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by LADB Staff
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Venezuelan President Hugo Chavez formally moved into his second full term in office at a swearing-in ceremony on Jan. 10, following his huge victory in December (see NotiSur, 2006-12-15). Prior to the ceremony, he named a new vice president and Cabinet in preparation for the "radicalization" of his socialist, "Bolivarian" plans for Venezuela.

The Venezuelan president seeks to nationalize companies that were privatized in the past and has called for the nonrenewal of the broadcasting license for an opposition-aligned media outlet. The former move received criticism from investors while the latter angered press-freedom groups and other Chavez critics. "Homeland (patria), socialism, or death. I swear it."

Invoking Christ and Castro as his socialist models, Chavez began his third term by declaring that socialism, not capitalism, is the only way forward for Venezuela and the world. At the apex of a resurgent Latin American left, Chavez has been emboldened to make more radical changes at home after winning re-election with 63% of the vote, his widest margin ever. The increasingly popular and populist presidents of the region are not only strengthening ties within the region, but also globally with other developing nations like Iran (see NotiCen, 2007-01-18).

Chavez's proposed moves include nationalizing electrical and telecommunications companies, forming a commission to oversee constitutional reforms, and asking the Asamblea Nacional (AN), now entirely controlled by his supporters (see NotiSur, 2005-12-16), to allow him to enact "revolutionary laws" by presidential decree. His right hand raised, Chavez declared in words reminiscent of Cuban leader Fidel Castro's famous call-to-arms, "Homeland (patria), socialism, or death I swear it."

Chavez also referred to Jesus, saying, "I swear by Christ the greatest socialist in history." In the speech he read from the New Testament to show how Christ's apostles practiced socialism. He said that the central aim of his term would be "to build Venezuelan socialism." Chavez told lawmakers to applause, "I don't have the slightest doubt that is the only path to the redemption of our peoples, the salvation of our country."

Chavez is now set to remain president until 2013 or longer if he gets his way with a constitutional amendment allowing him to run again (see NotiSur, 2006-07-21). He immediately left on a postinauguration trip to Nicaragua, where he joined leftist ally President Daniel Ortega, who returned to power in an inaugural ceremony just hours later.

Chavez's re-election capped a series of Latin American presidential votes, and he joined many of his closest allies in Managua. Also on Ortega's guest list were Ecuador's President-elect Rafael Correa.
(see other story in this edition of NotiSur) and Bolivia's President Evo Morales. Acting Cuban leader Raul Castro sent a high-level delegation.

Back in Caracas, Chavez said a commission was being assembled to consider constitutional reforms to be decided in a popular consultation, including one allowing "indefinite re-election" by doing away with presidential term limits that bar him from running again in 2012. "The important thing is that the people will make the decision, because nothing can be done without that here," Chavez said, dismissing criticism that he is becoming authoritarian or taking orders from Castro.

Chavez did not say how Venezuelans would be consulted on the reforms. But in the past he has mentioned a possible referendum. Chavez came to power after winning an election in 1998, and he won a full six-year term in 2000 after a new Constitution expanded the length of the presidential term (see NotiSur, 1998-12-11 and 2000-08-04).

**President criticizes his critics**

Displaying blunt confidence during his inaugural speech, Chavez scolded leaders of the Roman Catholic Church and the Organization of American States (OAS) for criticizing his decision not to renew the license of the opposition-aligned television station.

Turning to Venezuela's top Catholic prelate, Cardinal Jorge Urosa Savino, Chavez said he could not understand why the church expressed concern for Radio Caracas Television (RCTV), which Chavez accused of subversive activities aimed at ousting him.

Critics say the station encouraged violence and the overthrow of the government during the 2002 coup against Chavez (see NotiSur, 2002-04-19). "Sr. Cardinal," Chavez said, "the state respects the church. The church should respect the state. I wouldn't like to return to the times of confrontation with Venezuelan bishops, but it's not up to me. It's up to the Venezuelan bishops."

With oil profits booming and his popularity high, Chavez seems to be in step with many Venezuelans even as scared investors rushed to sell off Venezuelan stocks in companies subject to his nationalization plans. Chavez called that a knee-jerk overreaction, and shares in Venezuela's leading telephone company rebounded as the congressional finance chief assured reporters on Jan. 10 that the government will negotiate compensation to the affected companies.

