Democratization in Latin America: The Venzuelan Case

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Democratization in Latin America: The Venzuelan Case

Abstract
The intention of this work is to illustrate that evolving Latin American cultures have begun to support political democracy within the context of each individual state's definitions and styles of democracy. The argument asserts that political systems must evolve within the context of each individual political culture and allow for self-determination. While the countries that make up Latin America share many characteristics such as language, history and colonial experiences, they remain diverse in other respects. As a result, we cannot speak of the Latin American region as one with completely analogous situations, cultures and values. The nature of such commonalities and differences within Latin America are notable and are considered individually when analyzing government and political culture. Democracy is precarious in Latin America due to the collective impact of historical and economic legacies, culture, values and beliefs that derive from the region's political culture. Widespread poverty and a small ruling elite class combine to form hi-class societies that pose special challenges for evolving democracies. Economic, social, cultural and political changes continue to take place in Latin America, as evidenced by the Venezuelan case.

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The intention of this work is to illustrate that evolving Latin American cultures have begun to support political democracy within the context of each individual state's definitions and styles of democracy. The argument asserts that political systems must evolve within the context of each individual political culture and allow for self-determination. While the countries that make up Latin America share many characteristics such as language, history and colonial experiences, they remain diverse in other respects. As a result, we cannot speak of the Latin American region as one with completely analogous situations, cultures and values. The nature of such commonalities and differences within Latin America are notable and are considered individually when analyzing government and political culture.

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Introduction

Important social and political changes have occurred in Latin America and around the world. These include the disintegration of the Soviet Union, greater development and democratization within Latin America, an increase in attention to human rights, the increasing influence of neoliberalism, the existence of only a single superpower, the rising importance and influence of international business, and globalization. These changes force us to rethink the models we use for observing Latin America and the relationship of these models to observable facts. This is an ongoing process.

Political systems must evolve within the context of each individual state’s political culture (Hillman 1997). They cannot be imposed. If we are to understand the contemporary dynamics, causes and limits of existing regimes and how they may change, we must understand the differing types of regimes that exist and why they have emerged.

Regime classification is not a simple task. For example, all over the world governments have declared themselves ‘democracies.’ As we move forward into the 21st Century, regime classification and self-determination have become important topics of debate (Gutteridge 1997). But varied definitions and styles of democracy make defining it with one concise definition problematic as new ‘democracies’ continue to develop. For example, the diverse governments of Latin America continue to struggle for the recognition of viable political regimes. However, Latin American culture has begun to support political democracy, which is evolving within the context of each individual state’s definitions and styles of governance (Heenan and Lamontagne 2002).

Collectively, history, political culture, neo-liberal economics, statist and other forms of economic styles, attitudes, and values have made democracy precarious in Latin
America. Economic, social, cultural and political changes continue to take place and while the countries that make up Latin America share many characteristics, such as language, history and colonial experiences, they remain diverse in other respects. As a result, we cannot speak of the Latin American region as one with completely analogous situations, cultures and values. Latin American countries have different colonial, political cultures, geographical issues, and economies. Often Latin American countries do share things such as language, traditions, and religion. The nature of such commonalities and differences within Latin America are notable and each must be considered individually when analyzing their governments and political cultures. This allows us to consider elements of self-determination that may diverge in particular cases. In his book *Latin American Politics and Development*, Howard Wiarda explains the importance of comparative research:

“It is both the differences and the commonalities among countries of the arena that makes Latin America such a fertile laboratory for studying comparative economic, social, and political change. Few parts of the world offer such rich conditions for research on the process of comparative change and modernization.” (Wiarda 1999:50)

This capstone research explains the meanings of democracy, Latin American political culture, and the cultural and economic obstacles the region experiences when implementing democratic governments. My thesis is that Latin American countries that wish to consolidate democratic governance must foster the development of a set of cultural conditions conducive to democracy. Since the Cold War all Latin American states, with the exception of Cuba, have adopted some form of formal democracy.
Clearly, these countries have adopted democracy as a collective result of history and culture. A review of the literature written, thus far, on democracy and Latin America demonstrates the history, political culture and challenges to transitioning democracy.

