal using European technology instead.

At the country's 200th anniversary celebration in March 2006, Venezuelan President Hugo Chavez officially revealed the country's new flag to the public. Venezuelans were able to see the new flag as it was flown during a large military parade and eventually hoisted by the president himself. Changes to the design were approved by parliament in early 2006 and included the addition of an eighth star and a shift in direction faced by the white horse on the national coat of arms. Some observers attributed the eighth star as being representative of the province of

Political Conditions Venezuela

Guyana, while others interpreted it as a testament to 19th Century independence leader and hero, Simon Bolivar. The shift in the horse from facing right to facing left was quickly interpreted as being filled with political symbolism.

Even as Chavez and his supporters celebrated the 200th anniversary of Venezuela and the unveiling of the new national emblems, about 1,000 opposition members demonstrated against the new flag in the streets of Caracas. Condemning the new flag, they questioning its constitutionality noting that there had been no real consultation prior to making the changes. Expressing outrage, opposition spokesperson Oscar Perez said, "Venezuelans have two flags - one of totalitarianism, autocracy and communism... and one of democrats."

In order to manage costs, changes to emblems emblazoned on public buildings, stamps, coins and passports will be made in a gradual fashion over a period of five years.

On April 7, 2006, a convoy carrying United States Ambassador William Brownfield was pelted with tomatoes and eggs in the Venezuelan capital city of Caracas. Reports also stated that individuals on motorcycles chased Brownfield's car. Police escorting the convoy did not intervene. It was believed that supporters of President Hugo Chavez may have been responsible.

In July 2006, Venezuela joined Mercosur -- the South American trade bloc that already included Brazil, Argentina, Uruguay and Paraguay. Venezuelan President Hugo Chavez characterized the move as "historic."

Meanwhile, observers were split on their assessments of the prospects for the newly-enlarged Mercosur. While some Venezuelans wondered if some business enterprises would be hurt by rivals within the bloc, others were hoping that it would herald more of an open-market shift. Meanwhile, still other observers wondered about the political and economic implications of Chavez' influence within Mercosur.

August 1, 2006 marked the start of the presidential election campaign in Venezuela. Months ahead of elections scheduled for December 2006, President Hugo Chavez was enjoying approval ratings as high as 60 percent while potential rivals polled at around five percent. The Venezuelan opposition has been wracked by a lack of cohesion and a dearth of new policy proposals. One of few possible candidates likely to pose a genuine challenge to Chavez has been the populist, Benjamin Rausseo. Known as "the Count of Guacharo," Rausseo's "rags to riches" personal story, as well as his career as a stand-up comic, were believed to hold some attraction for voters looking for an alternative to Chavez. Meanwhile, for his part, Chavez was looking to win re-election. Should he be successful in this bid, it would ensure a third consecutive term in office.

In September 2006, Chavez addressed the United Nations General Assembly. In his speech he assailed the "imperialist" and hegemonic power of the United States, quoting famed American linguist Noam Chomsky in so doing. His reference to Chomsky apparently sparked renewed interest in the famed linguist's writings and philosophical stances. He also jokingly referred to United States President Bush, who had earlier addressed the assembly, as "the devil." The Bush administration characterized Chavez' statements before the United Nations as "unstatesmanlike." But in an interview with Time magazine, Chavez noted that Bush had also used vitriolic language against him. To this end, Chavez said, "Bush has called me worse things — tyrant, populist dictator, drug trafficker, to name a few. I'm not attacking Bush; I'm simply counter-attacking."

The scenario highlighted continued poor bilateral relations between the two respective administrations and was expected to negatively impact Venezuela's bid for a non-permanent seat on the United Nations Security Council.

The situation was not helped by the fact that only days later, Venezuelan **Foreign** Minister Nicolas Madura was detained at New York's John F. Kennedy airport for 90 minutes. Maduro was in the United States to attend the aforementioned United Nations General Assembly meeting but was stopped as he was trying to leave the country.

Political Conditions Venezuela

According to various reports, after being detained, Maduro was questioned about his role in an attempted coup d'etat led by Chavez in 1992 by regular airport security. Diplomatic security then entered the fray, presumably to resolve the matter.

According to Maduro, however, the situation was not a simple one and entailed treatment disallowed under international law. Indeed, Maduro asserted that he was both strip-searched and subjected to verbal abuse. In remarks to the media, Maduro said, "We were detained during an hour and a half, threatened by police with being beaten. We hold the United States government responsible." Venezuelan President Chavez observed that Maduro's detention was a provocation of sorts. Officially, Venezuela responded to the incident by filing a formal complaint to both United States authorities and the United Nations.

For its part, United States authorities denied that Maduro had been detained, saying instead that he had simply been asked to comply with a second security screening. However, the United States Department of State later acknowledged the incident and subsequently issued an apology to the Venezuelan foreign minister. A spokesperson for the State Department said, "The state department regrets this incident. The United States government apologized to Foreign Minister Maduro and the Venezuelan government." Regardless, the apology did not alleviate the tensions between the two countries, with Foreign Minister Maduro saying that it was not enough.

By November 2006, Venezuela's bid to attain a non-permanent seat on the United Nations Security Council ended in failure when, after successive rounds of voting, it could not muster enough votes to outright eliminate Guatemala. Of course, Guatemala was in exactly the same position as well. The result was a blow to both Venezuela and Guatemala -- and by extension, the United States, which had strongly backed Guatemala against Venezuela. Consequently, the countries of the Western Hemisphere reconvened to submit a consensus candidate, and chose Panama. The choice of Panama, which was endorsed by the majority of countries in the region, was intended to symbolize the nexus of the various regions of the Americas.

Election of 2006

Venezuelan voters went to the polls on December 3, 2006 to vote in the country's presidential election. Turnout was reported to be 62 percent. Observers reported long lines of people waiting to vote outside polling stations. Among the international observers were hundreds of monitors from the European Union (EU) and the Organization of American States (OAS). As well, supporters of the main candidates monitored the activities at polling stations; they were expected to participate in a post-election audit of ballot boxes. Also stationed at the polling stations were army reservists -- reportedly on hand to ensure that there was no tampering with the electronic voting machines.

Representatives from the OAS described the election as "massive and fair." Although there were reports of irregularities at some polling stations, a member of the opposition acknowledged that such incidences were addressed in a satisfactory manner by election authorities.

Leading up to the election, left-wing incumbent President Hugo Chavez campaigned on the basis of the performance of his ongoing programs and policies. Chavez urged people to give him another term in office so he could complete his socialist Bolivarian Revolution, which he claimed to have started. To that end, Chavez touted the manner in which he had used the country's vast oil wealth to help the poorest segments of the population through social programs. In the developing world, frequent criticisms have been levied against traditional market economics, based on the view that impoverished people rarely benefit from the wealth yielded by natural resources. By ensuring that poor Venezuelans have enjoyed tangible benefits from the country's oil wealth, Chavez has been able to win the loyalty of a significant portion of the citizenry. In addition to his policies and programs, less fortunate Venezuelans have personally identified with Chavez, whom they believe has an intimate

Political Conditions Venezuela

understanding of poverty, given his background as a street vendor. In these ways, Chavez has enjoyed a popular following in Venezuela.

Not all Venezuelans, however, have held the policies and programs of Chavez in high estimation. Still, Venezuelans with a different vision for the country were presented with a clear alternative to the Chavez regime. Specifically, Chavez' main challenger, the pro-business candidate Manuel Rosales, campaigned on the basis of returning Venezuela to a strictly market-based system and attracting foreign investment. As the governor of the oil-rich state of Zulia, Rosales' platform held particular resonance among Venezuela's middle and upper classes -- a segment of the population that has been generally opposed to the populist inclinations of Chavez. Among these opponents of Chavez, criticism has been directed to his economic approach, as well as some of his political measures, which have, to some degree, consolidated presidential power.

While polls in the months prior to the election showed Chavez with a double-digit lead over other candidates, in the days prior to the election, Rosales' disciplined campaign appeared to be gaining traction and boosting his prospects. Rosales was also helped by the fact that there was greater unity among the opposition than in the past.

In the end, voters would be choosing between a continuation of Chavez' left-leaning platform, or, a shift to the right and toward a strict market economy via Rosales.

Exit polls taken on election day indicated that despite Rosales' late surge in the polls, Chavez was poised for re-election. Those exit polls showed Chavez capturing about 58 percent of the vote share with Rosales trailing with 40 percent. Yet to be seen was whether or not the polling data was accurate. Hours later, with the majority of the votes counted, the National Electoral Council said that Chavez had exceeded exit poll projections and garnered 61 percent of the vote share and a landslide victory. Meanwhile, Rosales secured 38 percent of the votes cast.

Chavez soon declared victory. He appeared on the balcony of the presidential palace, clad in a red shirt -- a testament to his political philosophy -- and addressed the crowds of his supporters gathered below declaring, "It's a great victory for the revolution!" Below, his supporters chanted in response, "Chavez isn't leaving!" For his part, Rosales conceded defeat and promised to stay involved with politics. In his speech to supporters, he said, "We will continue in this struggle." While some opposition supporters were downcast over the defeat of Rosales, others expressed anger about the election outcome.

While critics, including the Bush administration in the United States, have accused Chavez of being a "dictator," the Venezuelan president has emphatically stated that he values democracy. His socialist programs have worried free market advocates, particularly those upset about state control over the oil economy in Venezuela. Their anxieties have not been assuaged by suggestions by Chavez that utilities might be nationalized. That said, Chavez has noted that he intends to respect private ownership and he has pointed to the democratic means by which he achieved power.

Indeed, this latest landslide victory -- following on two previous election victories in 1998 and 2000, as well as a convincing victory in the aftermath of the notorious "recall" referendum of 2004 -- effectively gave President Chavez a clear mandate to continue his socialist Bolivarian Revolution. The landslide victory also vindicated his strong stance against the Bush administration in the United States, at least among the majority of Venezuelans. Moreover, it augmented his push for an anti-imperialist front composed of Latin American countries.

Developments in 2007

In early 2007, President Chavez carried out a major cabinet shuffle, replacing 15 cabinet ministers and creating two new ministerial portfolios. Of significant note was the fact that Venezuela's Interior and Justice minister, Jesse Chacon, was relieved of his duties in reaction to a spate of prison violence that plagued the country. On state

Political Conditions Venezuela

television, President Chavez explained his decision to fire Chacon saying, "It is the result of failings in internal security and infrastructure." Chacon was to be replaced by Pedro Carreno, a Chavez loyalist and the head of the parliamentary judicial commission.

In a rather shocking move, Vice President Jose Vicente Rangel was replaced with Jorge Rodriguez, another Chavez loyalist who had served as the director of the country's electoral commission.

No explanation was given for the change, however, the president expressed profound regret about having to make such a difficult decision. He said, "The decision to relieve Jose Vicente of his post was not easy for me because he is like a star pitcher and I regard him with the same respect and affection as a son would a father." Rangel had been one of the president's strongest allies and policy advocates.

Among the other key shifts was the appointment of Nicolas Maduro as the **Foreign** Minister.

On policy, Chavez expressed his desire to nationalize key power and telecommunications companies in Venezuela.

Chavez has also said that he would re-examine the current arrangements with **foreign** energy companies operating in the Orinoco region of Venezuela. Markets reacted to the news of the plans for the Venezuelan economy with falling stock prices.

A week later, attention turned to the inauguration of President Hugo Chavez. Prior to the swearing-in ceremony, the Venezuelan president laid a wreath at the tomb of Simon Bolivar -- a testament to his commitment to extend the "Bolivarian revolution."

Then, on January 10, 2007, President Chavez was inaugurated into power for a third consecutive term in office.

During his swearing-in ceremony, which took place in front of the full Congress, people chanted, "Long live socialism!" For his part, Chavez promised to give his entire life "to the construction of Venezuelan socialism." In a symbolic gesture, Chavez wore the presidential sash on his left side instead of the traditional right side, paying tribute to his leftist credentials.

In mid-January 2007, Venezuela's National Assembly moved to approve legislation that would grant President Hugo Chavez the right to bypass Congress and rule by decree for a period of 18 months. The National Assembly, which has been dominated by representatives with Chavez, moved to consolidate the power of the Venezuelan leader, giving him the ability to enact wide-ranging political, economic and social changes ultimately aimed at fulfilling his "Bolivarian revolution."

Critics of Chavez, both at home and abroad, charged him with moving Venezuela down the path of authoritarianism. Nevertheless, the president of the National Assembly, Cilia Flores, dismissed such accusations, saying that "there will always be opponents especially when they know that these laws will deepen the revolution." Meanwhile, President Chavez responded to concerns raised by the United States about the National Assembly's decision to grant Chavez the right to rule by decree by saying in a media broadcast, "Go to hell, gringos! Go home!"

On May 26, 2007, Venezuela's oldest private television company broadcast its last program on its public frequency after being shut down by President Hugo Chavez. While the Radio Caracas Television (RCTC) station would still be available on cable, its removal from the public airwaves would significantly reduce its audience.

Political Conditions Venezuela

The move was directed by President Chavez who said that RCTV was an instrument of the political opposition, and had undermined his government for years. Indeed, it was commonly believed that private broadcast entities, including RCTV, had been responsible for the attempted coup d'etat against President Chavez in 2002. In an address televised nationally, President Chavez claimed responsibility for the move saying, "That television station became a threat to the country so I decided not to renew the license because it's my responsibility." The Venezuelan president noted that a new state-sponsored channel, TVes, would take the place of RCTV on the public airwaves, and would be tasked with publicizing his programs and policies.

Both RCTV and a number of media rights groups accused President Chavez of curtailing freedom of expression. To this end, Marcel Granier, the general manager of RCTV accused the Venezuelan leader of acting illegally, and promised to continue the fight for "freedom." Supporters of RCTV took to the streets of Caracas to make clear their outrage. Reporters on the ground said that rocks were thrown at police, and clashes resulted in the security forces firing water cannons at the crowds.

Meanwhile, supporters of President Chavez hosted a celebration just outside the Ministry of Communication to mark the end of RCTV's saturation of the public airwaves.

November 2007 marked the freezing of bilateral ties between Venezuela and Colombia over disagreements in dealing with the ongoing hostage crisis. At issue was Venezuelan President Hugo Chavez' role in freeing the many hostages kidnapped by Colombia's Marxist terror group, Revolutionary Armed Forces of Colombia (FARC), during the years of civil war between that group and the Colombian authorities.

