

VENEZUELA

ANATOMY OF A DICTATOR

Luis Fleischman

A profound transformation is under way in Venezuela. Since taking power in 1998, strongman Hugo Chávez has imposed stricter controls on economic activity, reduced opposition political parties to near-insignificance, launched a series of legal attempts to limit the media, and rolled back individual liberties—all in the name of “social justice.” As a result, Venezuela today is drifting towards a regime that is authoritarian in form and anti-capitalist, socialist and anti-American in substance.

These changes are not purely domestic. Claiming that his government represents a continuation of the work of those who helped liberate Latin America from Spanish domination, most notably Simón Bolívar, Chávez increasingly has come to view himself as a regional leader—and occasionally, as a global player as well.

In the process, Venezuela has become a strategic threat to the United States. From the provision of safe haven to radical Islamic groups to increased support for—and cooperation with—rogue states such as Iran, Caracas has emerged as a hub for anti-American activity in the Western Hemisphere—one that increasingly poses a challenge to the interests of the United States in its own backyard. It is a threat that Washington has so far not confronted resolutely.



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A constitutional coup

The anti-democratic drift taking place in Caracas is both sudden and alarming. After all, Venezuela is one of the few Latin American countries that did not suffer under dictatorship in recent decades. Instead, for most of the second half of the 20th century, Venezuela was governed by two parties, Democratic Action (Acción Democrática) and the Christian Democrats (COPEI), which monopolized political power and regularly took turns in the presidential palace.

Over time, however, this status quo became unsustainable. Economic and political malaise resulted in plummeting popularity for parties, generating disaffection and paving the way for the rise of a new political leadership, with Hugo Chávez Frias at its head.

Back in 1992, Chávez, a former paratrooper and army lieutenant colonel, had staged an abortive coup against the government of then-president Carlos Andres Perez. He was jailed for his efforts. But just six years later, Chávez would be elected president as head of a new political bloc, the Patriotic Pole, by the largest majority in four decades. Chávez' wildly-successful campaign—built on an anti-corruption and anti-poverty platform—was a direct repudiation of the political order that had dominated Venezuelan politics since 1958.

Once in office, Chávez did not waste any time consolidating power. Between April and July 1999, via referendum, he successfully orchestrated the drafting of a new national constitution, ushering in a new political era in Venezuela—one marked by the virtual

death of political parties and institutional representative democracy. Chávez had managed to launch a revolutionary process that reduced the power of parliamentary politics in favor of grassroots populism.¹ Long-winded public speeches and television programs lionizing the new leader replaced parliamentary debate, and the national executive slowly but surely began to eclipse the legislature and judiciary.

Additional steps soon followed. Under pressure from supporters of the new populist president, the Venezuelan Supreme Court authorized the country's Constitutional Assembly to declare a "judicial emergency" and evaluate all existing judges. Chávez leveraged this opening into a lasting "state of emergency," and began the process of uprooting the country's old political institutions. By early 2000, a new constitution had been approved by general referendum. It extended the presidential term from five to six years, and allowed the president to stand for re-election once. It also eliminated the country's historic bi-cameral parliamentary system in favor of a one-chamber National Assembly.

Most significant, however, was the new constitution's provision of near-absolute power to the executive branch. In the name of "social justice," it imposed restrictions on the activities of private institutions and diminished the power of corporations while increasing government regulation and federal control of the economy. The constitution also provided new limits on the role of the traditionally-independent military. The results were unmistakable; under Chávez' watchful eye, Venezuela's constitution had become a political project aimed

at expanding the power of the state, diminishing the power of civil society, and subordinating the military to the political will of the executive.

Social engineering

What drives Chávez' efforts to expand control over the Venezuelan state? The answer can be found in the principles of the president's own peculiar social movement, called Bolivarianism. Named for the 19th century Venezuelan-born independence hero Simón Bolívar, it aims to destroy the old oligarchy and achieve full equality between classes and races. Even though Bolívar was a product of the Enlightenment and philosophically supported republicanism, when it came to Latin America, Bolívar backed a form of government in which legislative powers were relinquished to the executive as a way of making society more governable and orderly.² Chávez has embraced this part of Bolívar's complex thought wholeheartedly. "Previous rulers have sold the nation to foreign interests," Chávez has announced. "There is no solution to the poverty and misery of Latin America within the capitalistic system. To put an end to capitalism will take years, perhaps decades. The only way to finish off capitalism is to replace it with socialism."³

He has wasted no time putting this principle into practice. Since January 2003, in a policy clearly aimed at destroying the country's private sector, the government has halted foreign exchange sales and imposed import controls. Businesses have become forced to buy American dollars on the black market or close down entirely.⁴ Assaults on private property have created a hostile environment for private economic activities that severely affect the work force. Only abundant oil dollars have

enabled Venezuela to experience some degree of economic growth and provide for jobs with public expenditures. Over time, however, the private sector is likely to disappear from the economic future of the country.⁵

