

**HUGO CHAVEZ: RADICAL POPULIST OR
NEOPOPULIST?**

By Steve Ellner

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The year 1989 was a watershed for Venezuela. The mass disturbances of the week of February 27 signaled a sharpening of social tensions, which would set the tone for national life and even reflect itself significantly on the political front. In addition, immediately after his inauguration President Carlos Andrés Pérez (1989-1993) implemented neoliberal reforms in accordance with the “shock treatment” formula, which also represented a sharp break with the past. Previously, the government had followed a strategy of intervention in the economy and protection of national industry, an approach initiated by Pérez’s own Acción Democrática (AD) party at the outset of the democratic period in 1958. Pérez was ultimately impeached on grounds of corruption, but in large part because of mass repudiation of his economic policies, even by leaders of his own AD. Pérez’s removal also marked a major change for Venezuela, which went from three decades of relative political tranquility to a nation torn by discord and subject to military involvement in politics.

Prior to 1989, Venezuela was Latin America’s near-perfect democracy. At least it met the political conditions political scientists have generally

considered basic to long-lasting, well functioning democratic regimes. Certain features of the Venezuelan economy and society were also conducive to political stability.

Most important, Venezuela's oil-based economy molded the nation's democratic system and minimized class conflict. Since oil became the nation's number one export in 1925 until international petroleum prices plummeted in 1986 (a period during most of which Venezuela was the world's leading exporter), the nation was blessed by steady economic growth. Charles Bergquist (1986: 14, 206) has argued that Venezuelan oil workers, and the working class in general, historically had a pro-system mentality because the nation's main commodity was not subject to the sharp fluctuations in price and demand that had such damaging consequences for other third-world nations. Indeed, petroleum's market behavior lent itself to a widespread sense of optimism regarding the steady improvement in social benefits (a concept embodied in the nation's "Labor Law" as well as the perfection of the nation's democracy. Attitudinal studies demonstrate that Venezuelans believed in a veritable "American Dream" in which the quality of life for their children would be better than theirs.

FROM SOCIAL TO POLITICAL POLARIZATION

Social polarization, which became increasingly acute in the 1980s, fed into political polarization. Five major candidates participated in the 1998 presidential campaign, but toward the end voter preference for Chávez's opponents centered on Enrique Salas Romer, the one with the best chance of winning. Indeed, in the final week AD and Copei withdrew support for their respective candidates and endorsed Salas Romer. This polarization has deepened even more since then. The middle class is more undivided in its opposition to Chávez and vehement in its opinions about him and his movement than in 1998. Navigating Internet pages, the preserve of relatively privileged sectors, reveals this class bias. When the daily El Nacional polled its online readership about various propositions in 2000, Chávez's positions were defeated by about four to one.

For the first time since 1958, politics was perceived as a zero-sum game. When Chávez justified squatting, he was favoring the lower classes at the expense of others. At least that is the way his remarks were perceived. Naturally, Chávez was not the first Venezuelan president to appeal directly to the lowest strata of the population, but he was the first one to come from the ranks of the non-elite and to constantly reinforce this association. When Chávez's main rival in the 2000 presidential elections, Francisco Arias

Cardenas, used a rooster to symbolize the President's alleged cowardice in a series of controversial TV spots, he was well aware that the middle class would consider the ads crude and in bad taste. Arias ran them anyway in hopes of making inroads into the lower class (personal interview with Eduardo Pozo, national leader of the Izquierda Democrática, Caracas, June 5, 2000).

Venezuelan politics had never been like this, at least since 1958.

The polarization has been aggravated by the positions assumed by both sides of the political divide and the rhetoric they employ. MVR leaders including Chávez display considerable aggressiveness toward adversaries (a style which may be geared to lower class supporters). This attitude of intolerance is reflected in the MVR's stormy relations with its allies, specifically the Patria Para Todos (PPT) and MAS. The opposition maintained an intransigent stance of its own, and thus consistently opposed all of Chávez's positions (with the exception of OPEC policy), beginning with his proposal for a new constitution at the outset of his first term. A more neutral space, which may have consisted of center-left parties (such as the Causa R and the Izquierda Democrática) that avoided total opposition but was independent of the governing coalition, was left largely unoccupied.

Political polarization in which opposition to Chávez became increasingly harsh was also evident in the coverage provided by the U.S. media,

particularly after his first six months in office. Leading newspapers such as the New York Times and the Washington Post referred to Chávez as “Venezuela’s rambunctious president” and a “firebrand,” his policies as “Jacobin,” and his movement as containing “anti-American elements.” The articles in both newspapers vividly described the militarization of the government, the politicization of the armed forces, the reliance on populism, and the “purging” of all cultural institutions. Sometimes, Chávez was systematically compared with Peru’s Alberto Fujimori while no reference was made to the basic differences between the two regimes

The circumstances surrounding Hugo Chávez’s pursuit of power and the strategy he has adopted for achieving far-reaching change in Venezuela are in many ways without parallel in Latin American politics. While many generals have been elected president, Chávez’s electoral triumph was unique in that he was a middle-level officer with radical ideas who had previously led a coup attempt. Furthermore, few Latin American presidents have attacked existing democratic institutions with such fervor while swearing allegiance to the democratic system (Myers and O’Connor, 1998: 193).