President Chavez said that he would place his country's bilateral ties with neighboring Colombia on hold in response to Colombian President Alvaro Uribe's decision to end Mr Chavez's role as a hostage negotiator with Colombia's rebels.

There have been several attempts over the years to free the many hostages held in captivity by FARC in Colombia but the situation moved in a productive direction when Chavez offered to act as a mediator between the leftist extremist rebels and the hard line government of Colombian President Alvaro Uribe.

That productive direction stalled when a proposal was put forth for FARC to release 45 hostages in exchange for the release of 500 FARC members imprisoned by the Colombian authorities. Uribe first expressed skepticism about the plan, saying that in trying to forge an agreement with FARC, that group could also advance its interests. As well, Uribe was reported to have been upset with Chavez for flaunting the proprieties of diplomacy by appearing in a photograph with a FARC commander, and also revealing what Uribe said was a confidential conversation about a possible meeting with FARC leader Manuel Marulanda. Uribe then decided to end Chavez' mediator role in the hostage crisis, charging Venezuela's president wants Colombia to be victimized by FARC. On the other side of the equation, Chavez reacted to the decision by saying that it was "a spit in the face" and accusing Uribe of being a liar.

Relatives of hostages held by FARC reacted to the news with shock and dismay and began to protest outside the presidential palace. They appeared to have held out hopes that Chavez' role as mediator would have eventually yielded positive results, pointing to the fact that Chavez had made significant progress in his mediating role.

Reactions were strong outside South America as well. In France, President Nicolas Sarkozy called on Uribe to reconsider his decision, saying that Chavez was the best person to negotiate the release of the hostages. The French government entered into the fray because one of the most well-known hostages held by FARC -- politician Ingrid Bettancourt -- was a French citizen.

Political Conditions Venezuela

Meanwhile, on Nov. 2, 2007, Venezuela's National Assembly passed a package of constitutional reforms aimed at consolidating presidential power. Of key significance was a provision that would rescind term limits for presidents and would, thus, allow the highly popular President Hugo Chavez to again contest the highest office of the country.

Other changes included in the reform package included changes to the legal process during a state of emergency, more executive influence over the Central Bank, more power for local councils, the institution of a six-hour work day, extension of Social Security benefits, and the lowering of the voting age from 18 years to 16 years. Chavez had argued that the changes were needed s necessary to "construct a new socialist economy."

Critics of Chavez said the move was no more than a power grab. Nevertheless, the reform package passed overwhelmingly in the National Assembly with 160 of the 167 members voting in its favor. With the changes approved by the legislative branch of government, they would next have to be ratified in a national referendum set for Dec. 2, 2007.

Ahead of the referendum, opponents of the president took to the streets to protest what they believed to be Chavez' power grab while Chavez supporters rallied in support of the affirmative vote. The opposition camp was boosted to some degree by some of Chavez' own allies who were worried that the proposed changes went too far. That said, the passage of the reform package was not assured since pre-referendum polling surveys showed that the vote could go either in favor of ratification or against it.

On Dec. 2, 2007, the day began with fireworks and music -- an apparent call for people to go to the polls. As the day progressed, turnout was reported to be high as voters cast their referendum ballots. Some polling stations had to be kept open in order to allow the long lines of people to vote. However, later reports noted that up to 44 percent of the electorate had abstained from voting. Analysts surmised that the opposition likely turned out to vote in droves, while Chavez supporters who were uneasy with the reform package may have stayed home rather than vote against the president.

Nevertheless, when the ballots were counted, the pre-referendum surveys appeared to be accurate in predicting the closeness of the vote. The National Electoral Council declared that the reform package had been narrowly defeated by a margin of 51 percent to 49 percent.

Chavez opponents expressed great satisfaction over the referendum outcome, which they said would curtail Chavez' "socialist revolution." Leopoldo Lopez, the opposition mayor of the Caracas municipality said in an interview with British media, "Venezuela won today, democracy won today, and I am sure that this victory for the Venezuelan people will have a very important impact in the rest of Latin America."

For his part, the Venezuelan leader reacted to the outcome stoically. After the polls closed, Chavez promised to respect the will of the people saying, "We will accept the results whatever they are. Venezuelans have never voted so often as during these nine years of peaceful and democratic revolution." Once the result was known, Chavez characterized his narrow loss as "a photo finish" and called on his supporters to show restraint rather than create conflict. He also quickly conceded defeat, congratulated the opposition, and reiterated his call for restraint. He said, "To those who voted against my proposal, I thank them and congratulate them...I ask all of you to go home, know how to handle your victory."

Developments in 2008

January 2008 saw Venezuelan President Hugo Chavez announced significant cabinet changes only weeks after his reform proposals were defeated in a referendum. Chavez replaced Vice-President Jorge Rodriguez, who was apparently blamed for failure of constitutional changes, with Ramon Carrizales -- the minister holding the portfolio for housing.

Political Conditions Venezuela

Also in January 2008, President Chavez returned to the objective of brokering the release of hostages held by FARC rebels in Colombia. This mission saw some success with the release of two hostages -- Clara Rojas and Consuelo Gonzalez. Up to 700 people remained in captivity -- among them, close to 50 high profile individuals including the French-Colombian politician Ingrid Betancourt.

Chavez called on the international community to stop referring to FARC as a terrorist enclave, but at the same time noting that he did not support their tactics. To that end, he called on FARC to stop opposing the Colombian government by taking hostages, saying, "I don't believe in kidnapping and I don't believe in armed struggle." His Colombian counterpart, President Alvaro Uribe stayed distant from the hostage release efforts. Uribe also criticized Chavez for holding talks with FARC, and emphatically stated that he viewed FARC rebels as terrorists.

The start of March 2008 saw relations devolve between Colombia and two of its neighbors -- Venezuela and Ecuador. A military offensive aimed against Marxist rebels (known as Revolutionary Armed Forces of Colombia or FARC) resulted in an incursion into Ecuadorian territory. The operation resulted in the death of a leading rebel within FARC, along with 16 others. While Colombian authorities hailed this action as a success, Ecuadorian President Rafael Correa condemned the Colombian government in Bogota for violating its sovereignty and lodged a formal protest.

Meanwhile, Chavez, who had been negotiating with FARC for the release of hostages held by the leftist rebels, railed against Colombian President Alvaro Uribe for invading Ecuador, characterizing him as "a criminal." Chavez also called for the Venezuelan embassy in Bogota to be closed and withdrew embassy personnel from Colombia. Moreover, he ordered Venezuela's military to take up positions along the border with Colombia, presumably as a warning to its neighbor that it would not tolerate a similar violation of its own sovereignty. The move marked a significant escalation of tensions in the region.

But a week later, relations between Venezuela and Colombia were somewhat soothed after a summit between the leaders of those two countries. At the summit, the leaders of both the countries agreed to a 20-point declaration by the Organization of American States (OAS), which included a commitment by Colombian President Uribe that his military forces would not violate borders with neighbors in the future. Venezuela then said it would restore its diplomatic relations with Colombia. The Venezuelan *Foreign* Ministry issued a statement noting that the meeting was "a victory for peace and sovereignty... and demonstrated the importance of Latin American unity in overcoming conflicts."

However, Colombia's relations with Ecuador remained strained, with Ecuador noting that more time was needed to resolve the situation, which involved a violation of its sovereignty.

In June 2008, Venezuelan President Hugo Chavez urged Colombia's Revolutionary Armed Forces of Colombia (FARC) rebels to end their four-decade struggle and release all their hostages. The Venezuelan leader, who has negotiated controversial talks with FARC aimed at releasing its hostages, characterized the extremist leftist militants as "out of step." Chavez also said, "The guerrilla war is history. At this moment in Latin America, an armed guerrilla movement is out of place." The call came a month after long-serving FARC leader Manuel Marulanda died and Alfonso Cano was named as his replacement.

Perhaps believing that he might have an impact on the new leadership, Chavez said in his televised address, "This is my message for you, Cano: 'Come on, let all these people go.' There are old folk, women, sick people, soldiers who have been prisoners in the mountain for 10 years."

Chavez' role in mediating the release of hostages was regarded as controversial by some interests. Indeed, Colombian President Alvaro Uribe terminated his official role in these negotiations. But many of the Colombian victims' families welcomed Chavez' interest in the matter, and applauded his efforts when he successfully negotiated the release of two hostages, Clara Rojas and Consuelo Gonzalez.

Political Conditions Venezuela

On a visit to Russia in late September 2008, Venezuelan President Hugo Chavez met with his Russian counterpart, President Dmitry Medvedev, and agreed to work on energy cooperation.

The two countries were already ensconced in a process of building economic links but Chavez and Medvedev were pursuing a pact that would include cooperation in the realm of energy production.

This cooperation was expected to concentrate on oil and gas production, but Chavez acknowledged that Russia had offered to assist Venezuela with a civilian nuclear power program as well. The Venezuelan leader noted that his country was only following in the footsteps of other Latin American countries, such as Brazil and Argentina, which already was on its way to nuclear energy production.

He also emphasized that Venezuela was only looking to nuclear energy for medical purposes and power generation. Meanwhile, Prime Minister Vladimir Putin registered his willingness to enter into nuclear energy cooperation with Venezuela.

Russia and Venezuela were additionally moving into the realm of closer military ties. To that latter end, Russian ships were en route to the Caribbean Sea off the coast of South America to participate in joint military exercises with the Venezuelans. Chavez was quick to note that the joint military exercises were not an indication of any military action saying, "We are not going to invade anyone, or engage in acts of aggression toward anyone." However, he indicated that the action was being taken to show that Venezuela took its sovereignty seriously. He said, "But no one should mistake our intention -- we are prepared to do everything necessary to defend Venezuelan sovereignty." By December 2008, Russian fleets arrived in Venezuelan waters for joint military exercises.

Note: Both Russia and Venezuela have indicated a shared interest in opposing United States influence and hegemony on the global stage.

Meanwhile, November 2008 saw Venezuelans go to the polls to vote in state and municipal elections across the country. The elections were viewed as a key test of President Hugo Chavez' leadership. In 2004, Chavez' allies won overwhelming victories across the country, effectively ratifying his leadership and popularity. However, in 2007, Venezuelans opted to vote against the notion of unlimited terms in office, as discussed above. That referendum result acted as a key check against Chavez' consolidation of power. In 2008, the opposition was hoping for favorable results, and thus, a repudiation of Chavez' leadership.

While Chavez has commanded popular support for his decision to expend energy revenue on education, healthcare and subsidized food, his critics have said that he has failed to control crime and inflation. As well, the decreasing price of oil was a serious cause of concern in late 2008.

Thus, while some opinion polls showed that Chavez' United Socialist Party of Venezuela (PSUV) was likely to hold many state governments and mayoral positions, analysts and political pundits prognosticated that Chavez' party and allies would incur several losses as a result of the growing anxiety about social and economic matters.

Voter turnout was high at about 65 percent; this record high turnout rate in local elections indicated no sense of apathy by the electorate. With most of the votes counted, allies of Chavez had won governorships in 17 of 22 state elections, with two states too close to call.

Among the slate of victories won by Chavez' Socialists were the key states of Sucre and Barinas (Barinas is the home state of Chavez).

That said, the opposition saw some of its own success by winning two populous states -- Miranda and Zulia -- as well as the mayoral election of the capital city of Caracas, which was previously held by a Chavez supporter.

In this way, both sides could claim some success at the polls. For his part, Chavez was asserted his party's overall strong performance saying, "It's Venezuela's victory." He continued, "The democratic path that Venezuela chose was ratified."

A year after he narrowly lost a constitutional referendum intended to consolidate and extend his executive power, Venezuelan President Hugo Chavez announced in late 2008 that he would seek new constitutional changes aimed at advancing his re-election ambitions. In an address to thousands of his supporters, the Venezuelan leader said that he was hoping to stand for indefinite re-election. To this end, he was hoping that after a fresh debate on the subject in Venezuela would result in a better referendum result than in 2007. Chavez said, "I am ready, and if I am healthy, God willing, I will be with you until 2019, until 2021."

The opposition has argued that the same referendum issue cannot be voted upon twice. However, with multiple constitutional reforms on the ballot in 2007, Chavez made the counter-argument that a referendum on the single issue of re-election would not be a repeat of the previous vote. Accordingly, on Feb. 15, 2009, Venezuelans were expected to go to the polls once again to decide Chavez' fate.

Recent Developments

Ahead of the February 15, 2009 referendum aimed at changing the constitution (as discussed above), Venezuelans opposed to Chavez took to the streets to register their view that letting him run for re-election would erode the notion of democracy. But it was not just Chavez who could seek indefinite re-election according to the referendum proposal; all elected officials would be allowed the same opportunity if the measure was ratified. The strength of the "no" vote demonstrations suggested that opposition to this notion of indefinite re-election was gaining steam. Should the "no" vote prevail, Chavez, who has been in power for a decade, would have to step down in 2012. That said, polling data ahead of the referendum suggested that the "yes" vote might eke out a narrow victory.

That polling data turned out to be accurate. With most of the votes counted, at least 54 percent of voters backed the Venezuelan leader's bid to end term limits, thus setting the scene for Chavez to potentially run for re-election in 2012. For his part, President Chavez has said that he needs another term in office in order to fully achieve Venezuela's socialist revolution. Claiming victory and making clear his future intent, Chavez, standing on the balcony of the Miraflores presidential palace said, "The doors of the future are wide open...In 2012 there will be presidential elections, and unless God decides otherwise, unless the people decide otherwise, this soldier is already a candidate."

Note: Close to 65 percent of the electorate cast their votes in the referendum while international observers deemed it to be carried off in a free and fair manner.

In April 2009, the Summit of the Americas in Trinidad and Tobago was marked by a convivial handshake between President Obama and Venezuelan President Hugo Chavez. The Venezuelan leader, known for his anti-American rhetoric, reportedly offered friendship to President Obama and also gave him a book as a gift, albeit one that detailed perceived ills of American hegemony.

Nevertheless, President Chavez approached Secretary of State Hillary Clinton to tell her that he was restoring diplomatic representation in Washington. He also expressed hopes for improved bilateral relations on state television saying, "We ratify our willingness to begin what has started: cementing new relations. We have the very strong willingness to work together."