In keeping with his view of the armed forces as the backbone of social and political revolution, Chávez has also moved to monopolize and politicize the country's military. About 100 military officers were purged for treason while key posts were given to officers loyal to the Bolivarian Revolution. In the wake of an abortive *coup d'état* in April 2002, Chávez has also overseen the creation of elite parallel paramilitary forces, called Bolivarian Circles (Círculos Bolivarianos), overwhelmingly loyal to the presidency. These militias are also involved in expropriations of private property and other social projects promoted by Chávez.⁶

Chávez has likewise turned on the national media, accusing it of engaging in anti-regime propaganda and attempting to foment a political coup. The results have been dramatic; according to Human Rights Watch, today "journalists face physical violence and threats often by fervent civilian supporters of President Chávez."⁷ The recently approved "Law for Social Responsibility in Radio and TV" empowers the government to control programs broadcast between 5:00 a.m. and 11:00 p.m.⁸ By the same token, a recent overhaul of the country's criminal code has criminalized opinions "that affect public officials or that bring turmoil to the collective."⁹

The end result of these (and other) efforts on the part of Venezuela's strongman has been the rise of a "dual state," in which the rule of law and legal institutions have gradually given way to unfettered power in the hands of an increasingly unaccountable leader.

A Latin American Nasser

But Chávez' ambitions do not end at the border. Like his inspiration, the explorer Simón Bolívar, Venezuela's president desires a unified Latin America under a single government. Toward that end, Chávez is actively working to cobble together a new Latin American body politic—one modeled in his own image and with Venezuela at its center.

Not surprisingly, Chávez has aligned himself with Cuba's aging dictator, Fidel Castro. Early in his tenure, Chávez visited Havana on a bridge-building mission between Caracas and Latin America's last truly socialist state. Since returning home, in a gesture of goodwill, Chávez has thrown open his country's doors to Cuban doctors, teachers and other experts in a bid to improve Venezuelan health and education. In return, Venezuela has become a sorely-needed economic lifeline for Havana, much the way the Soviet Union was until the 1990s.¹⁰ Most importantly, Chávez receives from Cuba strategic advice on how to consolidate his power, which, according to observers, "would not be what it is without the assistance of the Cuban intelligence apparatus."¹¹

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Cuba is hardly the Chavista state's only regional ally. Chávez has registered his opposition to "Plan Colombia," the American plan aimed at dismantling the activities of left-wing

guerillas linked to drug trafficking in Colombia, and allegedly has cooperated with the country's leftist rebels to stymie that policy. Press reports suggest that the National Armed Forces of Venezuela have entered Colombian territory in the past, allegedly in order to support the Revolutionary Armed Forces of Colombia (FARC), a left-wing guerilla group supported by the country's drug cartels.¹² There have also been allegations that Chávez is logistically and militarily supporting the FARC with weapons purchased from Russia.¹³

Likewise, Chávez' ideological influence—and quite possibly his practical assistance—has been felt in Bolivia, where two army officials attempted to mobilize the country's military to carry out a *coup d'état* against the constitutional government of Carlos Mesa in June 2005. Following the same pattern, Chávez has expressed solidarity and support for indigenous and rebellious movements in Peru and Ecuador.

As this support for left-wing movements suggests, Chávez is cut from the same cloth as other revolutionary and transnational tyrants of the 20th century. Perhaps the strongman that Chávez most closely personifies, however, is Egypt's Gamal Abdel Nasser. Like Nasser in his day, Chávez seeks to foment a radical, anti-imperialist revolution—and to assume a position of both regional and global leadership.

Chávez has worked toward this goal in a number of ways. The "Bolivarian Circles" have established chapters in many countries in Latin America and beyond in order to help spread the Bolivarian message. Chávez has also launched a new television network, dubbed "Telesur," modeled after *al-Jazeera* and intended to promote historical personalities such as Bolívar,

Artigas, San Martín, Che Guevara, Sandino and other role models in Latin America to replace Superman, Spiderman and other Hollywood-type characters.¹⁴ In other words, “TeleSur” is likely to become an instrument of anti-American propaganda.

Chávez’s internationalism has a clear economic dimension as well. Venezuela’s president has generated an economic vision for Latin America—one in which continental economies would make up for their deficiencies by complementing each other in a sort of “most favored nation” exchange system that avoids “monetarism” and the need for credit from international financial bodies.¹⁵ Moreover, Chávez talks about the creation of a Latin American Central Bank or Federal Reserve (to be called “BancoSur”) to develop independence from the International Monetary Fund. Another project, dubbed “PetroAmerica,” seeks to integrate state-owned oil companies in Latin America and the Caribbean so that they can jointly invest in exploration, use and trade of oil and natural gas. The basic premise is that all of them together form a powerful unified bloc capable of dealing with the development of energy production.¹⁶

The enemy of my enemy

These policies have made Chávez a natural adversary of the United States. His anti-American rhetoric is hate-filled, loud and often delirious.

The reasons may be ideological, but they are also practical. Anti-Americanism generates solidarity with other regions of the world that share the same antipathy.