From the beginning of his political career, Chávez embraced an aggressively antiparty discourse. He denounced the hegemony of vertically based political parties, specifically their domination of Congress, the judicial

system, the labor and peasant movements, and civil society in general. Upon his election in December 1998, he followed through on his campaign promise to use a constituent assembly as a vehicle for overhauling the nation's neocorporatist political system. He proposed to replace this model with one of direct popular participation in decision making at the local level. His actions and rhetoric, however, also pointed in the direction of a powerful executive whose authority would be largely unchecked by other state institutions. Indeed, the vacuum left by the weakening of the legislative and judicial branches and of government at the state level, and the loss of autonomy of such public entities as the Central Bank and the state oil company, could well be filled by executive-based authoritarianism.

From the outset of the presidential campaign in mid-1997, Chávez's rivals harped on the threat his candidacy posed to the nation's liberal democracy as part of a scare campaign without parallel in modern Venezuelan electoral politics. This negative characterization was reflected in articles published in the foreign press both before and after the elections. The president's adversaries exploited his cordial relations with the Argentinian Norberto Ceresole, a self-proclaimed "adviser" and the author of over a dozen books on politics. Declaring that democracy in Latin America had failed, Ceresole traveled to Venezuela after the 1998 elections in an effort to

propagate the model of a strongman-led government underpinned by the armed forces in the tradition of Egypt's Gamal Abdal Nasser (Ceresole, 1996).

A few scholars and prominent Venezuelan political analysts of distinct ideological orientations have argued that Chávez's assumption of power is part of a process of the weakening of democratic institutions throughout the continent. Guillermo O'Donnell (1994) has labeled the recent strengthening of executive power in Latin America at the expense of traditional democratic forms of interest aggregation and input in decision making "delegative democracy." These "hyperpresidentialist" governments are characterized by charismatic presidential leadership, reliance on executive decrees, use of plebiscites to legitimize authority, employment of antiparty rhetoric, and a discourse with messianic overtones. They have also been called "neopopulist" (Weyland, 1999) because they appeal to broad sectors of the population by holding the political elite responsible for the nation's pressing problems. Perhaps the clearest example of a neopopulist or delegative democratic regime is Peru under Alberto Fujimori, whose credibility in embracing an antiparty discourse was enhanced by his aloofness from all political parties. O'Donnell's works and others in the same vein attempt to correct the notion that Latin American democracies have significantly advanced toward "consolidation." Indeed, O'Donnell argues that, despite the time that has

passed since the military abandoned power in the 1980s, these regimes barely meet the minimum requirements for being considered democratic.

O'Donnell and others postulate a close relationship between delegative democracy and neoliberal economic policies, which, given the exigencies of globalization, are more compatible with limited democracy than with outright dictatorship (Oxhorn and Ducatzenzeiler, 1998: 229-234; Dominguez, 1998: 73-74). Governments on this model spurn the neocorporatist mechanisms that had previously permitted the national representatives of organized sectors of the population to participate in decision making on an ongoing basis. The weakening of political parties undermines accountability and systematic checks on executive power (Weyland, 1998: 114-115), a trend that has affected Chile, with its strong tradition of political parties, but even more countries like Brazil that lack such a tradition (Hagopian, 1998: 100; Oxhorn, 1998: 214). In some cases, autonomous bodies such as the Central Bank and other technocratic preserves have overshadowed Congress as the principal check on presidential power, thus facilitating the implementation of neoliberal programs (Diamond, Plattner, and Schedler, 1999: 3). In short, Latin American countries during this period have lacked the strong institutions representing and aggregating popular interests that were characteristic of the populist-neocorporatist stage. Most important, the labor movement has ceased

to play the role of interlocutor of the underprivileged sectors in general and has limited itself to defending the short-term interests of its affiliates (Oxhorn, 1998: 216).

At first glance, Chávez's rise to power is consistent with the trend toward the weakening of traditional political institutions in Latin America noted by O'Donnell. Chávez's charisma is imbued with a messianic content, as is evident from his call for the "refounding of the republic." In addition, his antiparty discourse is translated into attacks on existing political institutions while at the same time calling for direct citizen participation in the form of referenda, popular assemblies, and voluntary work in civilian-military programs. He attacks neocorporatist arrangements such as tripartite commissions with employee, employer and state representation and questions the legitimacy of the main labor confederation, the Confederación de Trabajadores de Venezuela (Workers' Confederation of Venezuela - CTV). In doing so, Chávez may be undermining the capacity of workers to resist International Monetary Fund (IMF)-style austerity measures. If this is his intention, then Chávez can be considered more adroit than his two elected predecessors, Carlos Andrés Pérez (1989-1993) and Rafael Caldera (1994-1999), whose failure to generate significant political support for the pro-IMF policies they implemented had disastrous consequences for their respective

parties. Indeed, political organizations of the far left such as the ex-guerrilla *Bandera Roja* (led by Gabriel Puerta) and *Tercer Camino* (led by Douglas Bravo) have attacked Chávez for favoring neoliberal formulas to the detriment of the social classes that he purports to represent.