Facing criticism at home by Republicans who did not look kindly on these encounters between President Obama and President Chavez, the United States leader said, "It's unlikely that as a consequence of me shaking hands or having a polite conversation with Mr. Chavez that we are endangering the strategic interests of the United States."

Political Conditions Venezuela

Addressing his policy of international engagement, President Barack Obama said on the closing day of the summit that it "strengthens our hand" by reaching out to enemies of the United States. At an outdoor news conference in Trinidad, the American president said that the United States should be a leader and not a lecturer of democracy. Explaining the Obama doctrine of engagement, he said, "We're not simply going to lecture you, but we're rather going to show through how we operate the benefits of these values and ideals."

In August 2009, Colombia and the United States concluded negotiations on a military cooperation agreement, which would provide for United States troops to access Colombian military bases for the purpose of combating terrorism and fighting the trafficking of narcotics in the region.

Responding to this plan for a sustained United States military presence in Colombia, Venezuela announced on August 17, 2009 that it would construct 70 "peace bases" along the border with Colombia. Francisco Arias Cardenas, Venezuelan Vice **Foreign** Minister for Latin America and the Caribbean, said that the plan was part of Venezuela's initiative to promote peace and prevent conflict. But it was clear that the move was a defensive one, aimed at responding to the presence of United States troops in a neighboring country, when **Foreign** Minister Arias explained at a news conference, "Each Venezuelan has to be a soldier to defend Venezuela."

The agreement between the United States and Colombia has already caused a diplomatic contretemps in the region, resulting in late July 2009 with indications from Venezuela that it would freeze its diplomatic ties with Colombia. Then, on September 1, 2009, Venezuelan President Hugo Chavez confirmed his country would end formal diplomatic relations with Colombia. President Chavez said the move was being made in response to Colombia's decision to allow United States forces to have greater access to its military bases. Both Colombia and the United States have insisted that the deal would pose no threat to neighboring countries, and had been forged simply to improve efforts against anti-narcotics trafficking. However, regional powers, including Venezuela, have reacted with concern to the move.

In a related development, prospects of a Russian loan to Venezuela to help finance the purchase of Russian arms were being discussed on September 9, 2009. Chief Russian **foreign** policy aide, Sergei Prikhodko, said that the Kremlin was considering such a loan to Venezuela. The announcement came as Venezuelan President Hugo Chavez arrived in Moscow for meetings with Russian President Dmitry Medvedev. In addition to the possibility of an arms deal, the meeting was intended to establish multiple areas for bilateral cooperation. To that end, President Medvedev's Press Secretary Natalya Timakova said, "There are plans for the conclusion of documents and agreements on oil and gas cooperation, on ecology in the oil and gas industry, and also an agreement between the Justice Ministries."

After his trip to Moscow, President Chavez confirmed in a weekly televised address that Russia had agreed to lend Venezuela over \$2 billion for the purchase of weapons, such as 100 tanks and a series of anti-aircraft rocket systems, and were intended to boost the country's defensive capacity. President Chavez noted that the anti-aircraft rocket systems would make it difficult for Venezuela to be attacked. He said, "With these rockets, it is going to be very difficult for them to come and bomb us. If that happens, they should know that we will soon have these systems installed, [and] for an enemy that appears on the horizon, there it goes." The move appeared to be in retaliation to the aforementioned deal struck between Colombia and the United States to allow American troops access to Colombian military bases.

Tense relations between Colombia and Venezuela devolved in November 2009 when Colombia detained four members of the Venezuelan national guard on Colombian territory. Colombian authorities said the four were detained along a river in the border province of Vichada. The situation was not expected to last long since Colombian President Alvaro Uribe said they would be released and returned to Venezuela. Perhaps with an eye on calming the heightened tensions between the two countries, President Uribe said there was "unbreakable affection" between his country of Colombia and neighboring Venezuela. The incident came a week after Venezuelan President Hugo Chavez sent troops to the border region in an apparent response to an agreement forged between Colombia and the United States that would allow the American military to use Colombian bases in its anti-narcotics trafficking efforts. Venezuelan President Chavez has decried the move, charging that the agreement was part of

the United States' agenda to ultimately invade his country. This claim has been strongly denied by the United States.

The issue of Venezuela's entry into the South American trade bloc known as Mercosur trade bloc came to the fore in November 2009. On Nov. 13, 2009, the Brazilian Senate postponed a vote on the matter. The delay was due to Venezuelan President Hugo Chavez' declaration that Venezuelans should prepare for war with Colombia. At issue for President Chavez was an agreement forged between Colombia and the United States that would allow the American military to use Colombian bases in its anti-narcotics trafficking efforts. President Chavez has argued that the agreement obfuscates the United States' deeper intent to grab a foothold in South America, including the possible invasion of Venezuela. Regardless, President Chavez' declaration was viewed by the Brazilian Senate as an exercise in hyperbole and fiery rhetoric, which tainted the support of some members of the body. Already, there has been strong criticisms in Brazil regarding President Chavez' suppression of independent media and somewhat autocratic tendencies in Venezuela. There was no new date set for a vote since the immediate effort was centered on calming the situation and dispelling doubts about Venezuela's entry into Mercosur.

Editor's Note: Jointly founded in 1991 by Argentina, Brazil, Paraguay and Uruguay under the Treaty of Asuncion, Mercosur has defined itself as the trading bloc of South America. That said, Mercosur has not yet actualized the free movement of goods, capital, services and people among its member-states.

On February 12, 2010, Venezuelan President Hugo Chavez said that he wanted to govern the country till 2030, noting that it would take that period of time to consolidate his socialist agenda. President Chavez explained that the socialist project was still in its infancy, and that the achievement of socialist ideals was being compromised. He said, "The Venezuelan Socialism is just being born, but it is polluted by many vices including corruption and selfness." During his address to the celebration of Youth Day, President Chavez noted that the youth were the core of the socialist revolution of Venezuela and he condemned the opposition for trying to manipulate young Venezuelans into destabilizing the country. He also promised that Venezuela would be a world power.

Yet despite these ambitions, President Chavez was dealing with dissatisfaction from within his own ranks. A week earlier on February 5, 2010, a cadre of former aides of Hugo Chavez signed a petition calling for the Venezuelan president to resign on the basis of incompetence. The petition by former loyalists -- including former Defense Minister Raul Isaias Baduel and Hermann Escarra who was central to the crafting of the Chavez-era constitution celebrating the Bolivarian revolution -- was published in the local media. Significantly, the petition emerged after several weeks of growing public discontent and urban unrest over infrastructure needs. At issue have been the shortages of water, power and other such necessities. While the government has blamed the shortages on drought conditions, which have drained water reservoir levels, critics have charged the government with incompetence in handling these challenges.

At the height of his popularity, Chavez' appeal was founded on his record of improving the lives of ordinary Venezuelans by spending petro-dollar on the people. However, since 2009 when Chavez undertook a number of foreign trips, his popularity has dwindled with many people accusing him of neglecting the needs of Venezuelans at home.

It should be noted that apart from the charges of incompetence, the petition also chastising Chavez for having an "autocratic, totalitarian and self-centered way of governing" and for using "utterly careless" use of language, which the document said revealed the Venezuelan leader to be "intolerant, petty, hateful and resentful."

On August 26, 2010, the ruling United Socialist Party of Venezuela (PSUV) and the opposition Democratic Unity Table (MUD) began their respective campaigns ahead of the country's legislative elections to be held on September 26, 2010. At stake was the composition of the 165-seat National Assembly in which 110 of these deputies would be constituency representatives elected on a first-past-the-post system, 52 would be elected on a party list system, and three seats would be reserved for indigenous peoples. As well, 12 representatives would be chosen for the Latin American parliament.

Political Conditions Venezuela

President Hugo Chavez' PSUV was hoping for victory while the opposition MUD admitted that it faced an uphill battle against the president's party at the polls. By August 31, 2010, Venezuelan President Hugo Chavez was ramping up his support for his party ahead of the legislative elections. President Chavez traveled to various regions across the country to rally supporters and show support for allied candidates. In one of his speeches, he said, "It is necessary to avoid the opposition taking power." Then, by September 23, 2010, only days before the elections, President Chavez was participating in final rallies and expressing confidence in victory for the PSUV. Of the opposition, he said during a rally in Barquisimeto, "We're going to give them a beating." Meanwhile, the unified opposition MUD, led by Ramon Guillermo Avelado, predicted victory for his bloc saying, "It's a fight of David against Goliath, and it's going to end as the Biblical fight did."

Ahead of the elections, there was some variation in the opinion polls, given that one pollster was the government-aligned GIS XXI, which tended to elicit more pro-PSUV forecasts. The result was a somewhat skewed projection that favored President Chavez' party. Indeed, according to the newspaper Últimas Noticias, which published what it said was the result of an opinion poll by Datanalisis, the PSUV could win as many as two-thirds of seats in the National Assembly's 165 seats, which would give it a two-thirds majority. However, Datanalisis clarified this result, saying that it was an extrapolation based on the results of the last national election as well as the 2009 constitutional referendum. In the waning days ahead of the election, though, not only were other polls showing an even split between PSUV and MUD, but a full third of voters said they were uncommitted. Thus, the likely outcome of the election would depend on which direction the majority of the uncommitted voters swayed on election day.

With the votes counted on election day, it was announced that President Chavez' allies had won the election, albeit with a reduced majority in the country's legislature. The PSUV won at least 90 seats with the opposition MUD securing at least 59 seats in the 165-seat National Assembly. Rather immediately giving a victory address as in the past, President Chavez instead celebrated by sending a message via the social media site, Twitter. He said that it had been "a great day" and promised to "continue deepening Bolivarian and democratic socialism." Meanwhile, the opposition could take satisfaction in the fact that it now enjoyed healthy representation in the country's legislative body.

In mid-December 2010, Venezuelan President Hugo Chavez moved to bypass parliament and rule by decree. This type of move was not unprecedented since Chavez had done as such before. In this case, the Venezuelan leader argued that he had to deal with the national emergency of mass flooding that killed scores of people and left more than 140,000 others homeless. His critics, however, have reacted in anger and accused him of being a dictator, and financial sectors and property owners warned that Chavez would use his powers of decree to move Venezuela further down the path of nationalization. Nevertheless, their cries would not likely yield results. Instead, the head of the country's parliament said that an "Enabling Law" would be approved by Dec. 17, 2010. This "Enabling Law" would allow the president to issue decrees in a number of areas from land and housing to security.

Special Entry

A post-Chavez Venezuela?

In late June 2011, there was a sense of growing uncertainty in Venezuela over the health of President Hugo Chavez. At issue was the fact that the Venezuelan leader was in Cuba being reportedly treated for a pelvic abscess, but had not been seen in public for two weeks since having had the surgical operation. The speculation abounded that President Chavez might be seriously ill after contrasting depictions emanated from the Venezuelan authorities. On one hand, Venezuelan Foreign Minister Nicolas Maduro said that President Chavez was a "great battle" for his health. On the other hand, Vice-President Elias Jaua asserted, "We will have Chavez for a long time!" and blamed the media for rumor mongering about President Chavez' absence from the political scene.

Indeed, since traveling to Cuba for treatment on June 10, 2011, President Chavez -- no stranger to the public scene and known for his expressive nature -- had been uncharacteristically silent. There were some photographs

Political Conditions Venezuela

released showing President Chavez in a Cuban hospital being visited by the iconic former Cuban President Fidel Castro, and current President Raul Castro; however, the pictures did little to stem the growing questions about the Venezuelan leader's health, the potential power chasm of a post-Chavez Venezuela, as well as the associated matters of succession and stability.

Accordingly, President Chavez gave a televised national address on the last day of June 2011 to dispel the rumors about his health. In that speech, the visibly less robust Chavez acknowledged that he had been battling cancer, had endured two surgeries involving a tumor, and was now on the road to recovery.

At the start of July 2011, the Venezuelan leader returned from Cuba to celebrate the country's 200th anniversary of independence. He was met by throngs of jubilant supporters. Speaking from inside his presidential palace, President Chavez said: "Here I am -- in recovery but still recovering." His return to Venezuela in time for the independence celebration appeared intended to quell anxiety about a possible chasm in the country that was sparked with his health crisis.

Still, President Chavez was being faced with prolonged cancer treatment (possibly radiation therapy or chemotherapy) ahead of the next presidential election to be held in 2012. That treatment was reported by the president to be successful. Accordingly, the incumbent Venezuelan leader said that he intended to seek a third six-year term.

Note that in February 2012, the Venezuelan opposition selected state Governor Enrique Capriles Radonski as its candidate to contest the presidential election against incumbent President Hugo Chavez. Capriles Radonski garnered a decisive victory over his rivals in the primary race -- an unprecedented event in its own right since opposition ranks have tended to be fragmented. Now, there were high hopes that Capriles Radonski -- as the standard bearer of a united opposition known as the Coalition for Democratic Unity (MUD) -- could launch a competitive campaign against President Chavez.

Capriles Radonski -- a young governor of the Miranda state -- promised political change, while simultaneously indicating that the social programs implemented by Chavez would be preserved. Of course, this latter claim appeared intended to blunt President Chavez' warning that failure to re-elect him would result in the decimation of the country's popular social programs.

In March 2012, Venezuelan President Hugo Chavez disclosed in a televised appearance that the cancer with which he was diagnosed in mid-2011 had returned. Chavez, who had surgery in Cuba, said that tests showed that there was no metastasis to organs near the tumor, and that his doctors in Havana were "very optimistic" about his prognosis. According to reports by El Universal, Chavez was expected to undergo radiation therapy. El Nacional reported that Chavez anticipated a "sustained and progressive" recovery. It was yet to be seen if Chavez' health challenges would affect his prospects of re-election.

For his part, President Chavez still maintained healthy approval ratings north of the crucial 50 percent mark nine months ahead of the election, which was set for October 2012.

In mid-2012, the impeachment of President Fernando Lugo in Paraguay was having a regional effect in South America. Many of Paraguay's neighbors in the hemisphere believed that the right-wing opposition, which has been used to dominating the power ranks in Paraguay, has been trying to circumvent democracy by ousting the country's first left-wing president from office. The regional bloc, Mercosur, had moved to suspend Paraguay from its body, due to outrage over what it saw as an unconstitutional transition of power. But with Paraguay now out of the Mercosur scene, some left-leaning Mercosur powers (Brazil and Argentina) were using the opportunity to bring Venezuela into the fold -- a move long opposed by Paraguay. Indeed, the South American trading bloc would welcome Venezuela on July 31, 2012, at a meeting in Brazil. In an interview with Telesur television, Venezuelan President Hugo Chavez said: "This is a historic day for ... integration/ This is win-win for everybody."