The president also visited the tomb of Simon Bolivar, the South American independence hero and inspiration for his Bolivarian Revolution, and he blew kisses to supporters tossing rose petals at his open car.

Before flying to Nicaragua, the former paratroop commander also watched a military parade with Russian-made Sukhoi fighter jets thundering overhead. Chavez said he was crafting a new sort of "21st century socialism" for Venezuela. But critics say it is starting to look like old-fashioned totalitarianism by a leader obsessed with power. "They want to nationalize everything. This is the beginning," said Marisela Leon, a 47-year-old engineer who said she would like to leave Venezuela because she sees difficult times ahead.
But many of Chavez's largely poor and working-class supporters remain optimistic. Miguel Angel Martinez, a 52-year-old street vendor, said the president "has dedicated himself to studying communist, socialist, and democratic models and has taken the best of those models."

An Associated Press-Ipsos poll three weeks before his re-election found 62% support for nationalizing companies when in the national interest. But the poll also found 84% said they oppose adopting a political system like Cuba's, despite Chavez's admiration for Castro. And while Chavez denies trying to adopt Cuba's system, he ended his inaugural speech with Castro's signature phrase: "Socialism or death! We shall prevail!"

**Criticism over planned nonrenewal of network license**

Venezuela's press freedoms and the independence of its courts have eroded under Chavez, Human Rights Watch (HRW) said Jan. 10. It said Venezuela's judiciary has been stacked with Chavez allies and noted with concern that about 20% of the country's judges are provisional appointees, who could be susceptible to political pressure because they risk being stripped of their appointments for ruling against the government.

Chavez and his supporters "have sought to consolidate power by undermining the independence of the judiciary and the press, institutions that are essential for promoting the protection of human rights," the New York-based group said in its world report. The government did not immediately respond to the report. After taking office in 1999, Chavez launched far-reaching judicial reforms under which hundreds of judges accused of corruption were fired and replaced by provisional ones eager to keep their positions.

In 2004, pro-Chavez lawmakers expanded the Tribunal Suprema de Justicia (TSJ), naming 12 new justices in what opponents called a government ploy to gain sway over the court. HRW also said a series of ill-defined laws passed since 2004 have put "onerous restrictions on the media that pose a serious threat to freedom of expression." One of those laws restricts violence and sexual content over the airwaves. Critics have called it the "gag law," saying it is deliberately vague and could be used to punish media that criticize the government.

Chavez argues that it is no different than any other law regulating public airwaves in many other countries. In recent weeks, Chavez has faced sharp criticism for his decision not to renew the broadcast license of RCTV. The OAS, Reporters Without Borders, and Catholic Church officials have called the move a threat to free expression.

HRW denounced summary killings by police and soldiers and abuse in Venezuela's overcrowded prisons problems that have plagued the country for decades. In the first week of January, 22 prisoners died and others were injured in riots and fighting between rival gangs. HRW also criticized some anti-Chavez forces, noting that some landlords have been accused of hiring hit men to kill poor farmers who tried to take advantage of land-reform measures introduced by Chavez.

**'Ley Habilitante' gives decree powers to Chavez**

On Jan. 18, AN deputies gave initial approval to an "enabling-law" bill granting Chavez the power to rule by decree for 18 months so that he can impose sweeping economic, social, and political changes. Emboldened by his landslide re-election, he has called for "revolutionary laws" to accelerate the
country's transformation into a full socialist state. The measure is expected to easily win final approval on its second reading in the assembly. "This process is unstoppable," lawmaker Juan Montenegro Nunez told the AN. "This process is a historic necessity."

AN President Cilia Flores said that vote would probably take place the following week, though she did not specify a day. "The president has asked for a year and a half, and he will have a year and a half to adapt all of these laws to the new political model," Flores said as the debate opened. The discussion lasted four hours, though there was no real opposition.

Chavez's initial actions in his new term also included his announced intent to nationalize key sectors of the economy, rewrite the country's constitution to eliminate presidential term limits, and strip the Central Bank of its autonomy. He called for an end to foreign ownership of lucrative crude-oil refineries. Venezuela is the world's fifth-largest oil producer and the fourth-largest supplier to the US, its top customer.

"What is becoming evident is that all the powers are one single power in Venezuela Hugo Chavez," said opposition politician Gerardo Blyde. The government has been steadily moving to reverse the oil "opening" of the 1990s, which allowed foreigners to invest in the Venezuelan petroindustry, by hiking royalties and government stakes on privately run fields.