Some of Chávez's detractors and supporters point to a second future scenario that contrasts sharply with the model of delegative democracy underpinned by powerful economic interests. According to these analysts, Chávez's movement is promoting far-reaching changes, both political and, according to some, socioeconomic. Those sympathetic to his administration argue that the nation's new constitution, drafted during his first year in office, points in the direction of radical participatory democracy. In contrast, his adversaries use clichés, including anticommunist ones, to discredit his radicalism. The Washington Post (July 26, 1999), for instance, called Chávez a "leftist agitator," while the New York Times (August 21, 1999) characterized the measures taken by his followers in the constituent assembly as "Jacobin." By way of substantiating claims that the president is a left-winger at heart, political commentators have drawn attention to his trip to Cuba shortly after his release from prison in 1994 and again in 1999, when he spoke in public with Fidel Castro.

Many of those who predict a sharp break with the past under Chávez's government call him a radical populist in the tradition of Juan Domingo Perón and even Venezuela's Rómulo Betancourt (Vivas, 1999: 105). Their case rests on the salient characteristics of radical populism during its heyday in Latin America in the 1930s and 1940s: its antiestablishment rhetoric and attempt to incorporate underprivileged sectors into the political system and provide them with a fair deal. While in power, the radical populists implemented policies favoring the underprivileged, particularly the working class, but stopped short of structural changes that would have threatened powerful economic interests. Some scholars link radical populism to a historical stage of development in Latin America and thus consider it unlikely to reemerge (Ianni, 1975), while others deny the movement's specificity (Laclau, 1977). For this reason an examination of Chavez's populism has important implications for the entire continent.

This article will attempt to determine whether Chávez's movement is moving in one of the above-mentioned directions: 1. the creation of the powerful executive committed to neoliberalism that O'Donnell labels "delegative democracy," 2. a government that represents a throwback to the radical populism of the 1930s and 1940s, or 3. a radical democracy that, by promoting the participation of nonprivileged sectors, may lead to important

socioeconomic transformations. For this purpose, it will briefly explore the origins of the movement, its mobilization strategy, its proposals for restructuring the political system, the internal politics of the main parties that constitute the governing coalition, its economic policy, its foreign policy, and Chávez's discourse. The concluding section will briefly contrast the Chávez government with experiences elsewhere in the continent in order to place the alleged authoritarian and radical tendencies of the Venezuelan government in a broader context.

POLITICAL PARTIES OF THE GOVERNING ALLIANCE

Basic differences within Chavismo surfaced in February 2000 when three leading participants of the February 1992 coup left the movement and one of them, Francisco Arias Cárdenas, announced his presidential candidacy for the mega-elections of July 2000 decreed by the Constituent Assembly. Differences between Arias and Chávez dated back to when they issued contradictory statements from jail after the 1992 coup attempt. While Chávez called for electoral abstention and a hardened opposition to the Caldera government (1994-1999) on his release in early 1994, Arias accepted an important government post and then successfully ran for governor of Zulia in 1995. Some of those who joined the Arias movement had previously been part

of a faction within the MVR that included the party's national coordinator Joel Acosta Chirinos, Arias's righthand person. Although the ideological orientation of the pro-Arias current had not been clearly expressed, subsequent events demonstrated that it reflected a rightist critique of Chávez's discourse and policies. After the split, Arias opposed Article 330 of the new constitution granting the military the right to vote, a position that was supported in private by top-ranking officers. Arias's discourse echoed the fears expressed by AD and COPEI that Chávez's aggressive style, his failure to contain the squatters movement, and other stands would scare off private investment and foreign capital in particular. He also opposed Chávez's close relations with Cuba.

Arias's criticisms of the government were not the only ones to originate from within the ranks of Chavismo. A critical position also emerged in the form of several leading members of the Polo Patriótico who were unaffiliated with its constituent parties. Hermann Escarrá and Ricardo Combellas, two of the nation's leading experts on constitutional law and delegates to the Constituent Assembly on Chávez's ticket, also spoke out against certain government stands. Both felt that the four non-Polo delegates elected at large exaggerated when they attacked the constitution for promoting extreme centralism and concentration of power in the executive branch. Combellas defended the mechanisms created by the constitution for "coordinating"

central, state, and local government plans as a corrective to the extreme decentralization pushed under the influence of neoliberalism in recent years. Escarrá also approved the general thrust of the constitution while initiating a campaign to collect signatures for a referendum on 14 proposed constitutional amendments, including a ban on abortions.

Combellas and Escarrá argued that the constitution went overboard in eliminating civilian checks on the armed forces, thus opening the door to militarism. They also warned that the lengthy transitional period between the dissolution of the Congress in December 1999 and the mega-elections of July 2000 would leave the nation without a mechanism for limiting the authority of the national executive. Combellas stated that he intended to go to the courts and even the international arena should the hand-picked commission that replaced the Congress during this interim enact legislation. Escarrá, for his part, ran for governor of the state of Carabobo in July with the backing of Arias (Combellas, 1999: 292-295; interview, Combellas, Washington D.C., February 1, 2000).

The MVR's rank and file adopted a purist attitude that condemned anything that smacked of the old politics. Paradoxically, this sectarianism fed into clientelistic aspirations. The argument for a clean break with the past served to justify the cry from the base of the party for purging the

administration of AD and COPEI militants, thus opening up opportunities for MVR members. An AD leader in the state of Anzoátegui put it this way:

“Here Quinta República people go so far as to publicly demand bureaucratic positions from a governor belonging to a party they are allied with [the Patria Para Todo (Homeland for All – PPT)] and attack him for not being ‘generous’ enough with them. Then what hope is there for AD and COPEI militants in the administration? What Chávez’s people want is to cut off heads” (interview, Manuel Alfaro, former deputy in the Anzoátegui state legislature, Barcelona, February 10, 2000).