This particular obsession has led Chávez to make some strange bedfellows. Early in his presidency, Chávez reportedly wrote a personal letter to master terrorist Illich Ramírez San-

chez, better known as “Carlos the Jackal,” calling him a “distinguished compatriot.”¹⁷ Chávez has also lauded Libya’s dictator, Muammar Qadhafi, as a “hero” and declared that Libya (which until recently was considered a terrorist-sponsoring state) and Venezuela share the same mission and goals. Similar praises have been lavished upon the now-defunct government of Saddam Hussein in Iraq, which Chávez characterized as a “model” for Venezuela.¹⁸

More recently, Chávez visited Iran in July 2006 to demonstrate his support for the Islamic Republic’s opposition to the West—and to agitate for confrontation with the United States. “Let’s save the human race, let’s finish off the U.S. empire,” Chávez is reported as having told Iranian leaders.¹⁹ Under the veil of technological cooperation with Tehran, Chávez may even be seeking nuclear weapons. As part of a deal signed between Venezuela and Iran in March 2006, the two countries established a \$200 million development fund and signed bilateral deals to build homes and exploit petroleum. The Venezuelan opposition raised the possibility that the deal could involve the transfer to Iran of Venezuelan uranium.²⁰ And in a confirmation of the solidarity between Tehran and Caracas, Chávez has threatened to respond to international sanctions against the Islamic Republic over its nuclear program by providing Iran with embargoed petroleum products, and perhaps even by choking off gasoline exports to the United States.

Which brings us to energy. As part of Venezuela’s plan to reduce American power, the Chávez government has signed agreements with China and India, and has been dramatically increasing the oil supplies to these countries at the expense of

U.S. customers.²¹ According to oil analyst Roger Tissot, Venezuela wants to reduce dependence on the U.S. in order to position itself in the world's fastest growing markets.²² But this is not merely an economic decision. Rather, it is driven by a clear political objective: to increase Venezuela's international influence at the expense of the United States.

Chávez, moreover, is positioned to accomplish just that. According to a recent study by the U.S. Government Accountability Office (GAO), a 6-month disruption of crude from Venezuela "would result in a significant increase in crude oil prices and lead to a reduction of up to \$23 billion in U.S. gross domestic product." The report also states that, while a short-term reduction would be manageable for the U.S. economy, long-term curbs on Venezuelan oil production and exports should be "a concern for U.S. security, especially in light of current tight supply and demand conditions in the world market."²³

Terror central

Back in 2003, General James Hill, Commander of the U.S. Southern Command, highlighted that a number of Islamic terrorist groups were active in the area of Isla Margarita (Margarita Island), a tourist destination and mountainous tropical Caribbean Island located off the north shore of Venezuela. Hill stated then that Islamic terrorist cells extended from Trinidad and Tobago (a country with a high Muslim population) to Margarita Island and that they represent a strategic danger to the United States.²⁴

Hill's warning highlights a troubling fact: Venezuela under Chávez has become a safe haven and launching pad for radical Islamist activities in the Western Hemisphere. According to none other than General

Marcos Ferreira, a former director of the Venezuelan National Guard's border control, the Chávez government has issued false identities and Venezuelan passports to a large number of terrorist operatives.²⁵ And news investigations have found that Middle Eastern terrorist groups—among them Hamas, Hezbollah, and Gama'a Islamiyya—"are operating support cells in Venezuela and other locations in the Andean region."²⁶

Moreover, constitutional changes made on Chávez' watch have actually encouraged such complicity. Under the country's 1999 constitution, a Venezuelan citizen can now simultaneously hold two passports—a loophole that observers say Middle Easterners with ties to terrorism have begun to exploit.²⁷ Indeed, investigations by *U.S. News & World Report* and the *Miami Herald* have found that the Chávez regime has provided nationality documents to foreigners from countries such as Syria, Pakistan, Egypt and Lebanon, as well as to supporters from Saddam Hussein's ousted regime in Iraq.²⁸

The goals of these activities? A show of solidarity with third-world radicals, as well as the formation of a sort of "foreign legion" that could protect the Chavista state against foreign threats, and potentially internal dissent as well.

Worse to come

Under Hugo Chávez, Venezuela has become more than just a repressive regime. Caracas today is a revolutionary state, with enemies both foreign and domestic. And its ability to harm the country that it sees as its chief adversary—the United States—is on the rise.

On the energy front, Chávez is pursuing politically-motivated policies that favor foreign nations such

as China and India at the expense of the U.S., and doing so despite the fact that they are not economically prudent. Meanwhile, his grandiose plans for regional unity—to say nothing of his attempts to influence the domestic politics of his neighbors—speak to a serious quest for regional power. Chávez has also emerged as a staunch ally of America's greatest Middle Eastern adversary, Iran, and as a supporter of terrorists seeking to harm regional stability and the United States.

As these moves indicate, Venezuela today is fast emerging as the most dangerous player in the Western Hemisphere. If it is successful in its efforts, the regime in Caracas could become one of the greatest strategic challenges facing the United States in the years ahead.



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