Note: On July 31, 2012, Venezuela officially joined the Mercosur trading bloc. At a ceremony in Brazil, Venezuelan President Hugo Chavez said: "We have waited for this day for many years. This is our path, it is our project, a South American union."

Primer on 2012 Presidential Election

Summary:

A presidential election was held in Venezuela on Oct. 7, 2012. Incumbent President Hugo Chavez was seeking re-election against opposition leader Enrique Capriles. After the polls closed, Venezuelan electoral officials announced that President Hugo Chavez had won a fourth term in office, defeating his most formidable rival to date -- Capriles. Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

Background:

A presidential election was scheduled to be held in Venezuela on Oct. 7, 2012. In Venezuela, presidents are elected for six-year terms (previously five-year terms) by universal suffrage.

Incumbent President Hugo Chavez was first elected in 1998; after a constitutional referendum the next year, Chavez decided to strengthen his mandate by having the presidency contested once again in the 2000 elections. As expected, Chavez was re-elected to power in 2000 for a six-year term. He claimed an overwhelming victory in a "recall" referendum in 2004, which effectively ratified his presidency, to the great consternation of his detractors. Chavez was re-elected in 2006; the election outcome in 2006 showed a landslide victory of 62.9 percent of the vote share against Manuel Rosales who took 36.9 percent. This result appeared to indicate that Chavez had actually gained popularity over time, ultimately improving successive election performances. Now, in 2012, Chavez was again seeking another term in office despite health complications stemming from a tough battle with cancer.

In the elections to be held on Oct. 7, 2012, President Hugo Chavez, the candidate of the ruling United Socialist Party of Venezuela, would face Enrique Capriles Radonski, the candidate of the opposition Coalition for Democratic Unity. That coalition was composed of more than 30 opposition parties. Describing his campaign agenda, Capriles said he would fight crime and root out corruption were he to win the presidency.

Note that in June 2012, polling data by the respected local outfit, Datanalisis, showed President Chavez holding a lead over Capriles. The poll found that 43.6 percent of voters favored Chavez versus 27.7 percent for Capriles. It would seem that even in the face of his battle with cancer, the incumbent remained popular in Venezuela, quite likely due to his Bolivarian Revolution-inspired welfare policies that have benefited that less wealthy echelon of Venezuela's population. Indeed, the president's decision to use oil wealth to help the poor has no doubt augmented an emotional connection between Chavez and a large swath of the Venezuelan people.

That being said, Capriles has his own base. As a young man of 39 years of age, he was attracting educated youthful voters, and enjoying a popular following on the campaign trail. His campaign was founded on the argument that Capriles would better manage the government, including its popular established social programs. It was to be seen if this argument would gain resonance. With the undecided segment of the population standing at 28.7 percent, Capriles had a lot of room to grow his support ahead of election day in October 2012.

Capriles enjoyed encouraging news as June 2012 came to a close when a new poll showed him only narrowly trailing President Chavez. Polling outfit Consultores 21 said that according to its most recent survey, Chavez held a

Political Conditions Venezuela

lead of just under four percent over Capriles. This result was quite a contrast from other polls that showed the incumbent president with double digit leads. Consultores 21 showed 47.9 percent of voters favoring Chavez, while 44.5 percent favored Capriles.

Polling data in mid-2012 showed Chavez with a 15 percentage-point lead over opposition challenger Capriles. According to the pollster, Datanalisis, Chavez enjoyed the backing of 46.1 percent of respondents, whereas Capriles had 30.8 percent of support. Of course, as noted just above, another respected pollster has been showing a far closer race with Capriles in a competitive position against Chavez.

By September 2012, a month ahead of the presidential election, polling data continued to show an advantage for incumbent President Chavez. A poll by International Consulting Services (ICS) showed Chavez on track to securing more than 60 percent of the vote share and Capriles trailing significantly with less than 40 percent. President Chavez was not taking victory for granted, and in an address to his supporters, he spoke of the opposition base as follows: "We must not underestimate them." Meanwhile, Capriles sounded the sentiment of confidence saying to his support base, "We have no doubt that the road we are on arrives at a single destination, and that's victory on Oct. 7."

As September 2012 came to a close, the election season in Venezuela turned violent. Only one week ahead of the presidential election, two opposition politicians were killed during a campaign rally. Antonio Valero of the opposition party, First Justice, and Omar Fernandez, an independent, were campaigning in the state of Barinas when they were shot to death by gunmen. According to First Justice, the men were in Barinas for a planned rally but their route was blocked by pro-government supporters. As Valero and Fernandez attempted to gain access to their rally route, they were shot by the aforementioned gunmen inside a van.

As regards policy, Chavez was continuing his pledge to continue Bolivarian Revolution-inspired welfare policies, and introduced a new proposal to eliminate homelessness within a decade. His commitment to the poor and working class was bolstered by leaked revelations that the opposition, if elected, had plans to cut food programs and increase the price of public transportation. In a strategic move, Capriles appeared to shift his campaign priority to that of foreign policy, arguing for an improved standing in the global community, and distancing Venezuela from pariah nation states, such as Iran and Belarus. In an interview with the British newspaper, The Guardian, Capriles said: "How have relations with Iran and Belarus benefited Venezuela? We are interested in countries that have democracies, that respect human rights, that we have an affinity with. What affinity do we have with Iran?"

At the start of October 2012, just days before election day, Chavez was believed to have the edge, according to at least one pollster. The well-established pollster, Datanalisis, found in its final polls that Chavez had a ten point lead over Capriles; he was in the lead with 47 percent of support from voters, as compared with 37 percent for Capriles. Of course, as before, the pollster, Consultores 21, showed a much closer race with both men in a dead heat. If Consultores 21 was correct in its forecast, the presidential race remained wide open and Capriles could well manage an upset victory over Chavez. Still, the general consensus was that the incumbent Venezuelan president was on track to be re-elected to power.

There was a long wait for the polls to close in Venezuela on election day, marked by long queues at polling stations across the country. Reuters reported that local analysts who were monitoring the election were anticipating a close finish. For his part, Chavez said that he intended to honor the intent of the voters, irrespective of whether or not his bid for re-election was successful. After a long wait on the night of the election, the results were finally announced: President Hugo Chavez won a fourth term in office, defeating his most formidable rival to date, opposition leader Henrique Capriles. Venezuelan electoral officials announced that voter turnout was 80 percent, and Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

Political Conditions Venezuela

Jubilant supporters of Chavez took to the streets of Caracas to celebrate, while reporters on the ground in Venezuela said there was a palpable sense of heartbreak amongst the Capriles camp.

Special Report:

Death of Chavez; Venezuela braces for snap election and post-Chavez future

Summary:

On March 5, 2013, Venezuelan President Hugo Chavez died at a hospital in his homeland after a lengthy battle with cancer and an extended post-surgery recovery period in Cuba. The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration (as discussed below). Now, with Chavez having died, it was assumed that after a period of national mourning, attention would shift to the question of political leadership in Venezuela. To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition. A snap election was expected to be held in April 2013 featuring a match up between Maduro and opposition leader, Henrique Capriles.

It was also to be determined if Chavez' Bolivarian Revolution would be sustained in the aftermath of his presidency.

In Detail:

At the start of March 2013, Venezuelan Vice President Maduro characterized President Hugo Chavez as "battling for his life." The Venezuelan leader had by this point returned to his homeland of Venezuela after a lengthy stay in Cuba where he had been battling the ravages of cancer, a difficult surgery, and post-surgical complications. The president's recovery prevented him from attending the scheduled presidential inauguration at the start of 2013. President Chavez' return to Venezuela and his continued health complications would no doubt re-ignite questions about whether he was fit for office and the delayed inauguration, as well as calls from the opposition for fresh elections.

President Chavez' health issues have, for some time, created political problems on the Venezuelan scene. Going back to late 2012, President Chavez was recovering from surgery in Cuba as he battled his latest bout with cancer. On Dec. 12, 2012, Vice President Nicolas Maduro -- Chavez' named successor -- warned that the Venezuelan leader had undergone "complex, difficult, delicate" surgery in Cuba and that he faced a tough recovery. Maduro offered his remarks during an emotional speech before the National Assembly. By the start of 2013, Chavez was reportedly still in Cuba in serious condition, suffering from post-surgical complications and a severe respiratory infection.

It should be noted that Hugo Chavez won a decisive re-election victory only months prior in October 2012 and was scheduled to be inaugurated into power for another term in office in January 2013. On Jan. 8, 2013, two days before inauguration day set for Jan. 10, 2013, it was announced that the swearing in ceremony would be delayed and that a future inauguration would take place before the Supreme Court, which the government said would be consistent with constitutional provisions.

Perhaps not surprisingly, the opposition responded to the news with outrage and insisted that Chavez be sworn in before the National Assembly on Jan. 10, 2013, or, step aside from power. If Chavez resigned from office before being inaugurated to another term, then Vice President Maduro would step into the role of interim president until Jan. 10, 2013; at that time the leader of the National Assembly (Diosdado Cabello) would become leader of

Political Conditions Venezuela

Venezuela until the time of a new election. But such an outcome was unlikely as the National Assembly voted to give Chavez time needed to recover from illness and delay the swearing in ceremony.

As well, Venezuela's Supreme Court offered the final legal word on the matter when it ruled that the postponement of President Chavez's inauguration for a new term in office was completely legal. Supreme Court President Luisa Estella Morales delivered the unanimous judicial ruling in a nationally-broadcast statement, saying that President Chavez could take the oath of office at a later date under the aegis of constitutional provisions. She further noted that the re-election of Hugo Chavez validated continuity of the current government, and said it was "absurd" to characterize Chavez's treatment for cancer in Cuba as an unauthorized absence.

Jan. 10, 2013 -- the original date scheduled for the inauguration -- passed without Chavez being sworn into office. However, with the Supreme Court essentially "blessing" the delay of the inauguration, it appeared that the government's actions were of good legal standing.

Meanwhile, the Venezuelan opposition was demanding further information about Chavez' health. Opposition leader Ramon Guillermo Avelado suggested that if Chavez was too ill to return from Cuba for his own inauguration, then fresh elections should take place in Venezuela. But the country's information minister, Ernesto Villegas, said in a national broadcast that the government was keeping people informed about the health status of Chavez. He said, "The government of the Bolivarian Republic of Venezuela is complying with its duty to inform the Venezuelan public and our sister nations about the clinical progress of President Hugo Chavez." Villegas further noted that detractors were trying to destabilize the country.

From mid-January 2013 through February 2013, the Venezuelan government was insisting that President Chavez was responding favorably to treatment in Cuba. Communication and Information Minister Ernesto Villegas delivered a statement on national radio and television that included the following assertion: "Despite his poor health after complex surgery last Dec. 11, in recent days the overall clinical outcome was favorable." He continued, "[The] respiratory infection is controlled, although the ... president still requires specific measures for the settlement of respiratory failure. The president is aware, in touch with his family, with his political team and the attending physician team, to keep abreast of the information of interest." Vice President Nicolas Maduro was asserting that Chavez had completed his post-surgery recovery. As reported by RIA Novosti, Maduro said: "Fortunately, the post-surgery cycle is now over, and the president has entered a new stage of his treatment, gradually recovering and getting stronger."

As noted above, without any alert to the people of Venezuela or the media, President Hugo Chavez returned home to Venezuela in the early hours of Feb. 18, 2013. While the Venezuelan leader offered no immediate address to the nation, he took to the social media outlet, Twitter, to announce his return and extend his gratitude to Venezuelans for their support saying: "We have arrived back in the land of Venezuela. Thank you Lord!! Thanks to my beloved people!! We will continue our treatment here." President Chavez also expressed his thanks to Cuban President Raul Castro and former Cuban President Fidel Castro.

There was no further information about his political future, including a new inauguration date. However, his final tweet suggested that President Castro remained in the political game as he declared: "Onwards to victory!! We will live and we will overcome!!!"

Please note that the Venezuelan government acknowledged that President Chavez continued to be treated for post-surgical respiratory problems. A statement from Information Minister Ernesto Villegas in late February 2013 read as follows: "The respiratory deficiency that arose in the course of the post-operative period persists, and its tendency has not been favorable, for which reason he continues to be treated. The patient stays in touch with his relatives, the government's political team and is in close collaboration with his treating medical staff."

By the start of March 2013, Vice President Maduro in nationally televised remarks said that President Chavez was "battling for his life." Maduro suggested that Chavez' health problems were derived from the president's commitment to the country, saying, "He completely surrendered body and soul and forgot all his obligations to himself in order to give himself to the homeland." On March 4, 2013, media reports were emerging the president's breathing problems were getting worse. Finally, on March 5, 2013, Venezuelan media was reporting that the fiery leader had died after a long battle with cancer.

The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration (as discussed above). Throughout the period of declining health for Chavez, the opposition relentlessly demanded proof that the president was still alive. Vice President Maduro addressed those detractors, referring to them as "traitors who will never believe in anything."

But all Venezuelas and the world were compelled to face the reality on March 5, 2013 that Chavez had lost his health battle. His body laid in state with distraught and emotional Venezuelans paying their respects and mourning his loss. The state funeral for the late Venezuelan president took place on March 7, 2013. Several world leaders attended the sombre occasion including Argentine President Cristina Fernandez de Kirchner, Bolivian President Evo Morales, Uruguayan President Jose Mujica, Mexican President Enrique Pena Nieto, Chilean President Sebastian Pinera, and Colombian President Juan Manuel Santos. Also in attendance were Cuban President Raul Castro, Iranian President Mahmoud Ahmadinejad, and Belarusian President Alexander Lukashenko.

With Chavez having been laid to rest, it was assumed that after a period of national mourning, attention would shift to the question of political leadership in Venezuela. To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition.

The opposition had argued that with Chavez' death, it was not Vice President Maduro but National Assembly President Diosdado Cabello who was constitutionally permitted to become interim president.