The most unlikely member of the pro-Chávez coalition was the Movimiento al Socialismo (Movement toward Socialism – MAS). Since its founding in 1971 as a split-off from the Communist party, MAS had stressed electoral politics over socioeconomic transformation. Indeed, the party occupied ministerial posts under Rafael Caldera and defended his neoliberal economic policies. MAS’s endorsement of Chávez at its national congress in May 1998 contributed to the moderation of the candidate’s positions and image. Because of the pro-system orientation of MAS, MVR leaders questioned the party’s support for their candidate, particularly because just weeks prior to the congress none of its national leaders had viewed Chávez with sympathy. This turnabout was the result of the realization that Chávez’s

candidacy provided the party with a golden opportunity to step into a center-left space largely unoccupied at the time. After considerable deliberation, the MVR's national committee decided to accept the support of MAS but only as a "tactical ally" (interview, Luis Diaz, national MVR leader, Caracas, September 7, 1999).

The MASistas in the Constituent Assembly acted as a bloc and opposed many of the proposed articles with far-reaching implications. They were unable to vote down Article 303, which forbids the sale of stock in the state-run petroleum company. Nevertheless, Chávez, concerned that the article would completely dry up foreign capital in the oil industry, insisted on leaving open the possibility of "strategic associations" and private investment in the company's affiliates. A similar tug-of-war between PPT and MVR delegates and those of MAS occurred over articles on the legalization of abortion, state control of the social security system, and reimplementation of the retroactive system of severance payment. In all three cases, Chávez urged moderation, and the result was ambiguously worded articles that provided escape hatches for those resistant to change. While the latter two articles call for legislation to spell out specifics, the newly created constitutional branch of the Supreme Court will have the final say on all matters of interpretation (interview, David

De Lima, Constituent Assembly delegate, MAS leader, and future governor of Anzoátegui, February 12, 2000, Lecherías).

MAS's three main internal factions defended distinct positions toward Chávez. The party's historical leaders formed the Izquierda Democrática, (Democratic Left -- ID) which by mid-1999 had followed the steps of MAS's ideologue Teodoro Petkoff and others who had left the party immediately following the 1998 congress. The ID attacked the second faction headed by MAS's secretary general, Leopoldo Putsch, for slavishly following the line dictated by Chávez and the MVR. It expressed a willingness to extend the Chávez government qualified support but warned against its undemocratic tendencies, including the presence of a large number of military officers in administrative posts. The faction's withdrawal from MAS deprived the party of leaders committed to ideological analysis originating in their Communist past. A third, pragmatic current headed by MAS president Felipe Mujica also dated back to the party's early years, when the same faction consistently favored a policy of alliances in order to profit organizationally but with little ideological consistency. Mujica argued that MAS should support Chávez while distancing itself from the Chavistas for the purpose of developing its own profile. At first, Mujica and his followers attempted to outdo the MVR in aggressively attacking the establishment parties, but then they reversed

themselves by adhering to a more moderate course and defending neoliberal positions (Mujica, 1999). In another flip-flop, Mujica called on MAS to run its own candidates in the elections scheduled for 2000, thus differentiating itself from its Polo Patriótico allies, which lacked solid roots and credibility (interview, Nelson Rampersad, head of MAS's congressional representation, Caracas, September 21, 1999). In the past, this go-it-alone approach had been designed to facilitate MAS's search for an ideological identity, but now the same strategy was motivated by pragmatic considerations (Ellner, 1988: 118).

Similarly rank-and-file pressure forced the leaders of the smaller PPT and MEP to throw their support behind Chávez's presidential candidacy. In all three cases, party endorsement was decided on only after Chávez's popularity had soared in early 1998. As occurred with MAS, MEP's backing of Chávez led to the exit of many of its historical leaders from the party. In contrast to other parties of the alliance, the PPT's secretary general Pablo Medina explained his reconsideration in class terms. According to him, the privatization and downsizing of the steel and other heavy industries of the Guyana region had eroded the PPT's worker base. Consequently, the party had to forge a broad alliance that went beyond the industrial working class and included military officers along with other discontented sectors represented in Chávez's movement (Medina, 1999: 74).

In short, pressure from the rank and file of the Polo Patriótico parties had a particularly strong impact on their respective leaders. For the most part, neither the dominant leadership of the parties of the Polo Patriótico nor their main factions defined themselves along ideological lines. Specifically, in the case of the MVR lack of ideological clarity was the result of the party's sudden growth, in which the nascent organization attracted peripheral members of diverse leftist and nonleftist parties. The special status reserved for retired military officers in the MVR also contributed to the party's heterogeneity.

