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Second-time Lucky: Chávez on his Way to 2021? (ARI)

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Theme: The approval of plans to lift the ban on the indefinite re-election of elected officials paves the way for Chávez to run for office in 2012 and gives him further scope to continue implementing his vague, contradictory and divisive socialist project.

Summary: On his second attempt, Hugo Chávez managed to secure an ample majority of Venezuelan votes to ratify a constitutional amendment to enable him to run for office in 2012. Since his re-election in 2006, the President had been trying to change the Constitution, which allowed only two consecutive presidential terms. The first time, voters narrowly rejected a reform that sought to allow the indefinite re-election of a President (December 2007). At the end of 2008, Chávez became convinced on the need to quickly submit the matter to a vote again, because of two factors: first, although *chavismo* won in the regional and local elections, the opposition made significant gains; secondly, this was coupled with the prospects of a decline in the economic situation as oil prices slumped.

So this time he decided to extend the option of re-election to include all elected officials. Although there are serious doubts as to the constitutionality of the proposal, the triumph of the 'yes' vote is evidence of the huge support which Chávez's leadership continues to command, as well as his capacity to organise and mobilise grassroots backing 10 years after first coming to power. It also shows the extreme dependence of the ruling party on the use and misuse of State resources in a context in which there is no separation of powers and in which electoral processes have been badly degraded. The victory strengthens the President and extends the future prospects of his confused socialist project. However, the leader of the 'revolution' still has to overcome the challenge of proving his efficiency in a context that is shaped by a reduction in oil revenues, tax restrictions and socio-economic decline.

Analysis:

Background

In Venezuela, the question of indefinite presidential re-election came to the fore during the 2006 electoral campaign. Until the recent amendment was approved, the constitution allowed only two consecutive terms (one re-election). That was precisely why the likely triumph of Hugo Chávez in the presidential elections of that year raised many doubts and uncertainties regarding the medium-term development of the *chavista* project, since the President could not run in the 2012 elections. Aware of this, he never concealed his intention to call a referendum in early 2010 to enable Venezuelans to give their verdict on his continuity and the possibility of him being re-elected for a longer period. Indeed, in early 2006 he had already threatened to propose a referendum if the opposition, mimicking events in the 2005 parliamentary elections, boycotted the presidential

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elections, which they eventually did not. After his comfortable victory in the presidential elections, with 62.84% of the vote vs 36.90% for the opposition candidate, he began to push for constitutional reform which, while proposing certain radical changes, pivoted mainly on the issue of indefinite presidential re-election.

By a narrow margin, voters rejected the proposal in 2007. The defeat of the President's proposal was due mainly to the fact that many of the voters who had supported him one year earlier stayed at home, for a number of reasons: they did not understand some of the changes proposed, they did not wish to establish socialism, they rejected re-election or they were unhappy with Chávez's performance so far. While the pro-Chávez alliance was divided on the issue, due to in-fighting in the United Socialist Party of Venezuela (*Partido Socialista Unido de Venezuela* – PSUV) and between that party and others supporting the President, the opposition groups were able to come together and conduct an efficient campaign in which the student movement played a crucial role in their favour.¹

After the first defeat for *chavismo* following a decade in power, a waiting period began in connection with this and other issues, as regional and local elections were held in November 2008. A few days later, the President quickly pushed the matter of indefinite reelection to the forefront of political debate. At least two factors should be taken into account here. First, the PSUV re-asserted its political and electoral supremacy (obtaining 53% of the votes, and winning 17 of the 22 state races and securing 264 town halls of the 326 up for grabs). However, the opposition alliance obtained good results: it won in five of the seven most highly-populated and most economically and politically significant states (Miranda, Carabobo, Nueva Esparta, Zulia and Táchira). Furthermore, it gained control of Maracaibo (Venezuela's second-largest city) and the main municipal government of Caracas, and it held three (out of the five) municipal governments in the capital, and added a fourth, Sucre, which contains the largest *barrio* in all Latin America.

The opposition made gains in popular areas that had hitherto appeared to be out of bounds. Its victories were all the more politically and symbolically significant because it defeated three standard-bearers of *chavismo* (Diosdado Cabello, Aristóbulo Istúriz and Jessie Chacón). The gains came in a difficult context of shameless opportunism and an unfair distribution of resources in Chávez's favour. Secondly, a delicate economic situation was on the cards in 2009 as a result of the slump in oil prices in 2008, stemming from the international economic meltdown. This is why Chávez had to move quickly, ahead of the important legislative elections in 2010. The longer the matter was put off, the fewer his chances of gleaning enough support for his proposal. Even so, it was a risky move because public opinion was not favourable to the idea.