However, Cabello was an ardent Chavez loyalist and unlikely to deter from the late president's wishes that Maduro take up the leadership mantle. Ahead of Maduro's swearing in ceremony, which Cabello himself led in the legislature, the National Assembly president said:

"We have a great desire to meet the commander's instructions." The Supreme Court underlined Maduro's legitimacy and authority by ratifying the inauguration of Maduro as "acting president" under the aegis of Article 233 of the constitution, which "ceases" his previous post of vice president and enshrines him with "all the constitutional and legal attributions as chief of state." For his part, Maduro held a copy of the Venezuelan constitution in his hand and declared:

"I swear in the name of absolute loyalty to Comandante Hugo Chavez that we will obey and defend this Bolivarian Constitution with the hard hand of the free people."

A snap presidential election was expected to be held in 30 days. April 2013 was, therefore, the likely timeline for a presidential match up between Maduro and opposition leader, Henrique Capriles.

Would Vice President Maduro win the presidency, presumably with an eye on continuing the Chavez legacy? Or might opposition leader, Capriles, finally achieve the goal which eluded him to date? It was also to be determined if

Political Conditions Venezuela

Chavez' Bolivarian Revolution, marked by its welfare policies, would be sustained in the aftermath of his presidency.

Editor's Note:

President Hugo Chavez was first elected to power in 1998; after a constitutional referendum the next year, Chavez decided to strengthen his mandate by having the presidency contested once again in the 2000 elections. As expected, Chavez was re-elected to power in 2000 for a six-year term. He claimed an overwhelming victory in a "recall" referendum in 2004, which effectively ratified his presidency, to the great consternation of his detractors. Chavez was re-elected in 2006; the election outcome in 2006 showed a landslide victory of 62.9 percent of the vote share against Manuel Rosales who took 36.9 percent. This result appeared to indicate that Chavez had actually gained popularity over time, ultimately improving successive election performances. In 2012, Chavez was again decisively re-elected to another in office -- this time with 55 percent -- despite health complications stemming from a tough battle with cancer. As discussed here, Chavez' inauguration in early 2013 was delayed due to health complications. That postponed inauguration would never actually take place since the fiery Venezuelan leader have died on March 5, 2013. Chavez was not one to evoke lukewarm responses from fellow Venezuelans; the working class and impoverished masses of Venezuela have long viewed Chavez as their political hero and advocate; by contrast, the professional "white collar" echelons of Venezuelan society have railed against him for decimating the energy economy and presiding over what they see as a slide into autocracy. Regardless of the contrasting views, the fact of the matter was that Hugo Chavez would go down in history as a modern political icon, not only in Venezuela but in Latin America at large.

Primer on 2013 presidential election in Venezuela

A snap presidential election was set to be held in Venezuela in April 2013 in the aftermath of the death of President Hugo Chavez Frias, who served from Dec. 6, 1998 until his death on March 5, 2013. At stake would be the presidency of the country. In Venezuela, the president is elected by popular vote for a six-year term and the president serves as both head of state and head of government.

It should be noted that the last presidential election was held in Venezuela on Oct. 7, 2012. President Hugo Chavez was seeking re-election against the opposition leader, Enrique Capriles. After the polls closed in that 2012 election, Venezuelan electoral officials announced that President Hugo Chavez had won a fourth term in office, defeating Capriles, his most formidable rival to date. Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

On March 5, 2013, President Chavez died at a hospital in his homeland after a lengthy battle with cancer and an extended post-surgery recovery period in Cuba. The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration ceremony, which never took place due to his passing. With Chavez having died, Venezuela went into a period of national mourning. But soon, attention was shifting to the question of political leadership in Venezuela.

To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition. The ranks of the opposition argued that with Chavez' death, it was not Vice President Maduro but National Assembly President Diosdado Cabello who was constitutionally permitted to become interim president.

However, Cabello was an ardent Chavez loyalist and unlikely to deter from the late president's wishes that Maduro take up the leadership mantle. Ahead of Maduro's swearing in ceremony, which Cabello himself led in the legislature, the National Assembly president said:

"We have a great desire to meet the commander's instructions." The Supreme Court underlined Maduro's legitimacy and authority by ratifying the inauguration of Maduro as "acting president" under the aegis of Article 233 of the constitution, which "ceases" his previous post of vice president and enshrines him with "all the constitutional and legal attributions as chief of state." For his part, Maduro held a copy of the Venezuelan constitution in his hand and declared:

"I swear in the name of absolute loyalty to Comandante Hugo Chavez that we will obey and defend this Bolivarian Constitution with the hard hand of the free people."

A snap presidential election was expected to be held in 30 days making April 2013 the likely timeline for a presidential match up between Acting President Nicolas Maduro and the opposition leader, Henrique Capriles. Maduro -- a former bus driver and Chavez stalwart -- would be aided by the loyalty of pro-Chavez voters and the so-called "sympathy" climate in the aftermath of Chavez's death. However, Maduro was not known to possess the charisma of Chavez and would be up against Capriles -- the young and charismatic governor of the Miranda state -- who had seen the strongest opposition candidate performance in the previous 2012 presidential election. Would Vice President Maduro win the presidency, presumably with an eye on continuing the Chavez legacy? Or might opposition leader, Capriles, finally achieve the goal which eluded him to date? It was also to be determined if Chavez' Bolivarian Revolution, marked by its welfare policies, would be sustained in the aftermath of his presidency.

In mid-March 2013, a month ahead of the fresh Venezuelan presidential election, polling data indicated that Maduro had a commanding -- double digit -- advantage over Capriles. According to survey data by the respected polling outfit, Datanalisis, Maduro registered 49.2 percent in the preferences of voters as compared with Capriles who had 34.8. As April 2013 began, and with the election only two weeks away, Maduro's lead was holding steady. Polling data by Hinterlaces showed Maduro on track to secure 55 percent of the vote -- a full 20 percent ahead of Capriles with 35 percent. But as election day drew closer, the polling data indicated a closer race might be in the offing.

Maduro was campaigning heavily on the promise of preserving the Chavez legacy. Maduro began the official start of the election campaign in the central state of Barinas -- the birthplace of Chavez. Making clear the symbolism of starting the campaign in the heart of Chavez territory, Maduro said: "We come to make a commitment to the land of his birth. We'll never fail to continue until the end of socialism construction." Maduro also promised that he would be elected president "in the name of Commander Hugo Chavez and his dream of protecting the people."

For his part, Capriles began the official election campaign in the northeastern state of Monagas, and reminding voters to go the polls and cast their ballots in order to help him win the election. Capriles said, "I'm not opposed. I am the solution to problems in Venezuela, but I only need each one of you."

He also chastised Maduro and the ruling party for having no plan for the future and, instead, hiding behind the memory of Chavez.

On April 9, 2013 -- less than a week ahead of election day -- the political landscape was dominated by an agreement formalizing the two candidates' commitment to respect the rulings of the National Electoral Council as the electoral arbiter and recognizing the election results. While Maduro signed the pact and said he would abide by its provisions, Capriles refused to sign the agreement and instead accused the National Electoral Council of being biased in favor of Maduro and the ruling party.

The dissonance over the aforementioned pact aside, the election was going forward as planned with international observers in Venezuela to witness the vote. As well, the voting procedure appeared to be a sophisticated operation

Political Conditions Venezuela

in which voters would cast their ballots electronically with a process for identity verification. Indeed, there would be voting machines intended to identify voters' fingerprints, and other voting machines intended to recognize identity card numbers and register votes anonymously.

On April 14, 2013, Venezuelans went to the polls to answer the question of whether Chavez' legacy and the Bolivarian Revolution would be ratified with a win for Maduro, or, if citizens would choose to chart a new path for Venezuela. Voter turnout was high with 80 percent of eligible voters participating in the election. After the polling stations closed and the votes were counted, Maduro appeared to have won a narrow victory over Capriles.

According to the country's National Electoral Council, Maduro secured close to 51 percent of the vote share with Capriles taking 49 percent. The vote outcome was far closer than the pre-election polling data had indicated, but nonetheless was deemed "irreversible" by the electoral authorities. Supporters of Maduro celebrated in the capital city with fireworks while opposition supporters registered their disappointment by banging on pots and pans, according to a report by Reuters News.

Maduro seemed satisfied with his election performance -- the narrow margin of victory notwithstanding. At a rally in front of his supporters at the presidential palace, Maduro draped himself in the colors of the Venezuelan and declared that he had won a "just, legal and constitutional" victory. Maduro also acknowledged the narrow margin of victory, the need for fair play at the end of a close election, and the fact that every vote counts in democratic elections. He said, "If I had lost by one vote, I would have accepted my responsibility immediately."

Maduro additionally said that he had spoken with Capriles on the phone, and that the opposition requested an audit of the election result; Maduro noted that he had no objection to that course of action. Vicente Diaz, the director of the National Electoral Council, confirmed that a recount would go forward. He said, "Given the close electoral result and the fact that we live in a polarized country, I would like to request that 100 percent of the ballot boxes be audited."

For his part, Capriles was refusing to accept the election result and refining his call for an audit; now, he was demanding a manual recount "vote by vote." He said, "We believe we have won the elections, and the other camp also think they won. We have a right to demand a recount."

It should be noted that while Diaz, the director of the National Electoral Council, had confirmed that a recount would go forward, the president of the National Electoral Council, Tibisay Lucena, made it clear that a hand recount was not in the offing. She said, "A recount would mean going back to the manual counting of votes, which is very vulnerable." Instead, she pointed to Venezuela's automated voting system, which yields two records of every vote cast -- one recorded by the voting machine itself and a second printed receipt. She also announced the certification of the election result, which gave a narrow victory to Maduro. The presentation of a certified election result with Maduro as the winner resulted in street protests and a handful of deaths.

Soon thereafter, it was decided that Venezuela's presidential election results would be electronically audited in the presence of opposition monitors on hand. Lucena announced that the National Electoral Council would undertake this action -- which was to be distinguished from a hand recount -- following the inauguration of Maduro. Capriles responded to the news by saying that the audit, which would involve counting ballots in 12,000 voting boxes, would be welcomed. He said, "We accept this audit because we think the problem is in those 12,000 boxes. With this, we're where we want to be." But Capriles later reversed this position, stating instead that the opposition wanted a full recount.

It should be noted that Maduro was officially inaugurated into office on April 19, 2013. He would serve in office until 2019 -- completing the six-year term that the late President Chavez would have begun in January 2013. Maduro

Political Conditions Venezuela

would be tasked with rescuing the country from its economic woes, its ailing energy sector, improving the infrastructure, while continuing the social welfare promise of Chavez' Bolivarian Revolution.

Even after Maduro's inauguration (discussed below), the political drama continued to mark the Venezuelan landscape. On April 29, 2013, the National Electoral Council

began its audit of the ballots and concluded Maduro had indeed won the election, although his margin of victory was narrowly minimized to 1.5 percent. Capriles kept up his objections, saying the audit was "fake" and threatening to take his claims to the Supreme Court of Justice. The acrimony played out in the country's National Assembly on May 1, 2013 when opposition lawmakers unfurled a banner that read, "Parliamentary Coup" and blew whistles to protest an already-passed measure mandating members of parliament to recognize Nicolas Maduro as president before being able to speak in the chamber. A bloody brawl then erupted as members of the ruling United Socialist Party responded to these acts. The theatrics were caught on camera and a clip was shown on the independent television station, Globovision. Meanwhile, on state television, pro-government legislators were shown accusing "fascist" opposition lawmakers of attacking them.

By the start of May 2013, the Venezuelan opposition was making it clear that it intended to challenge the election results, irrespective of Maduro's inauguration. To that end, the opposition formally launched an appeal at the Supreme Court of Justice. The appeal was crafted in such a way as to challenge the entire electoral process. For his part, Capriles said that he had "no doubt" that his case would "end up in the international arena" and urged his supporters to participate in peaceful protests.

Update:

In November 2013, Venezuelan President Nicolas Maduro secured special executive powers following a ratification vote by the country's National Assembly. Of significance was the fact that President Maduro would be positioned to govern without consulting the Congress for 12 months. For his part, President Maduro said he would use his new power to control inflation and to advance a "ground-shaking" anti-corruption offensive.

At issue were massive food and goods shortages in Venezuela, electrical power outages, and an astronomical 54 percent rate of inflation in a country seeming rocked by economic mismanagement. The Congress' decision was intended to facilitate an easier path for the president to address these structural problems plaguing the country. However, critics of the government have noted that since it was the leadership of the country, with its own policy prescription, which set Venezuela on this path in the first place, the hopes for success were low. That being said, Maduro's supporters pointed to the fact that he would now be able to force retailers to reduce their prices via the so-called "Ley Habilitante" or "Enabling Act," and his government could impose controls over the sale of foreign currency to deal with the growing black market of dollars.

Special Note:

Unrest in Venezuela --

February 2014 saw protests erupt in Venezuela. Thousands of Venezuelans took to the streets in demonstrations to register their discontent over economic mismanagement, disturbingly high inflation, the alarming rise in the rate of crime, and electrical power shortages. The demonstrations led to clashes between protesters and police, and at least three people were reported to have died as a result.

Political Conditions Venezuela

The Venezuelan opposition said the three victims died at the hands of pro-government militias known as "colectivos."

For its part, the government of Venezuela has placed the blame for the political turbulence rocking the country on a number of sources -- the political opposition, "saboteurs," "profit-hungry corrupt businessmen," "fascists," the former Uribe government of Colombia, and even United States agents in cahoots with local university personnel.

Aiming at one of the more accessible targets, a court in Venezuela issued an arrest warrant for opposition leader Leopoldo Lopez, who was the apparent organizer of the protests. According to the Venezuelan government, Lopez -- the former mayor of the Chacao district of eastern Caracas -- was responsible for inciting violence and was plotting a coup against President Nicolas Maduro. As such, Lopez was to be detained on multiple charges, including murder and terrorism.

It should be noted that Lopez was in hiding and released a videotaped message in which he denied committing any crimes and intimated that he would be present at forthcoming protests. Lopez also

challenged the Venezuelan authorities to make good on the arrest warrant against him. The opposition leader said in the videotaped message: "I want to invite all of you to join me on a march on Tuesday from Venezuela Square [in central Caracas] towards the Justice Ministry building, which has become a symbol of repression, torture and lies." He also urged his supporters in attendance to wear white as a symbol of the commitment to peace. Lopez affirmed his presence at the forthcoming demonstration saying, "I will be there to show my face. I have nothing to fear. I have not committed any crime. If there is any order to illegally arrest me, well, I will be there."