INSTITUTIONAL TRANSFORMATION

In 1990 a group of assorted intellectuals and political activists outside of the two main establishment parties formed the Frente Patriótico, which laid the groundwork for the institutional transformations that the Chávez government attempted to achieve. The Frente Patriótico's call for the convocation of a constituent assembly with unlimited powers stood in contrast to the efforts of ex-President Rafael Caldera, who headed a bicameral congressional commission to reform the existing constitution. Because of the widespread discontent and protests following the February 1992 coup attempt, congressmen urged Caldera to complete his 70-odd-article reform

immediately in order to shore up the legitimacy of the Pérez government. But when the pressure subsided in mid-1992, Congress buried the reform proposal. A second opportunity was lost after Caldera's election as president in 1993, when he named his constitutional adviser Ricardo Combellas to head the Commission for State Reform in an effort to prioritize the constitutional reform and again Congress failed to seriously consider on it. As a result, Combellas and other prominent establishment figures lost faith in Congress and swung over to the radical position in favor of a constituent assembly with unlimited powers and without the participation of congressmen. Indeed, Combellas and others attributed the nation's woes to the excessive power of the political parties that dominated Congress, organized labor, and other institutions (Combellas, 1993: 27-29; 1998: xi). This view was shared by some political scientists, who labeled the Venezuelan political system a "partyarchy," in opposition to others who characterized it as "hyperpresidentialist."

Considerable debate in the constituent assembly centered on two basic propositions aimed at transforming the state. The first strengthened the executive branch and weakened Congress. The assembly created a unicameral congress, eliminated congressional input in military promotions (and reduced it in the case of appointment of judges), and empowered the president to

dissolve Congress under certain circumstances. In addition, it extended the presidency from five to six years and allowed for immediate reelection. It also created the figure of a vicepresident appointed by the president, rejecting a proposal to balance presidential power with that of a prime minister. The second major proposition was participatory democracy. The new constitution allows for different types of referenda, making possible the removal of elected officials, and provides for the participation of civil society in the nomination of judges at all levels, the National Electoral Council, the national controller, and the newly created ombudsman.

In addition to the new constitution, the Chávez government's fiscal practices were designed to promote institutional transformations. The fundamental objective of the strategy was to overcome the extreme bureaucratic lethargy, clientelism, and corruption that many attributed to easy oil money over an extended period of time (Karl, 1997: 71-185). Indeed, the Chavistas in the administration saw themselves as contending with the nation's "oil culture." The Chávez government boasted that, unlike populist regimes of the past, it had resisted the pressure from below to open the spigots of the abundant oil revenue derived from sharp price increases in 1999 and 2000. For the first time, the government deposited a significant part of the revenue that exceeded annual estimates in a "macroeconomic fund," created to

deal with future exigencies. Chávez followed a conservative fiscal policy partly to reduce inflation but also to pressure the state bureaucracy to eliminate waste. Thus the administration held up allocations for individual programs in order to force state bodies to meet certain standards. It insisted, for instance, that money earmarked for public works projects not be diverted to cover bureaucratic expenses, as often occurred at the state and municipal levels. The Chávez government also attempted to eliminate the practice of depositing funds allocated for specific purposes in the money market before being put to use.

Plan Bolívar 2000 was also designed to produce a bureaucratic shakeup. It involved military participation in such diverse activities as highway construction, renovation of schools and hospitals and medical care for large numbers of people. By accomplishing in several weeks what took months by the official process, the program served to show up the government bureaucracy. The president pointed to the infinitely lower cost of the program, even in cases where workers received regular salaries. These remarks dismayed businessmen, who feared that Plan Bolívar 2000 would replace the system of contracting out public works projects to the private sector.

Chávez also attacked entrenched powers in the public sphere -- the result of ten years of poorly planned decentralization but also of the feudal vestiges

of colonial rule. He questioned the excessive autonomy of municipal and state governments, public universities, the Central Bank, and the state-run oil company. The new constitution attempted to correct this situation by restoring the mechanisms of “coordination” that the Decentralization Law of 1989 had eliminated, thus facilitating central government participation in municipal and statewide projects. Nevertheless, the strategy of shaking up the public administration without exercising direct control at all levels had its limitations. By failing to purge the administration of all functionaries linked to traditional parties and practices, it fell short of the clean break with the past that the Chavistas considered necessary. Most important, the Chavistas lacked a close-knit party with experienced, disciplined cadres to occupy middle-level positions in the bureaucracy from which they could eliminate administrative irregularities and guarantee better performance. Finally, the effort to check inefficiency and irresponsible bureaucratic practices at the state and local levels left the Chávez government open to accusations of obstructing decentralization.

ECONOMIC POLICY

At the outset of the 1998 presidential campaign, Chávez’s MBR-200, in response to President Caldera’s pro-neoliberal “Agenda Venezuela, published

an “Agenda Alternativa Bolivariana.” Chávez accompanied the Central University rector Simón Muñoz to the Supreme Court to question the legality of the opening of the oil industry to foreign capital. Although he subsequently accepted selective privatization, he continued to speak out against neoliberalism both at home and abroad.

As president, Chávez declared that he would reverse the trend of turning over increasing control of the health, education, and petroleum sectors to private interests. Thus his administration suspended the privatization of the health system and limited the profits of private firms that administered the recently privatized system of pension funds. In addition, the constitution drafted by Chávez’s followers prohibited the sale of stock in the state petroleum company, and the Ministry of Energy and Mines declared that it would review the terms of eight oil contracts signed with the private sector. Finally, the Chávez administration broke with past practices by closing down recently created departments and campuses of two important private institutions of higher learning because they failed to obtain official approval on the basis of academic requirements.