On Jan. 10, the president referred to the Orinoco river basin, where private companies produce and refine heavy oil for export. Chavez has sought to create "mixed" companies in the Orinoco with foreign multinationals like US-based ConocoPhillips, with the government maintaining a majority share.

The government has taken over what it deems "idle" factories and lands, set up dozens of government-subsidized food co-ops, and diverted billions in oil income toward "revolutionary" health care and education programs.

Chavez has not spelled out what other changes he intends to make, but Venezuelan Foreign Minister Nicolas Maduro suggested nationalization also was on the horizon for the mining sector. "The basic industries of minerals should be in the hands of the national state," he said at the Southern Cone Common Market (MERCOSUR) summit in Brazil. It was unclear whether that would mean a total state takeover or majority stakes for the government in mining operations now held by private companies.

Already state conglomerates have for decades dominated the mining of iron and bauxite to produce steel and aluminum. Jorge Rodriguez new vice president Chavez announced Jan. 3 that former Consejo Nacional Electoral (CNE) president Jorge Rodriguez would replace Jose Vicente Rangel as his vice president, while Minister for Justice and the Interior Jesse Chacon would be replaced by AN Deputy Pedro Carreno.

Jorge Rodriguez declined a renewed candidacy for the CNE presidency in March 2006, amid speculation that he wanted to give the embattled CNE a chance to start anew with a fresh slate of directors.
The AN elections of December 2005, where the main opposition parties withdrew, were held during his stewardship of the CNE. The 41-year-old Rodriguez has not held any post in the executive under Chavez. He is the son of one of Venezuela's more prominent left leaders, also named Jorge Rodriguez, who died while in custody of state police in 1976. The end of Rangel's role as vice president ends a long and mutually loyal relationship that goes back to 1999 when he was foreign minister. After that he was minister of defense for a year from 2001-2002, after which Chavez named him vice president.

Chavez said his relationship with Rangel is like that of a son to a father. "The decision to relieveJose Vicente was not easy for me because he is like one of those star pitchers," said Chavez. Rangel is a long-time icon of Venezuela's left who ran for president several times in the 1970s and 1980s, before supporting Chavez's run for the presidency in 1998. It is not clear what Rangel will do when he leaves the vice presidency. Chavez merely said that Rangel and the other departing ministers would continue to form part of his government.

The replacement of Interior Minister Jesse Chacon came shortly after the prison riot that killed and injured dozens. Chavez did not say whether that was the reason Chacon's removal, but he did not express the same regret he said he felt regarding Rangel's departure. He merely said that the changes were necessary to "refresh" the government so it could move on to the next stage, which was to fight, "bureaucracy, corruption, and inefficiency."

Chavez also said that Rafael Ramirez would remain as minister for energy and oil as well as president of PDVSA, the state petroleum company. Ramirez was criticized by the opposition during the election for reportedly politicizing PDVSA when he urged company upper management to unequivocally support the government's policies.

Chavez praised Ramirez's stand, though, saying that PDVSA was now "red, deep red," in reference to his movement's color. Finance Minister Nelson Merentes also announced he would be resigning and would be replaced by Rodrigo Cabezas, who has been a member of the AN since 1993. [Sources: www.venezuelanalysis.com, 12/20/07, 01/04/07, 01/08-10/07; El Comercio (Ecuador), El Comercio (Peru), Spanish news service EFE, The Christian Science Monitor, The Washington Post, 01/10/07; Ultimas Noticias (Venezuela), 01/10/07, 01/11/07; Los Tiempos (Bolivia), 01/11/07; El Universal (Venezuela), 01/10-12/07; Xinhua, 01/12/07; BBC News, 12/22/06, 12/29/06, 01/09/07, 01/10/07, 01/19/07; Stratfor, 01/22/07; The Miami Herald, 01/09-11/07, 01/19/07, 01/23/07; El Nuevo Herald (Venezuela), 01/09/07, 01/11/07, 01/16/07, 01/19/07, 01/22/07, 01/23/07; Associated Press, 01/04/07, 01/06/07, 01/09-11/07, 01/13/07, 01/19/07, 01/22/07, 01/24/06; Bloomberg, 01/04/07, 01/09/07, 01/10/07, 01/16/07, 01/17/06, 01/19/07, 01/22-24/06; www.telesurtv.net, 01/08-10/07, 01/16/07, 01/17/06, 01/21/07, 01/24/07]