Rival pro-government marches were also going on with supporters of President Maduro dressed in Venezuela's national colors of blue, yellow, and red. On Feb. 15, 2014, at one such pro-government march, Maduro himself addressed the crowds and instead of appealing for calm, he appeared to spark a political confrontation in the politically polarized country when he said, "I call all the people to the streets in order to defend peace." Maduro on this occasion also placed the blame for the unrest in Venezuela on "fascists," including the former center-right president of Colombia, Alvaro Uribe, who was politically opposed to Maduro's predecessor, the late President Hugo Chavez. Speaking of former President Uribe, Maduro charged, "Alvaro Uribe is behind this, financing and directing these fascist movements."

Meanwhile, with an eye on quelling the spirit of discontent, the government moved to ban the media coverage of the protests and even went so far as to block access to the social media venue, Twitter. It should be noted that Twitter was used as a mechanism for communication and organization during popular social and political movements across the world, including the so-called "Arab Spring." Youth reformists in Tunisia, Libya, and Egypt all leveraged the technological capacity of Twitter to organize on behalf of their democratic aspirations. But in Venezuela, which prides itself as being a democracy, access to social media communication -- as well as orthodox media -- was being controlled by the government.

Instead of facilitating the free expression of dissent, the Maduro government in Venezuela was actually exploiting the protest movement, and using it as a rationale to crack down on the opposition. Indeed, there were emerging fears that President Nicolas Maduro would extend emergency powers and move in the direction of mass arrests.

These developments highlighted already-simmering doubts about the capacity of President Nicolas Maduro to effectively govern in Venezuela. After the death of President Hugo Chavez, Maduro -- a former bus driver and union activist -- narrowly won the presidential election against Henry Capriles. That close election result revealed that the leftist Bolivarian Revolution championed by Chavez was, to some degree, supported by the late president's personal charisma and Maduro's identity as Chavez' successor was not a particularly marketable one.

Political Conditions Venezuela

Stated differently, in the post-Chavez era, the leftist policies of the former Venezuelan leader were not quite as popular with Maduro as the standard bearer. Moreover, Maduro's inability to address the socio-economic problems facing Venezuela -- from rampant crime to shortages and inflation -- only emphasized the problems of political mismanagement and fueled the opposition's claims that leftist policies had brought Venezuela to the brink of collapse. As such, there was a clear opening for the opposition to achieve in a future election what had been denied in recent years: success at the ballot box. But in the meantime, Venezuela was dealing with a leader who showed signs of volatility, especially as his grip on power was being challenged in the public square. Some analysts were viewing Maduro as more emphatically autocratic than even Chavez and completely lacking the former president's charm.

Those doubts were heightened on Feb. 16, 2014, when President Maduro opted to expel three United States consular officials on the basis of claims that their actual purpose was to work in a clandestine manner at universities to spark unrest. Venezuelan authorities charged that the three diplomats recruited university students to lead demonstrations. **Foreign** Minister Elias Jaua further accused the three consular staffers of using visa visits to universities as a pretense for advocating student protests. He said, "They have been visiting universities with the pretext of granting visas. But that is a cover for making contacts with (student) leaders to offer them training and financing to create youth groups that generate violence."

In a televised address, President Maduro announced the rationale behind the expulsion of the three American diplomats as follows: "It's a group of **U.S.** functionaries who are in the universities. We've been watching them having meetings in the private universities for two months." Striking a nationalist and populist chord, Maduro added: "Venezuela doesn't take orders from anyone!" For its part, United States Department of State spokesperson, Jan Psaki, said, "The allegation that the United States is helping to organize protesters in Venezuela is baseless and false." President Barack Obama also entered the fray by criticizing the Maduro government for arresting protesters and urging the Venezuelan authorities to concentrate on the "legitimate grievances" of its people rather than "making up false accusations" about United States diplomats. He also called on all interested parties to engage in a real dialogue, saying, "All parties have an obligation to work together."

It should be noted that the United States was more concerned about the arrests of anti-government protestors and the apparent targeting of the opposition leader than the expulsion of its three consular officials. In a statement from the United States Department of State, Secretary of State John Kerry expressed his country's concerns about the devolving political landscape in Venezuela. His statement read as follows: "We are particularly alarmed by reports that the Venezuelan government has arrested or detained scores of anti-government protestors and issued an arrest warrant for opposition leader Leopoldo Lopez."

Note that on Feb. 18, 2014, Venezuela opposition leader Lopez turned himself into the National Guard. Lopez, who was wanted on charges of inciting murder and terrorism as well as sedition, conspiracy, and damage to public property, submitted to the authorities after addressed thousands of supporters at a mass gathering in Caracas. In his address, Lopez denied the charges against him and declared: "I present myself to an unjust judiciary. They want to jail Venezuelans who want peaceful, democratic change." Lopez, who had asked his supporters to take to the streets in protest, later instructed them not to place their lives at risk and refrain from marching towards areas where pro-Maduro rallies were taking place. He said via Twitter: "I will walk alone. I won't put any Venezuelan lives at risk. Go Venezuela!" Lopez also urged Venezuelans to continue the fight to liberate the country from the socialist government of Maduro.

President Maduro was himself addressing his own supporters at a rally and declaring that Lopez would face justice. The president said of the opposition leader: "He must answer before the prosecution, the courts, the laws his calls to sedition, his unawareness of the constitution." A Venezuelan court soon ordered that Lopez remain in custody pending further hearings.

Political Conditions Venezuela

Late on Feb. 19, 2014, violence was flaring on the streets of Caracas once again with several deaths reported. President Maduro continued to dismiss the opposition movement while asserting his authority. He declared, "We cannot underestimate those fascist groups whose boss is behind bars...I'm not playing with democracy. I do not accept that they challenge the Venezuelan people and our constitution." In a subsequent speech, Maduro also denounced the protests, accusing right-wing groups backed by the United States of being behind the violence and seeking to destabilize Venezuela. He said, "We have a strong democracy. What we don't have in Venezuela is a democratic opposition."

It was not clear if the president of Venezuela himself had an understanding of the tenets of democracy when he threatened to expel the United States news cable network, CNN, from the country for its reporting of the protests. President Maduro warned that he would take action against CNN if it failed to "rectify its coverage." He said, "Enough war propaganda, I won't accept war propaganda against Venezuela. If they don't rectify themselves, out of Venezuela, CNN, out." The threat was not likely to be taken lightly as several days earlier, the government removed a Colombian news channel from the list of options offered by Venezuelan cable television outlets. Indeed, by Feb. 21, 2014, the government of Venezuela had revoked the accreditations of CNN reporters covering the crisis.

For his part, Venezuelan President Maduro called on United States President Barack Obama to assist in negotiations aimed at resolving the escalating tensions between the two countries. Maduro issued this invitation only after expelling two United States diplomats and the United States-based cable channel from Venezuela, and in the wake of accusations that United States operatives at universities were behind a plot to overthrow his government. Maduro said: "I call for a dialogue between Venezuela and the United States and its government...Let's initiate a high-level dialogue and let's put the truth out on the table." He suggested that such talks would be "difficult and complex" unless the United States accepted "the full autonomy and independence of Latin America."

On behalf of the United States, Secretary of State John Kerry disparaged the heavy-handed tactics of Maduro and the government of Venezuela, saying, "This is not how democracies behave." Secretary of State Kerry also addressed the unrest unfolding in Venezuela by saying, "The solution to Venezuela's problems can only be found through dialogue with all Venezuelans, engaging in a free exchange of opinions in a climate of mutual respect."

Meanwhile, the unrest in Venezuelan went on with more than a dozen people dying since the start of the crisis. February 20, 2014 saw protesters erect barricades in central districts of Caracas.

Opposition leader, Henrique Capriles, who lost a close presidential election to Maduro, was careful to use the political fracas rocking Venezuela to present himself as the moderate option in a country divided between the bluster of Maduro and the drama of Lopez. Capriles called for a peaceful demonstration in Caracas, expressly warning that participants should reject violence, saying, "In this turbulent hour, we call on the students and on those on the streets not to fall into the trap of violence." Capriles also noted that while he was ready for dialogue, the Maduro government was unwilling to compromise in the interests of the country.

By Feb. 22, 2014,

as opposition activists gathered in the streets of Caracas, Capriles was reiterating his call for peaceful dissent, saying, "There are millions of reasons to protest, there are so many problems, so many people suffering. But this movement we have built must be different." Despite his plea for peaceful protests, the demonstrations turned violent as clashes broke out between Venezuelan police and opposition demonstrators in Caracas. Demonstrators hurled stones at police who fired tear gas at them. As well, unconfirmed reports were emerging from Venezuela about pro-government militias invading homes and attacking individuals suspected of participating in protest rallies.

Political Conditions Venezuela

On Feb. 25, 2014, the United States responded to Venezuela's aforementioned expulsion of three American consular officials by in turn expelling three Venezuelan diplomats. The United States cast the three Venezuelan diplomats as "personae non-gratae" and gave them 48 hours to leave the country.

At the start of March 2014, protests were ramping up once again in Venezuela with more than 1,000 anti-government demonstrators taking to the streets of Caracas despite the onset of Carnival celebrations.

Jailed Venezuelan opposition leader, Lopez, called on his supporters to keep up the fight against Maduro, saying in a videotaped message: "We must continue the peaceful struggle. There is no reason to give up our fight." Speaking defiantly against the government, he said, "They will never defeat those who refuse to give up."

In truth, while the opposition movement might not be defeated, there was no sign that it could actually realize its goals of forcing Maduro and his government to step down. Over time, mass action were subject to attrition and some of their tactics of the protesters, such as setting up barricades, have been criticized for spurring violence and vandalism. Indeed, a standoff at a barricade in the first week of March 2014 left a Venezuelan soldier and a motorcyclist dead.

Rather than relying on the organic dynamics of protest movements winding down, President Maduro stoked the discontent in Venezuela in the first week of March 2014 when he broke diplomatic and economic ties with Panama, accusing that country of conspiring to oust his government.

Maduro was reacting to Panama's request for a meeting at the Organization of American States (OAS) to discuss the Venezuelan crisis. Panamanian President Ricardo Martinelli conveyed astonishment at this decision by the Venezuelan leader via Twitter, saying, "Panama only hopes that this brother nation finds peace and strengthens its democracy." Maduro even had sharp words for the head of the OAS, Jose Miguel Insulza, who had suggested that a group of observers might be sent to Venezuela. Maduro reacted by saying to Insulza, "Don't intervene in Venezuelan home affairs." In fact, Maduro's bluster against Panama and the OAS was in keeping with his earlier accusations against Colombia and the United States as regards the unrest rocking his country.

By mid-March 2014, if there was such a thing that could be called the "Venezuelan spring," the landscape in was essentially "status quo." Protests were ongoing, with a few more fatal shootings adding to the death toll; however, there remained no real threat to President Maduro's authority.

Among the gunshot killings that occurred were the death of an army captain and a student protester. Clearly, there were victims on both sides of the power divide. That being said, Maduro appeared to be secure in his standing as the leader of Venezuela, as illustrated by his claim that he had defeated the "coup" against him.

Maduro also continued to blame the United States for sparking the unrest in Venezuela. United States Secretary of State John Kerry rejected this line of thinking, saying, "We've become an excuse. We're a card they play...And I regret that, because we've very much opened up and reached out in an effort to say it doesn't have to be this way." The United States has also urged Venezuela's neighbors to mediate a resolution to the turmoil in that country.

As March 2014 entered its third week, the Venezuelan government carried out a crackdown on mayors of municipalities run by members of the opposition, claiming that they had fomented the violent protests rocking the country. Daniel Ceballos, mayor of the city of San Cristobal close to the border of Colombian border, was arrested by Venezuela's national intelligence service on the basis of claims that he contributed to "civil rebellion." It should be noted that San Cristobal has been the site of unrest outside of Caracas, with demonstrators barricading roads, and in confrontation with pro-government forces. Another opposition mayor, Enzo Scarano of San Diego, was

sentenced to 10 months and 15 days in jail for failure to comply with a court order to remove the barricades in that city. Meanwhile, the death toll was increasing and estimated to be around 30 as March 2014 was drawing to a close.

In the third week of April 2014, a fresh burst of violence erupted in the Venezuelan capital of Caracas between police and opponents of President Nicolas Maduro. Following a rally dubbed "Resurrection of Democracy," masked protesters in the Chacao district of Caracas shouted "Liberty" as erected barricades, burned effigies of President Maduro, and hurled petrol bombs. The police responded by using tear gas and water cannons to disperse the crowds.

The protesters, however, promised to keep up their mass action until Maduro resigned from office. But as noted above, while the protests were an unsettling development on the Venezuelan landscape, there was no sign that they were actually eroding Maduro's grip on power. Instead, counter-protests were ensuing in the Petare area of the capital -- a zone generally regarded as a shanty town and, thus, a stronghold of Maduro and Chavez before him. In this case, pro-government supporters were carrying out their own rallies and burning effigies of opposition leader, Henrique Capriles -- the man generally regarded as the most significant threat to Maduro's power. That being said, the Capriles threat was not a pressing one until the next elections in Venezuela. For the immediate future, Maduro made it clear that he was entitled to carry out his democratically-determined mandate as president. As noted by a confident President Maduro himself via Twitter: "I will continue to fulfil my oath with the people. No-one will deny our right to be happy, free and independent."

Note:

In late July 2014, Leopoldo Lopez, a jailed right-wing opposition leader went on trial in Venezuela. He was arrested and jailed in February 2014 at the height of anti-government protests in that country. At issue for Lopez were prevailing allegations that he orchestrated and incited the unrest that ultimately led to the deaths of dozens of people and left hundreds injured.

Lopez, who has tended to attract wealthier Venezuelan supporters, has been adamant about the fact that he had the right to challenge the government for its despotic tendencies, poor governance, and inept economic policies, without being arrested and jailed for those efforts. Speaking on behalf of her husband (Lopez), Lilian Tintori said, "A strong and powerful government has nothing to fear from criticism, only a weak and insecure government locks up people who express their opinion." She added, "There's not a single reason to have him in jail. The judicial process is a complete joke." Of course, in the minds of less wealthy Venezuelans, Lopez would always be associated with the attempted coup against the late President Hugo Chavez, whose so-called "Bolivarian Revolution" championed the needs of the poor rather than the grievances of the rich.