In other respects as well, Chávez’s economic policy differed from neoliberal formulas. In the first place, privatization was not pushed as a priority item as the neoliberals prescribed, and thus there were no

breakthroughs on that front in 1999 and 2000. The administration did make plans to divide up the aluminum industry under diverse modalities for the purpose of promoting diversification and opening opportunities to small-scale investors. This move, however, contrasted with the neoliberal approach of the previous Caldera administration, which had sold off the nation's steel plants to a single foreign dominated consortium in order to maximize government revenue. In an additional policy criticized by neoliberals, the Chávez government regulated privatized operations in accordance with public and national interests. Thus, for instance, the National Telecommunications Commission refused to accept monthly telephone rate increases for the second half of 1999 as specified in the privatization contract with the consortium headed by General Telephone and Electric because of its failure to meet agreed-upon targets.

The budgetary discipline of the Chávez government in 1999 in the face of sharp oil-price hikes contrasted with the fiscal irresponsibility of previous administrations. Throughout the year, the government prioritized the accumulation of international reserves while avoiding a sharp increase in exchange rates, limiting annual inflation to 20 percent, and driving down interest rates. These conservative fiscal measures and other aspects of economic policy were criticized by the MVR's coalition partner, the PPT, thus

contributing to friction between the two parties. The PPT favored injecting oil money into the economy and increasing allocations at the state level in order to promote decentralization, a proposal that clashed with the more centralist practices of the government. Most important, the PPT advocated reconsideration of the payment of the foreign debt under current terms, a position not shared by the government. The policy differences and clashes between the MVR and the PPT prior to the July 2000 mega-elections seemed to signal a drift to the center on the part of the Chávez government.

In short, Chávez refrained from embracing neoliberalism, the accusations of several groups of the far left notwithstanding. His positions and policies coincided with those of the Latin American left, which in recent years has abandoned the statist approach of increasing public control of the economy (Ellner, 1999). Specifically, President Chávez disregarded the traditional left's advocacy of state takeover of all "strategic" sectors but insisted that the state retain a dominant position in oil, education, and health. Furthermore, on several occasions the Chávez administration broke with previous neoliberal policies by forcing private interests to comply with established national goals.

FOREIGN POLICY

Chávez's outspoken foreign policy represented a challenge to the State Department. At the outset of his presidential candidacy in 1997 Chávez had warned of a U.S. invasion should his movement triumph at the polls. Even though he subsequently toned down his rhetoric and avoided anti-U.S. rhetoric, he and his foreign minister, José Vicente Rangel (a three-time socialist presidential candidate in the 1970s and 1980s), opposed the U.S. line on a wide range of specific issues. The following positions upheld by Caracas were among the most important differences: (1) acceptance of Cuba's reentry into the Organization of American States (OAS) with no strings attached; (2) insistence that the United States abandon its program of unilateral certification of Latin American nations on the basis of their efforts to combat the drug trade; (3) the granting of asylum to Colombian guerrillas; (4) acceptance of negotiations in Venezuela between representatives of Colombia's civil society and the nation's guerrilla movement, and maintenance of contacts with the latter for the purpose of reducing kidnappings on the Venezuelan side of the border; (5) advocacy of North-South dialogue on the issue of the private debt; and (6) rejection of the U.S. request to permit reconnaissance flights sponsored by the Drug Enforcement Administration over Venezuelan territory.

The democratic governments that emerged in the 1980s and 1990s in Latin America and elsewhere in the Third World failed to question U.S. hegemony and generally accepted neoliberal formulas. In the context of these conservative postures, Chávez's foreign policy stood out as bold and independent. Most important, Chávez began to assume a leadership position at the continental level and to formulate proposals for the Third World in general. During his trip to China in October 1999, he defended the model of a "multipolar world" as a corrective to single-power hegemony. During the same trip, he promoted interest among Asian nations in commerce and investment in Venezuela (particularly with regard to orimulsion, a Venezuelan fuel) with the aim of helping reduce dependency on the U.S. economy. From the outset of his presidency he made Venezuelan entry into the economic union MERCOSUR a priority. His support for Latin American integration, which ignored U.S. plans to extend the North American Free Trade Agreement, went beyond economic agreements and included even military coordination. Chávez, more than any other Latin American president, was wary of the creation of a hemispheric free-trade zone without providing Latin American nations sufficient time to prepare for the international competition inherent in the proposition. In spite of ideological differences, some of Chávez's positions were well received among his Latin American colleagues,

with whom he maintained extremely cordial relations. Not surprisingly, this was the case with his criticism of the U.S. drug certification program and opposition to U.S. efforts in the OAS to create mechanisms of preventive intervention whenever democracy was in jeopardy. Nevertheless, Chávez's meetings with leftist leaders such as Brazil's "Lula" and Mexico's Cuauhtémoc Cárdenas on trips abroad and his recognition of the belligerent status of Colombian guerrillas undoubtedly impeded his efforts to create a solid Latin American bloc (Ellner, 2000).