Procedure and Approval of the Constitutional Amendment

The amendment procedure was used because it was not possible to introduce fully-fledged constitutional reform. Voters had rejected this in 2007 and, according to the Constitution (article 345), a second proposal for constitutional reform could not be presented to the National Assembly in the same legislative period. An over-literal reading of the Constitution, apparently not in accordance with the spirit thereof, led Chávez's supporters to insist that an amendment did not alter the fundamental structure of the State and neither did it enter into contradiction with the provisions for reform, since they were

¹ See Manuel Hidalgo, "'Not That Way, Commander': <u>'21st Century Socialism' Checked by Referendum", ARI nr 3/2008, Elcano Royal Institute,</u>

http://www.realinstitutoelcano.org/wps/portal/rielcano_eng/Content?WCM_GLOBAL_CONTEXT=/Elcano_in/Zonas_in/Latin+America/ARI3-2008.

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different procedures. Neither did they close the door to presenting the amendment as many times as they wished, since the Constitution does not prohibit this. Furthermore, although some critics highlighted the fact that the amendment was contrary to alternating government, one of the fundamental principles of the Constitution, officials argued that indefinite re-election did not prevent alternating power: voters would decide at the polls who they wished to represent them. Although the proposal in itself was not anti-democratic, there are serious doubts as to whether it is constitutional. And, as made evident in other Latin American countries, indefinite re-election makes changes in the balance of power more difficult.

It was the President's initiative. Although, a few days after the regional elections, some elected officials from his party said they would be in favour of indefinite re-election, Chávez, brandishing a concept of power that is quite contrary to the 'participatory and protagonistic democracy' which he extols, authorised his followers, on 30 November, to set in motion the machinery to activate such a proposal: 'I authorise the PSUV and the Venezuelan people to start the debate and actions to achieve a constitutional amendment and re-election as President of the Republic'. Fears that a popular initiative might be too slow (it requires the support of 15% of citizens registered in the Civil and Electoral Register) made Chávez commission the task of activating the procedure to the National Assembly, since it was more feasible and much faster: it requires the backing of 30% of members, which is a very easy percentage to obtain because the government has controlled the Assembly since the 2005 elections.

Discussion and approval of the amendment took just one month. The first talks took place on 18 December. The PSUV and its allies, *Patria Para Todos* (PPT) and the Communist Party of Venezuela (PCV) supported indefinite re-election of the President, not without criticism. The PPT demanded continuous re-election for all elected officials. The left-wing *Por la Democracia Social* (*Podemos*) voted against the proposal since it understood that voters had already expressed their view in the 2007 referendum. This party had been a member of the pro-Chávez alliance since 2004, but it joined the opposition due to differences regarding the manner and content of certain measures, including constitutional reform. Some members of the Assembly also voted against the proposal, and several abstained. However, the proposal was approved by a resounding majority. In order to project an image of greater social support, *chavismo* presented more than 4,700,000 signatures to back the amendment of five articles of the Constitution.

The surprise was that after Christmas there was a major event which had a considerable impact on the amendment's chances of success: the President proposed extending indefinite re-election to include all elected officials. Chávez had listened to the arguments of allies like the PPT, to his own advisors and, naturally, to opinion polls. In 2007, one of the factors that impacted the deficient 'yes' campaign was that some parties allied to the newly-created PSUV and some governors and mayors had not been committed to pushing the reform due to a lack of incentives: only the President would be eligible for reelection. The President sought to avoid making the same mistake, when many polls indicated he would lose. Extending the scope of re-election made it easier to bring his own supporters together behind the initiative, gain more support among voters and take on some sectors that accused him of wanting to hold on to power for himself. The new proposal secured the majority support of assembly members in a second round of voting (14 January 2009). To demonstrate social support for the initiative, Chávez supporters collected 1,600,000 more signatures. In total, more than 6,000,000 signatures were collected, although they were completely unverified. Furthermore, it is worth pointing out

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the rather confusing wording of the question, which implied that by voting 'yes' people would be voting in favour of increasing voters' rights. The ruling party played its hand skilfully.

The Campaign and the Opinion Polls

The official electoral campaign lasted scarcely one month, although extra-officially Chávez supporters began work just a few days after the regional and local elections. Supporters and opposition organised into two blocs to defend their positions. For *chavismo*, a 'yes' vote responded to the need to maintain and pursue the project's achievements, and its supporters highlighted that the amendment would increase political rights and that it would be up to voters to decide who would be in power and for how long. As one of the ruling party propaganda posters put it: 'Let it be the people who make or break governments! Vote "yes"!'. The 'no' vote, which comprised a large and varied group of opposition parties, not only claimed that the amendment was anti-constitutional and anti-democratic, but also that re-election prevented the alternation of power and, therefore, paved the way for (bad) governments with clear incentives to abuse power and use State resources in an even more biased manner.