For his part, Venezuelan President Nicolas Maduro -- the successor to the late charismatic Venezuelan leader Hugo Chavez -- dismissed the claim that the case against Lopez was politically-motivated. Maduro said, "The leader of the ultra-right is responsible for crimes, violence, destruction, (loss of) human lives. He planned it. He's a pawn of the gringos (Americans), not just now, but from very young. He has a messianic vision, that he was born to be a leader, the president of Venezuela." Maduro continued, "He has to pay, and he's going to pay. Justice must be done. And to the Bolivarian people, I say, stand firm against fascists." It should be noted that President Maduro has to be regarded as a somewhat inadequate successor to Chavez -- embracing most of the late Venezuelan leader's autocratic tendencies but lacking all of Chavez' charisma and charm.

Special Entry on Deteriorating Political Climate

Venezuela indicts opposition leader Machado, claiming she was part of plot to kill President Maduro

In the first week of December 2014, Venezuelan state prosecutors indicted an opposition leader, Maria Corina Machado, alleging that she participated in a plot to assassinate President Nicolas Maduro. A major player in mass protests against Maduro's socialist government that plagued Venezuela earlier in 2014, Machado said the charges against her were intended to silence her and distract Venezuelans from their increasing anxiety over the country's economic crisis.

Indeed, that crisis was **growing** more dire due to the collapsing price of oil in Venezuela's oil-dependent economy. Of note was the fact that Venezuela relies on energy revenues to pay for the country's generous welfare programs. Those welfare programs have been the central reason for the popularity of the leftist government of Venezuela from the time of Maduro's predecessor, Hugo Chavez, who championed the country's Socialist "Bolivarian Revolution" to the present.

Despite her passionate dismissal of the indictment, Machado would be faced with up to 16 years in jail if she were to be found guilty. But Machado insisted that her focus was on fighting the Maduro regime as she declared, "Our only option is to fight for democracy and freedom."

Critics have said that the Maduro regime seeks to sideline its political rivals, with opposition leaders in the crosshairs of the president. To this end, another right-wing opposition leader, Leopoldo Lopez - who was also at the center of anti-government protests earlier in 2014 - had been jailed since February 2014 on charges of incitement of violence and unrest.

In late July 2014, Lopez went on trial in Venezuela. Lopez, who has tended to attract wealthier Venezuelan supporters, has been adamant about the fact that he had the right to challenge the government for its despotic tendencies, poor governance, and inept economic policies, without being arrested and jailed for those efforts. Of course, in the minds of less wealthy Venezuelans, Lopez would always be associated with the attempted coup against the late President Hugo Chavez, whose "Bolivarian Revolution" championed the needs of the poor rather than the grievances of the rich.

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It would appear that Venezuelan prosecutors intended to use the Lopez model to go after Machado as the year 2014 was coming to a close.

Economic crisis in Venezuela prompts protests; one teenager killed in San Cristobel

The start of 2015 in Venezuela was marked by a worsening economic crisis, as protesters took to the streets to register their discontent. In 2014, as many as 40 people died in street protests in the South American country. The year 2015 was emerging as another chapter in the same book. But the scene took an ominous turn in late February 2015 when a teenager, Kluiver Roa Nunez, was killed in the western city of San Cristobal when he was struck by a rubber bullet during a confrontation between police and protesters. A policeman was arrested in connection with the incident.

Political Conditions Venezuela

For its part, the government of Venezuela, led by President Nicolas Maduro, has been under fire for its poor stewardship of the energy-based economy, which has devolved even further with the low price of oil. Mindful that the emotions of Venezuelans were high, Maduro condemned the death of Nunez in a national address and promised an investigation into the matter. Maduro also dismissed the need for mass action, noting that it has led to violence as he said, "There is no reason for violent protests. I make an appeal to our country, and especially the young, to give up violence. Hatred will not lead to anything." He added, "Give up all violence, lads. And rest assured that if a government official breaks the law I will be the first one to go after him."

Of note, however, was President Maduro's disparagement of dissent. A week prior, a veteran politician, Mayor Antonio Ledezma of Caracas, was arrested and charged with orchestrating a plot to overthrow the government. Ledezma was one of several politicians aligned with the opposition who had been arrested since the start of mass protests in Venezuela in 2014.

Special Entry on Relations with the United States

United States declares Venezuela a security threat; slaps sanctions on top officials

In March 2015, United States President Barack Obama signed an executive order declaring Venezuela to be a national security threat and ordering sanctions to be imposed on seven high-ranking officials. The affected Venezuelan officials included the head of the state intelligence service, the director of the national police; a state prosecutor, and military officers, making clear that the target of these sanctions were involved in the state security apparatus. All seven of the affected individuals would see their assets and interests, including property, in the United States frozen or blocked, while they would be prohibited from stepping foot on United States territory. As well, United States citizens and permanent residents would be banned from doing business with them.

In an ancillary move, the United States demanded that Venezuela release its political prisoners -- many of whom were opposition figures and were rounded up and jailed during mass-government protests in 2014, which left scores of people dead.

This tranche of sanctions would not affect the energy sector of Venezuela and were not of an economic nature. Stated differently, they were not intended to affect ordinary Venezuelan citizens. That being said, sanctions of this targeted nature typically precede harsher moves and could potentially presage economic sanctions of some sort to come.

Already suffering from economic crisis, due to the low price of oil in Venezuela's energy-dependent economy, and exacerbated by poor financial stewardship, President Nicolas Maduro has been under intense political pressure. Of course the price of oil was being decided by OPEC and was affecting all oil-producing countries across the world. But less diverse economies, and those already suffering from mismanagement, such as Venezuela, were feeling the pain more acutely. The addition of unilateral economic sanctions (imposed by the United States) down the line could prove extraordinarily damaging. But for now, the United States was limiting its moves to the security officials.

To this end, the Obama White House made clear that it was targeting persons deemed to have engaged in anti-democratic activities or abuses of human rights. In a statement, White House spokesperson Josh Earnest declared, "Venezuelan officials past and present who violate the human rights of Venezuelan citizens and engage in acts of public corruption will not be welcome here, and we now have the tools to block their assets and their use of U.S. financial systems." He continued, "We are deeply concerned by the Venezuelan government's efforts to escalate intimidation of its political opponents."

Political Conditions Venezuela

Bilateral ties between the United States and Venezuela have been poor since 2008 when the late Venezuelan President Hugo Chavez expelled then-United States Ambassador Patrick Duddy, thus spurring the United States to respond in kind by expelling the Venezuelan envoy, Bernardo Alvarez. Since that time, United States and Venezuela have not returned to a state of normal diplomatic relations. In fact, ties between the two countries deteriorated further as the new Venezuelan leader, Maduro, proceeded to blame the United States for all political and economic woes facing his country. Of note was the flare of protests in 2014 against the Maduro government, and led by opposition factions, and which Maduro claimed was being orchestrated by the United States. White House spokesperson Earnest addressed the tendency by Venezuela to blame the United States for its socio-economic and political ills, noting, "We've seen many times that the Venezuelan government tries to distract from its own actions by blaming the United States or other members of the international community for events inside Venezuela."

It should be noted that Venezuela recently demanded that Washington significantly reduce its diplomatic presence in Caracas by submitting a plan to reduce its staff from 100 to less than 20. It was apparent that Washington was reacting by taking measures of its own in the form of the sanctions.

For his part, President Maduro predictably responded to the announcement of these targeted sanctions with by casting the United States as an "imperialist" threat and accusing the United States of seeking to overthrow his government. During a two-hour long national speech, Maduro said, "President Barack Obama ... has personally decided to take on the task of defeating my government and intervening in Venezuela to control it." Thus, in an act of defiance, he also appointed one of the seven sanctioned individuals -- National Intelligence head Gustavo Gonzalez -- as his new interior minister. Of significance was the fact that the United States has accused Gonzalez of complicity in violence and human rights abuses against anti-government protesters in Venezuela.

President Maduro consolidates power

Note that in mid-March 2015, amidst devolving diplomatic relations with the United States (discussed above), Venezuelan President Maduro was consolidating his power. A measure was approved by the country's National Assembly giving the president power to govern by decree through the end of 2015. Maduro requested these new powers, known as the Enabling Law, arguing that Venezuela was now under threat from the United States. The opposition has decried the move, declaring that Maduro was exploiting the situation to (1) secure greater presidential power, and (2) divert attention from the serious economic challenges facing the country.

Editor's Note on President Maduro

It should be noted that President Maduro has to be regarded as a somewhat inadequate successor to Chavez -- embracing most of the late Venezuelan leader's autocratic tendencies but lacking all of Chavez' charisma and charm. That perception was illustrated in the public's support with survey data from the reliable Datamatrix polling group showing Maduro sporting dismal approval ratings of only 22 percent. With the price of oil at significant lows, and with oil revenue needed to support the Chavez-era social programs, there was little hope that support for Maduro would be easily revived.

Primer on 2015 parliamentary elections in Venezuela

Parliamentary elections were set to be held in Venezuela on Dec. 6, 2015. At stake was the composition of the unicameral National Assembly, known in Venezuela as the "Asamblea Nacional."

The legislative body contained 165-167 seats and members are elected by popular vote to serve five-year terms. (Note that three seats in the legislative body are reserved for the indigenous peoples of Venezuela.)

The previous parliamentary elections were held in 2010.

Following those polls, it was announced that President Hugo Chavez' ruling United Socialist Party of Venezuela (PSUV) and its allies had won the election, albeit with a reduced majority in the country's legislature. The PSUV won at least 90 seats with the opposition Democratic Unity Table (MUD) securing at least 59 seats in the National Assembly.

It was to be seen if the ruling PSUV -- now under the leadership of the far less charismatic President Nicolas Maduro -- would see a similar level of success in 2015.

Indeed, the economic crisis plaguing Venezuela as a result of low oil prices and soaring inflation, and manifest by a shortage of goods and supplies, could well boost the opposition's prospects. Already, the "Chavista" voting bloc was looking at its options with a sense of disillusionment. Still, it was to be seen if a pro-market message from the opposition could actually lure Chavistas to abandon their Socialist ideals embedded in Hugo Chavez' so-called Bolivarian Revolution.

The opposition would be helped by the fact that in mid-2015, President Maduro's popularity had fallen to less than 25 percent.

Indeed, the polling data by the respected outfit, Datanalisis, also showed only 20 percent of those surveyed would vote for candidates representing the ruling PSUV, while 42 percent indicated their interest in voting for the opposition. While the size of the undecided contingent was substantial at 17.5 percent, the fact of the matter was that the ruling Socialists would face an uphill battle at the polls in December 2015.

That being said, the PSUV would benefit from the overall fragmentation of the opposition ranks, which continued to be dominated by the Venezuelan elite, and which had not yet learned to finesse its message to attract the poorer and more rural Venezuelans -- the base constituency of Venezuela's left wing.

Ahead of the elections, in a transparent attempt to silence opposition politicians, Venezuelan authorities banned several of them from contesting the polls or holding public office. Among those banned was a state governor, Pablo Perez, former legislator Maria Corina Machado, and former mayor Vicencio Scarano.

Opposition leader, Leopoldo Lopez, had already been arrested, tried, found guilty of inciting anti-government riots, and sentenced to more than a dozen years in jail. These moves appeared geared toward ensuring that the ruling PSUV held onto power.

In November 2015, these strategies were attracting international criticism as the Secretary General of the Organization of American States (OAS) dispatched an official condemnation to Venezuela's electoral board. In his 19-page letter, Luis Almagro admonished the Venezuelan electoral authorities for creating an uneven election playing field, which was clearly unfair to the opposition, and demanded that they live up to their duty of creating a free and fair election landscape. Included in Almagro's missive were the following concerns: "There are reasons to believe that the conditions in which people will vote ... aren't right now as transparent and just as the (electoral council) ought to guarantee. It's worrying that ... the difficulties only impact the opposition parties. You are in charge of electoral justice. You are the guarantor."

Political Conditions Venezuela

On Dec. 9, 2015, Venezuelans went to the polls to vote in the country's parliamentary elections. After the ballots were counted, the Venezuelan opposition had won the majority of seats in the parliamentary body, effectively defeating President Maduro's ruling United Socialist Party of Venezuela (PSUV).

All signs pointed to a commanding majority for the opposition bloc, with some signs actually indicating that it may have achieved a two-thirds super-majority.

For his part, President Maduro quickly conceded that his party had lost control of parliament and called for calm. Opposition leader, Henrique Capriles, celebrated victory, declaring: "It's a great opportunity for us, this protest vote." Meanwhile, the opposition made clear that it would try to reverse certain policies of the Socialist government. In truth, there were limits to what the legislative body could do to reverse the initiatives of the executive branch of government; however, legislation would be introduced to liberate jailed opposition politicians, reform the judiciary and the election board, stimulate private sector development, and most importantly to curb the Central Bank's policy of printing more money, which has served only to exacerbate the country's high inflation rate.

Unrest in Venezuela leads opposition to push for recall of President Maduro

Dissatisfaction over Venezuelan President Nicolas Maduro's autocratic leadership and poor economic stewardship has led to opposition-led protests in recent times. A lack of food availability, water shortages, rolling electrical power blackouts, not to mention one of the world's highest rates of inflation were now the norm in a country that boasted economic success from former President Hugo Chavez's populist socialist Bolivarian Revolution.

Going back to the start of June 2016, there was a push by the Venezuela's opposition, led by opposition leader Henrique Capriles, to hold a recall referendum on Maduro's leadership. The opposition forces -- now in control of the legislative branch of government -- was seeking to flex its political muscle. Simultaneous with that move was a burst of new protests in Caracas, which included the participation of Capriles and his supporters.

In the space of days, the protests turned violent and resulted in the deaths of at least four people. Indeed, one death was attributed to food riots.

Security forces used tear gas to disperse the crowds even as protesters displayed pictures of political activists who had been jailed by the Maduro regime, while others chanted "I am hungry."

For his part, Capriles -- one of the opposition leaders not yet in prison -- said: "We are not giving up. Our enemy is Maduro. The problem is Maduro."

For his part, President Maduro has cast the recall referendum as a coup and indicated that no such effort would likely occur until 2017.

On state television, Maduro said, "There will be no blackmailing here. If the recall referendum's requirements are met, it will be next year and that's it. If the requirements aren't met, there will be no referendum and that's it." Should that hypothetical occur, if voters opted to recall him, the country would be subjected to fresh elections that could open the door for Capriles to come to power.