CHARISMA AND DISCOURSE

Many Latin American presidents in the 1990s have compensated for their weak organizational backing or their party's lack of credibility by intensifying their presence on the national scene and projecting themselves as national saviors (Mettenheim and Malloy, 1998: 7-8). Chávez was no exception as his makeshift Polo Patriótico alliance lacked strong roots in the population and was disunited. Indeed, his goal of engineering thoroughgoing change in the nation has historically required a tight-knit political party with popular ties and an ideological vision. Throughout his first year in office, Chávez maintained a high profile. His frequent TV appearances extended for hours, generally transmitted simultaneously on all channels. He also had a regular

call-in radio program, “Hello, President.” In addition, Chávez actively participated in the campaigns for the Constituent Assembly, the ratification of the new constitution, and the July 2000 mega-elections, thus breaking with the Venezuelan tradition of presidential neutrality in electoral contests. Finally, he traveled widely abroad, where he made important pronouncements on foreign policy objectives that received considerable press coverage.

The discourse of populists generally appealed to nonprivileged sectors. While the radical populist parties including AD, APRA, and the Justicialista party in the 1930s and 1940s attracted workers and organized them into unions, the neopopulists of the 1990s (such as Peru’s Fujimori) enjoyed considerable popularity among members of the informal economy (Weyland, 1996; 1999: 182). Chávez fit this pattern in that he focused attention on the lot of the very poor at the same time expressing disappointment over the passivity of the organized working class (Blanco Muñoz, 1998: 392). Unlike Chávez, however, the modern neopopulists generally embraced neoliberalism, which was unconcerned about social inequality, and thus they stopped short of redistributive policies. In contrast, Chávez’s discourse included promises that pointed in the direction of winners and losers. Thus, for instance, he stated that if his children were starving he would not think twice about committing theft. He also asserted that squatters were exercising their legitimate right to occupy

the land. In making these statements, he was indicating that for him the plight of the poor took priority over the protection of private property. Indeed, business groups criticized his original draft of the constitution for failing to guarantee, in no uncertain terms, the sanctity of private property (Gerente, 1999: 53-54).

Chávez, in addition to promoting values such as social justice, humanism, and patriotism, offered a new vision of the nation's history. This interpretation served to justify his abrupt break with the past, as embodied in the Constituent Assembly, and his harsh attacks on the parties that had ruled Venezuela since 1958. For decades Venezuelans had dated the beginning of the modern period to the death of long-time dictator Juan Vicente Gómez in 1935 or to the 1945 or 1958 revolts that had brought AD to power. They generally condemned all those who had governed Venezuela between Bolívar's death in 1830 and that of Gómez as ruthless, corrupt, or incompetent. In contrast, Chávez's reference to the past lent legitimacy to some of the nation's nineteenth-century caudillos and went counter to the negative characterization of the nation's military tradition (Blanco Muñoz, 1998: 103). He dated the domination by a closed political elite with dubious ethical conduct -- pejoratively referred to as "partyarchy" -- not to the 1970s or 1980s as is generally done but to AD's original accession to power in 1945.

He also attacked such political luminaries as AD's Rómulo Betancourt and the nation's "pacted democracy," which until recently was considered a model for Latin America.

CONCLUSION

A set of basic features, policies, and circumstances distinguishes the movement headed by Hugo Chávez from other movements for change in Latin America in the twentieth century. The salient characteristics discussed in this article are as follows:

1. From the outset, the MBR-200 consisted of middle-level officers intent on creating a civilian-military movement; military officers continue to occupy prominent positions in the MVR and the Chávez government.

2. During his first year in office, President Chávez counted on the solid backing of the armed forces, particularly among middle-level officers. Arias Cárdenas's criticism of the "politicization" of the armed forces in early 2000 appealed to top-ranking officers and began to polarize the institution.

3. Chávez drew most of his electoral support from nonprivileged sectors, particularly unorganized workers, while his movement lacked an important contingent of labor leaders. The middle class, which was fairly evenly divided

at the outset of his presidency, became increasingly alienated during the following months.

4. The Polo Patriótico was a makeshift alliance activated only for electoral purposes, while its largest party, the MVR, was organizationally and ideologically ill-defined.

5. The main parties of the opposition lost vitality as a result of their poor showing in the December 1998 elections.

6. The Chávez government pursued an independent and activist foreign policy that included calls for the revival of the Third World bloc.

7. Chávez avoided anticommunist rhetoric and incorporated numerous leftists into his government and party leadership.

8. Chávez's discourse stressed the plight of nonprivileged sectors and envisioned zero-sum game situations involving the poor and members of the elite.

9. Chávez abandoned the statist economic model that he had originally embraced and accepted privatization in strategic sectors, while adhering to a conservative fiscal policy. Nevertheless, instead of adopting neoliberalism, with its blind faith in the marketplace, his administration established certain national objectives for private capital.

10. Chávez indicated to his followers that, in addition to radical institutional transformation, other battles lay on the horizon, implying that thoroughgoing economic change was on his agenda.

11. Chávez threatened his political adversaries with aggressive actions but often ended up holding out an olive branch in order to reach a compromise.

The above features of Chávez's movement show how far it is from the delegative democracy described by O'Donnell and from radical populism. Points 1, 6, 7, 8, 9, and 10 put in evidence major differences with delegative democracy and points 1, 3, 4, 5, and 7 do the same with regard to radical populism.