There are other factors to take into account. First, it was a very unbalanced campaign and the electoral machine was highly partial. In line with the trend in the last few elections, chavismo had practically no limits when it came to using State resources. It mobilised government employees on a massive scale, using incentives or pressure, induced or real. It also rolled out political propaganda in many public bodies. The use of public resources as a party instrument showed the extent to which the ruling party uses the State machinery as though it were its own. The opposition, meanwhile, had almost no funds left after the November elections. As for the National Electoral Council (Consejo Nacional Electoral - CNE) its bias towards the government was notable. Contrary to what happened in 2007, this time funding was not granted to the parties defending one or other option (the Constitution prohibits public financing of campaigns, but in 2007 the CNE interpreted that it was possible to grant funding for a referendum, since a referendum is not the same as an election, strictly speaking). And although some of its decisions sought to inspire confidence (in particular in connection with the organisational aspects of referendum day and the voting machine audits), others showed just how closely linked it was to the government: for example the speed at which the referendum was prepared, even before the amendment had been formally approved. Tolerance of the ruling party's opportunism, its refusal to open the electoral register for new voters or the extension of voting until 6pm are further examples. The electoral rules establish that polling must close at 4pm unless there are still voters waiting in the queue. The Constitution also establishes that any changes to this rule must be introduced at least six months before an election.

Thirdly, it is worth mentioning how polarised most of the media was. While some private TV channels (*Venevisión*, *Televen*), newspapers (*Últimas Noticias*) and radio broadcasters (*Unión Radio*) tried to achieve a greater balance, the rest, depending on whether they were publicly or privately owned, gave greater coverage to news and events in favour of indefinite re-election or against it. Lastly, it is worth highlighting certain aspects of the strategies used by both sides. *Chavismo* efficiently used the PSUV machinery, mobilising more than 14,000 'battalions', and also harnessed the actions of allied parties. The strategy for defending the amendment consisted in several phases in which Chávez attacked the opposition head-on: 'The opposition will take away all of our missions and everything we have achieved'.

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During the final phase of the campaign, the President, as in previous occasions, played on emotions, sought his grassroots support and aimed all his artillery at mobilising supporters who might be tempted to abstain. The opposition parties were not quick enough on their feet to react to the accusations which 'yes' supporters threw at them like poisoned darts. They even took too long to design their strategy and mobilise their base. Furthermore, they allowed the student movement to steal too much of the limelight, and some of their actions were strongly repressed by the security forces. Perhaps the behaviour of opposition leaders responded largely to the exhaustion accumulated following the previous elections, the scant resources and the difficulties in reacting to the proposal with such little time. Perhaps they were even over-confident of repeating their triumph of 2007 by mobilising students, when the political situation was quite different this time around.

As for public opinion, several polls conducted since December 2006 showed that most citizens (around 60%-70%) rejected indefinite re-election. However, following the positive interpretation by pro-Chávez supporters of this question, from December 2008 some polls were beginning to reflect shifts in the trend and a substantial increase of the intention to vote in favour of the presidential proposal. However, it is not easy to draw clear conclusions because the pollsters were apparently also subject to polarisation. Opinion polls yielded unequal results and sometimes very considerable advantages for one option or another. Among those projecting a 'yes' victory weeks before the referendum (for example, Datanálisis, GIS XII and IVAD), only IVAD came close to the final result in terms of the size of the majority of the winning proposal, but not the final percentages (47.5% vs 39.5%). At all events, most polls did coincide regarding the President's popularity ratings, above 50%.

Results

The 'yes' vote obtained 54.86% (6,319,636 votes), vs 45.13% for the 'no' vote (5,198,006). Abstention was 30.08%, 14 points less than in the constitutional referendum of 2007 and four points lower than in the regional and local elections of 2008. *Chavismo* benefited from the high turnout, although it did not achieve the target of 7,000,000 which it had exceeded in the 2006 presidential elections (7,300,080 votes). Nevertheless, it won significantly more votes than in the elections of 2007 and 2008. The opposition won more votes than in any previous election, and 800,000 more votes than in the 2007 referendum.

It is not easy to compare recent results with other elections, because the circumstances, type of election and what was at stake were all entirely different. If we compare 2009 data with the 2007 constitutional referendum, the significant increase in turnout came down largely on the side of Chávez, although both blocs saw an increase in support: the ruling party saw an increase of close to 45%, vs a 15% increase for the opposition. Furthermore, several states in the centre-northern region, bordering with Colombia (Miranda, Nueva Esparta, Táchira, Zulia and Mérida), were bastions of support for the 'no' vote in both referendums. In contrast, other large states, like Anzoátegui and Carabobo, voted 'yes' this time around, showing how dangerous it is to try to oversimplify Venezuelans' electoral habits. In short, in the referendum in 2009, *chavismo* won in 19 states (16 in 2007) vs the five states won by the opposition (eight in 2007).