Two months later in August 2016, the opposition bloc's executive secretary, Jesus Torrealba, suggested that the political scene in Venezuela was increasingly tumultuous -- and in fact on the edge of a "political earthquake." At issue for Torrealba was the fact that the economic woes -- marked by recession, food shortages, and the world's highest inflation -- would cause the government to collapse. Torrealba said, "This country, from an economic and

Political Conditions Venezuela

social perspective, is a powder keg." He added, "We are going to see change not because the government allows it or the opposition promotes it but because the situation is not sustainable."

Note that at the start of September 2016, the Venezuelan capital of Caracas was the site of one of the largest mass protests in recent times. Participants dressed in white and filled the streets of the capital to rail against Maduro's socialist rule while chanting, "This government will fall."

For his part, President Maduro condemned the protests, casting them as a pretense for a coup, aimed at taking over the government. Thus, he ordered security forces to carry out arrests of demonstrators while beefing up security across Caracas. Maduro addressed his own supporters using this line of attack as he claimed that, "We have stopped the coup today, the violent, fascist ambush."

Meanwhile, efforts were afoot to force a recall referendum at the start of 2017 against President Maduro. Of note was the fact that in August 2016, polling data showed the Venezuelan president's approval ratings falling to a new low of 21.2 percent, according to a local pollster Datanalysis.

Despite this lack of popular support for the Venezuelan leader, the recall effort had its own challenges. As September 2016 came to a close, the opposition Democratic Unity coalition's effort to recall President Maduro hit a snag. Specifically, Venezuela's national election board said a recall referendum could be held in 2017, pending receipt of 20 percent of total voter signatures. The timing handed down here in this decision from the national electoral board was key as if a referendum was carried out in 2016 and failed to ratify Maduro's leadership, it would trigger a new election. However, if it were held in 2017, with the same negative outcome for Maduro, the presidency would then move to the vice president. With no change in party at the helm, Socialist leadership would remain in place.

The opposition railed against the electoral authorities for his decision with Jesus Torrealba, the head of the Democratic Unity coalition, saying, "They are violating the constitution. The country is ready to fight."

By October 2016, the election board in Venezuela suspended the opposition's push to hold a recall referendum on President Maduro's leadership.

In response, opposition leaders promised to carry out peaceful protests and accused President Maduro's government of functioning like a dictatorship. Opposition leader, Jesus Torrealba, declared, "Our response will not be submission or violence, but a fight ... based on the principles of peaceful resistance." He added, "The government has 80 percent of the country against it, it does not have international support, and it's breaking both the law and the constitution."

In November 2016, with its hopes for a recall referendum dashed, the Venezuelan opposition was suggesting that it was now in a fight with an effective dictatorship.

Even opposition leader, Henrique Capriles, long viewed as a moderate, was using vociferous rhetoric as he declared "We've reached the limit" and referred to the Maduro government as "Satan." The militant tone being telegraphed by the opposition at large sparked anxieties about the stability of the country going forward.

Special Report on Venezuela

Venezuelan President Maduro uses constitutional shake-up to consolidate power

Political Conditions Venezuela

For several months in 2017, Venezuela was mired by protests as opposition supporters registered outrage over the leadership of socialist President Nicolas Maduro. The protests were highly violent at times, even yielding scores of deaths.

In a move generally seen as a transparent attempt to consolidate his own power and avoid elections amidst anti-government protests, Maduro announced the creation of a new constituent assembly, charged with re-writing the constitution.

At a May Day rally, Maduro explained his plan, saying, "I don't want a civil war." He explained, "I convoke the original constituent power to achieve the peace needed by the Republic, defeat the fascist coup, and let the sovereign people impose peace, harmony and true national dialogue."

But political opponents made clear that the assembly would likely be composed of Maduro loyalists, essentially packing the body and influencing the work it would produce. Moreover, it was a move aimed at avoiding direct elections.

Meanwhile, even as Maduro was making this announcement, elsewhere in the capital city of Caracas, protests were ongoing. Indeed, security forces had to fire tear gas at the crowd to dissuade some from throwing stones and petrol bombs.

But protests were not likely to stop -- especially since they were being encouraged by the opposition-led National Assembly. The president of the National Assembly, Julio Borges, urged Venezuelans to resist and rebel as he declared: "This is a scam to deceive the Venezuelan people with a mechanism that is nothing more than a coup."

Nevertheless, the president had scheduled a July 30, 2017, election to select an assembly who would work on the new charter. This assembly would effectively dissolve the parliament, which was controlled by the opposition. The move appeared to be a transparent attempt to consolidate his own power, while snatching away the legislative power of democratically elected representatives.

By June 2017, opposition to President Maduro's plan to rewrite the constitution was growing, rather than abating. In fact, according to the polling company Datanalysis, the president's plan for a new constitution was opposed by 85 percent of Venezuelans.

Meanwhile, opposition to Maduro and his agenda was intensifying in the streets with violent protests becoming the norm.

In July 2017, more than seven million Venezuelans voted in an unofficial referendum organized by the opposition. The intent was to emphasize their objections to Maduro's attempt to recraft the constitution. Since the move was unauthorized, its use value was symbolic and aimed at pressuring and de-legitimizing Maduro. To that end, 98 percent of voters opted to reject the proposed constitutional assembly, to encourage the military to defend the existing constitution, and to demand elections be held before the end of Maduro's term in 2019.

By the end of July 2017, attention was focused on the controversial elections to the constituent assembly initiated by President Maduro. Despite government warnings that protesters would face up to a decade in jail, people took to the streets in violent protests against the vote. The vote itself was intended to consolidate Maduro's power and sideline the influence of the elected parliament, which was dominated by the anti-Maduro opposition.

Police used tear gas and rubber bullets to disperse the crowds, but it did not stop clashes from erupting.

Political Conditions Venezuela

The opposition said the death toll on July 30, 2017, was around a dozen - making it one of the deadliest days in Venezuela in recent memory. (Note: The death toll over the course of months numbered around 120.)

Once the voting was complete in these elections boycotted by the opposition, Maduro-linked allies of the Socialist Party won every one of the 545 seats in the constituent assembly. Now, that body would have the power to dissolve the opposition-dominated Congress and fire dissidents from any state positions they might hold.

In response, opposition leaders condemned the election, casting it to be a transparent power grab, while the international community decried it for being an undemocratic process.

Regardless of the criticism by the local opposition and international community of the transparently undemocratic process, Maduro claimed victory. Indeed, now his Socialist Party would have unmitigated power.

Maduro also mocked criticism from the Trump administration in the United States, as he declared to supporters: "A spokesperson for emperor Donald Trump said that they would not recognize the results of Venezuela's constituent assembly election. Why the hell should we care what Trump says? We care about what the sovereign people of Venezuela say."

But Maduro was not necessarily speaking on behalf of all Venezuelans. The opposition warned that it did not accept the result of the vote and would resume protest action. As noted by opposition leader, Henrique Capriles, "The constitutional assembly will not resolve any of the country's problems, it just means more crisis." He added, "As of tomorrow, a new stage of the struggle begins."

In the first week of August 2017, following the controversial election discussed above, Venezuelan opposition leader, Leopoldo Lopez, was rounded up along with another opposition figure, Antonio Ledezma and jailed.

It should be noted that both men had been treated as political prisoners. Lopez was held at Ramo Verde, a military prison, for three years for inciting violence at opposition rallies, but had been allowed to go home under conditions of house arrest in July 2017. Ledezma had been under house arrest from 2015 for claims that he was plotting a coup.

Now, the men had seen their house arrest effectively revoked and were being subject to jailing. According to the Venezuelan authorities, this action was taken because the opposition figures might flee the country in the aftermath of the election. That being said, Lopez and Ledezma were subsequently returned to house arrest.

The arrests of Lopez and Ledezma was roundly criticized by the international community.

Zeid Raad Al Hussein, the United Nations High Commissioner for Human Rights, expressed deep concern over arrest of the opposition figures. He said, "I urge the government to immediately release all those being held for exercising their rights to freedom of peaceful assembly, association and expression."

Meanwhile, Lopez' wife, Lilian Tintori, declared via Twitter that the fight would continue "to find peace and freedom for Venezuela."

By the third week of August 2017, Venezuela's disputed constituent assembly was convened and quickly voted in favor of seizing the power of the opposition-dominated parliament.

Political Conditions Venezuela

The head of the now impotent parliament, Julio Borges, vociferously asserted that the constituent assembly's actions had carried out a "coup." His accusation was not isolated as many voices -- in Venezuela, regionally, and internationally -- were decrying the move as a sign of Venezuela's slide into bona fide dictatorship.

President Maduro, his government, and the members of the constituent assembly all appeared to be undeterred. Despite warnings from the international community that the new legislative body would not be recognized as legitimate, they celebrated the developments as means to stabilize the country.

Nevertheless, the head of the Organization of American States (OAS), Luis Almagro, characterized the measure precisely so -- stating that it constituted the "illegitimate dissolution" of the elected parliament. Moreover, the regional bloc, Mercosur, which had already suspended Venezuela from its membership over Maduro's consolidation of power, denounced the measure. At the wider level, several Latin American and European countries made clear, once again, that they would not recognize Venezuela's newly established constituent assembly. At the same time, the United States imposed sanctions against Venezuela with United States President Donald Trump calling Maduro a "dictator."

Meanwhile, the former chief prosecutor Luisa Ortega Diaz -- once a stalwart of President Maduro but more lately a critic -- fled the country for Colombia, saying that she feared for her life.

Special Report

Trump's threat of military force in Venezuela rocks Latin America, unwittingly provides fuel for Maduro's unpopular presidency

On Aug. 11, 2017, United States President Donald Trump declared that he would not rule out a "military option" in response to the situation in Venezuela, which immediately sent ripples throughout not just Venezuela, but all of Latin America. Vladimir Padrino López, Venezuela's Defense Minister, characterized Trump's threat of military force as an "act of madness." The White House followed up with a statement that indicated that it had declined a phone call from Venezuela's President, Nicolás Maduro, and made clear that diplomatic channels would open "as soon as democracy is restored in that country" (though Venezuelan officials did not confirm the details of this phone call).

Much like his predecessor Hugo Chavez, President Maduro has engaged in conspiratorial rhetoric about the prospect of the United States invading Venezuela to steal oil. President Trump's threat regarding the prospect of military force in Venezuela unwittingly provided fuel for Maduro to reaffirm his conspiracy theories about a U.S. invasion and attack the opposition. Maduro called for military exercises in the wake of President Trump's comments, although he maintained his desire to hold direct talks with U.S. leaders.

Venezuela has been rocked by an economic recession as well shortages in food and medicine. The opposition's Democratic Unity coalition controls a majority of the seats in Venezuela's National Assembly, but earlier on Aug. 4, 2017, the country inaugurated a new legislative superbody loyal to President Maduro (known as the constituent assembly) that was expected to rewrite Venezuela's constitution; this body, along with a loyalist Supreme Court that has defanged the democratically elected legislature and rejected a motion prohibiting Maduro from rewriting the Constitution in June 2017, constitutes authoritarian consolidation in the face of a worsening economy, oppositions protests, and Maduro's increasing unpopularity.

Despite Maduro's this unpopularity, President Trump's threat of military force seems to have united other Latin American leaders around a common message: the U.S. should refrain from involving itself in the region's affairs.

Political Conditions Venezuela

Columbian President Juan Manuel Santos declared that "military intervention shouldn't even be considered" on the same day Vice President Pence visited the country as part of his tour of Latin America. Peru, Mexico, and Brazil all denounced violent methods of addressing the crisis in Venezuela.

Primer on presidential elections in Venezuela

(May 20, 2018)

Maduro secures another term in office as Venezuelan president in uncontested election

Elections were set to be held in Venezuela on May 20, 2018. At stake would be the presidency of the country. In Venezuela, the president is elected by popular vote for a six-year term and the president serves as both head of state and head of government.

The last election was held in 2013 but was held under extraordinary circumstances. The 2012 presidential election was won by then-President Hugo Chavez against opposition leader, Henrique Capriles. However, Chavez died a year later leaving a power vacancy. Vice President Nicolas Maduro was soon sworn into power as the interim leader and fresh presidential elections were held soon after. In those 2013 elections, Maduro's lock on power was narrowly ratified at the polls as he also defeated Capriles.

In the years since 2013, Venezuela has seen a decline politically and economically, with the country dissipating almost failed state status. It was unclear if he would be able to hold onto power democratically at the polls in May 2018, given the Venezuelan state of crisis. However, with the opposition boycotting the polls, charging that the election would not occur under free and fair conditions, the advantage leaned towards Maduro's re-election.

Apart from Maduro, the leftist leader who has stylized himself as Chavez' heir to the Bolivarian socialist revolution in Venezuela, there were other presidential candidates -- albeit no one aligned with the main opposition bloc, which was participating in a boycott.

One candidate was Henri Falcon, who was no ally of the opposition, and whose participation in the election would likely help to legitimize Maduro's likely victory. Another candidate was Janier Bertucci, an evangelical pastor who has held strictly conservative views opposed to abortion and same sex relationships, but whose program of feeding the poor has gained some support for him politically.

Note: As expected, Maduro secured a landslide victory in the uncontested election. In the aftermath of the election and Maduro's re-election, several countries including many Latin American ones, as well as Canada, recalled their ambassadors from Venezuela. Additionally, the United States imposed new economic sanctions on Venezuela.

President Trump praises North Korea but condemns Iran and Venezuela in UN speech that elicited laughs from world emissaries

President Donald Trump delivered a speech at the United Nations General Assembly on Sept. 25, 2018, where he reaffirmed his commitment to his "America First" doctrine and his rejection of globalism. At one point when President Trump remarked "In less than two years, my administration has accomplished more than almost any administration in the history of our country," the audience of world emissaries broke out into laughter. Trump reacted with brief disconcertedness before remarking, "I did not expect that reaction, but that's okay."

In the speech, President Trump reserved criticism for Venezuela and its President, Nicolás Maduro, as he claimed that "socialism has bankrupted the oil-rich nation and driven its people into abject poverty." President Trump announced sanctions at the UN that were set to target six individuals in Maduro's inner circle, including Vice President Delcy Rodriguez and Defense Minister Vladimir Padrino, as well as sanctions on President Maduro's wife.

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