Chavismo resembles the radical populism of the 1930s and 1940s more than it does delegative democracy. The radical populists opened up political institutions to nonprivileged sectors, first promoting the formation of labor unions and then creating a neocorporatist structure in which worker leaders had regular input into decision making. Similarly, Chavismo attempted to broaden participation under the slogan "participatory democracy" (a major goal of the Constituent Assembly) and reached out to nonprivileged sectors in particular.

In the social thrust of the movement (point 8), its antineoliberal stands (point 9), its independent foreign policy (point 6) and the mobilizations it set off, Chavismo diverges in fundamental ways from delegative democracy. At the same time, like neopopulist movements and delegative democracies in Latin America, it has developed a special relationship with the people -- particularly with nonorganized sectors of the population (point 3) -- that largely bypasses political organizations and serves as a major source of legitimacy.

Venezuela's current political party system differs markedly from that of the heyday of radical populism. The radical populists were adept at establishing vertically structured, disciplined parties (point 4) that were strongly linked to organized labor and other institutions (point 3). Their adversaries were also well organized and enjoyed the support of the armed forces, which eventually overthrew the radical populist governments (point 2 and 5). Both the radical populists and their opponents were able to call on large numbers of people to take to the streets in connection with specific demands and grievances.

While the union movement was incorporated into the structure of many radical populist parties, thus contributing to their organizational solidity, the MVR's labor contingent fails to play an active role in the party's decision

making. Chávez lacks influence over organized labor. The organizational underpinnings of Chavismo are tenuous largely because it derives the bulk of its support from unorganized workers in the formal and informal economies, who lack the organizational experience of unionized workers. The fragility of Chávez's organized support is partly offset by the backing of important sectors of the armed forces and the disorganization of the parties of the opposition. In addition, the mobilizations set in motion by Chavismo are less politically controlled: at any given moment they may express support for the government, just as they may serve to undermine its authority. In this sense, the eventual outcome of Chavismo is more uncertain than was that of radical populism during its heyday.

In his seminal study of populism, Ernesto Laclau (1977) posited the largely unpredictable nature of populist movements. Laclau rejected the mechanical connection between populism and emerging capitalism, in spite of the anti-oligarchic thrust of both (Ianni, 1975). He claimed that analysis of populism's "ideological discourse" was the key to ascertaining the direction of the movement. In order to demonstrate the revolutionary potential of populist movements, he attempted to refute the notion that populist leaders consistently manipulate the nonprivileged and the powerless (Germani, 1962). Some scholars have accepted Laclau's general thesis while criticizing his emphasis

on discourse. They argue that the long-term trends of populism are the result of its class makeup, internal organization, and the concrete policies and actions it undertakes, which determine and reflect this class support (Mouzelis, 1978). By way of example, David Raby (1999; n.d.) points out that the socialist outcome of the populist movement in Cuba headed by Fidel Castro in the 1950s was made possible by its linkage to the spontaneous energy of the people and especially the nonprivileged sectors. This orientation contrasted sharply with the dogmatic approach of the Cuban Communist party, which largely overlooked popular culture and was unable to interpret popular sentiment. In short, populist movements have a greater capacity to penetrate popular culture precisely because they are not bound to a solidified, inflexible doctrine. Because of this very ideological ambiguity, their long-term direction is hard to predict. This proposition is particularly applicable to Chavismo; not only is its ideology ill-defined but its organization is tenuous.

One example of the contradictions of Chavismo, which makes its future uncertain, is its commitment to the deepening of democracy. On the one hand, the constitution created novel mechanisms of direct participation as a corrective to neocorporatist arrangements dating back to the outset of democracy in 1958. On the other hand, the special role assigned to military officers in both the party and the state and the autonomy granted the armed

forces by the new constitution pointed in the opposite direction. Furthermore, Chávez's movement failed to sow the seeds of internal democracy even after it assumed an above-ground existence following the 1992 coup attempt. Thrown into a process of ongoing national elections from 1997 through late 2000, the party retained its highly vertical structure and was forced to put off internal elections and other organizational reforms.

Specific aspects of the movement, however, point in a radical direction. In addition to discourse, the potential of Chavismo for far-reaching change can be gleaned from an examination of the movement's origins, its policies, and the role of political actors. The formation of the movement in the course of ten years of conspiratorial activity by nonelite members of the armed forces, its links to civilian leftists both before and after February 1992, and its encouragement of popular mobilizations all testify to its radical potential. Additional factors favoring far-reaching transformations include the institutional changes designed by the Constituent Assembly, the Chávez government's independent foreign policy, its suspension of over 100 judges accused of corruption, and its formulation of alternatives to neoliberal economic policy.

The key task for Chávez as president is the creation of new institutional and organizational structures. With regard to the former, Max Weber's

celebrated theory that charismatic authority cannot sustain itself indefinitely points to the need to create a new institutional setting with new rules, as the Constituent Assembly set out to do. Creating this edifice, however, is only half of the challenge. At this point organizational weakness is Chavismo's Achilles' heel. Without a cohesive organization it is hard to see how the far-reaching, ambitious goals of the movement's leaders will be achieved, regardless of the firmness of their commitment. If Chávez retains a significant backing of the armed forces and succeeds at organizational consolidation, the deepening of the process of change and even structural transformation will become a realistic possibility.

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