Several factors help explain the victory for the 'yes' camp. First, the leadership and charisma of Chávez. Ten years after reaching power he is still hugely popular. Secondly, the good organisation and high degree of mobilisation of Chávez supporters, in contrast with what happened in 2007, when the machinery was not as efficient and the ruling

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alliance was not as united. Thirdly, the strategy and campaign were effective. Chávez posed the question quickly, catching an exhausted opposition off-guard and with depleted funds. Furthermore, the amendment was presented as a positive step (increase in political rights) and at certain points in the campaign Chávez sought to generate doubts or fears among the electorate as to what might happen should the 'no' vote prevail. The opposition was unable to counter the attacks or propose clear alternatives to the ruling party's message. Several additional aspects are worth taking into account. Sizeable oil revenues in the last few years have enabled the government to boost economic activity and apply certain social measures that, above and beyond their problems and limitations, improved the situation in popular segments of society. A substantial chunk of revenues were used to extend clientelism, which is somewhat more visible in areas of the interior. Lastly, but no less importantly, the use and misuse of State resources and the mobilisation of civil servants afforded the government a quite considerable number of votes.

Conclusions: Ratification by the majority of Venezuelans of the amendment which enables the indefinite re-election of elected officials shows how hugely popular Hugo Chávez continues to be, making every electoral occasion into a plebiscite. The victory strengthens the President's control over the heterogeneous pro-Chávez movement and increments his powers in a system where hyper-presidentialism already clearly prevails, in which there is no division of powers and little accountability, and in which standards have deteriorated notably. Continuous re-election creates the incentives to set up a political caste system in all echelons of government. Furthermore, although chavismo needs a charismatic leader. Chávez has also demonstrated that he needs the backing of a wide variety of forces, not only the PSUV, at critical moments. Although the emotional ties between the leader of the 'revolution' and his followers are crucial to his triumph, no less significant are some policies, clientelism and the misuse of State resources. The results show a gradual division of the country into two blocs, with an opposition that, despite having made great efforts and progress in the last three years, is still highly fragmented and lacks leadership and a project for change which could realistically attain power. The forthcoming elections for local and parish councillors and the vital legislative elections in 2010 will show how the correlation of forces has evolved ahead of the presidential elections in 2012.

Chávez has already announced that he will run. If we rule out a completely authoritarian scenario, as things stand today he has a good chance of winning again and perhaps staying in power until at least 2021, as he has often stated. However, there are another four years to go, in which any number of things could happen. In particular, in the short term, the situation is complex: there are fiscal restrictions due to the slump in oil revenues, and socio-economic conditions have deteriorated. These factors plus others like inefficiency, improvisation, bureaucracy and administrative disjuncture conspire against his popularity and the possibilities of radicalising his project even more. Nevertheless, this is exactly what the government has chosen to do. Why? The President sees the results as backing for his socialist agenda. He has some room to manoeuvre, since he has considerable funds. As the economic crisis digs deeper, his plans could be undermined, putting an end to his dream of staying in power beyond 2012. That is why he has again acted swiftly. As well as adopting certain measures, implementing infrastructure projects and rolling out agricultural production apparatus, he has made changes to his cabinet.

The cabinet reshuffle could be interpreted, in part, as a response to the increased impact of the economic crisis and the requirements of an efficient administration. But there are

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doubts that Venezuela will be able to overcome the problems much better unless it completely overhauls its economic team. Perhaps, in a first phase, the aim will be to curb spending. However, it does not seem clear that this will come on the back of a merger between government departments and the disappearance of several ministries. In fact, the modifications point more towards concentration and centralisation of power. In particular, the fact that the vice-president also takes on the Defence portfolio is likely to respond to Chávez's interest in having more control over the army institutions. Other changes show the President's distrust towards his political environment and the rise to power of the 'hard line' in a period in which unease could spread. The recent decisions are likely to be topped with the development of a legislative agenda that affords some legal support to the process of transformation and a more active role for the PSUV as an agent of social transformation. However, unless oil prices increase substantially in the next few months, the problems and tensions will get worse, putting the President's leadership to the test during times of shortages. If such a scenario does materialise, the opposition could take advantage. Nevertheless, as we have said, it has a tough task ahead in view of the difficulties it has in positioning itself as a real alternative. Moreover, it needs to prove its efficacy in states and municipalities in unfavourable conditions in the wake of Chávez's attack on decentralisation following the last regional and local elections.

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