A further question taken up in this project is, should democracy be promoted? Because the task of analyzing, qualifying, and quantifying democracy is daunting and never ending, one hopes there would be a significant benefit for such efforts. We know that historically democratic states are generally stable and create an environment conducive to international trade and peaceful interaction (Dahl 1998). Moreover, democracy is presumed, by most who live within a country with a democratic government, to foster basic human liberties and freedoms (Diamond, Linz, Lipset 1995). The checks and balances associated with democracy make it more difficult for rulers and decision makers to abuse their powers (Aron 1969).

The importance of defining and analyzing Latin American political regimes also has economic implications. In recent years, more and more governmental leaders within Latin America are adopting forms of electoral democracy, which include competitive, multiparty elections as well as free trade regimes. International standards and expectations for electoral democracies are higher than ever and can mean the difference for predictions about the country's possible economic outlook. This in turn may be a factor in deciding whether or not to participate in any number of economic activities by another country. Scrutiny by international observers is often criticized as premature and politically driven because the ambiguous nature of these regimes and their electoral systems are so difficult to define. Regardless, political and economic decisions are often made as a result of such observations.
Literature Review

Scholarly work on democracy and Latin American history, political culture and traditions provide necessary groundwork for analyzing and predicting future governments within the region. These works provide a chronicle of the history and offer theories from which one can analyze and make predictions about the future of democracy in Latin America. This review of selected works provides the necessary information and groundwork for the analysis contained in my thesis.

Theories on Democracy

The recent process of democratization in Latin America is part of what has been called the third wave of democratization as proposed by Samuel P. Huntington in *The Third Wave: Democratization in the Late Twentieth Century*. This concept involves the idea that democracy, throughout the twentieth century, spread itself across the world in three waves: democratization in Central and Eastern Europe after World War I; in Germany, Italy and Japan after World War II, and in Latin America and Eastern Europe in the late 1980’s. Each wave possessed essentially the same features (Huntington 1991).

This theory assumes that the same phenomenon responsible for the endurance of democracy in the postwar period would imply a precondition for the success of third wave democracies. This rationale does not account for the varying cultures of these very different states. It assumes too much: that the success of democratization in one wave implies the success in another wave. History and the social and political cultural differences of each individual state prove this assumption false. These differences must
be taken into account when analyzing the success or failure of any transitioning democracy.

In his book, *Polyarchy: Participation and Opposition*, Robert Dahl's term "polyarchy" can be defined as a concept of democracy that requires free, fair, and competitive elections. This concept encompasses elements of freedom of organization, freedom of expression, and alternative sources of information and institutions. These elements are aimed at ensuring that the government's policies are created as a result of the votes and preferences of its citizens (Dahl 1971). According to Dahl, democracy involves a set of goals to be maximized. It must establish a connection between the quality of democracy and the process of forming public opinion. His theory is further concerned with the process of generating political equality. For him, political equality involves three different dimensions: the capacity of individuals "to formulate their preferences; to signify their preferences to their fellow citizens and the government by individual and collective action; and to have their preferences weighted equally in the conduct of government." He describes polyarchies as, "regimes that have been substantially popularized and liberalized, that is, highly inclusive and extensively open to public contestation" (Dahl 1971:19).

According to Giovanni Sartori, in *The Theory of Democracy Revisited*, democracy is composed of two elements: freeing the people (liberalism) and empowering the people (democracy). "Demo-protection"\(^1\) and "demo-power"\(^2\) can equally be used to describe liberal democracy. "Historically, the creation of a free people was the accomplishment of liberalism...and this notion is generally singled out by the notions of constitutional

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\(^{1}\) The protection of people from tyranny.

\(^{2}\) The implementation of popular rule.
democracy and/or liberal constitutionalism" (Sartori 1987:27). This theory tells us that the freedom to rather than freedom of is most important. Which of these is most important to democracy, though? Sartori contends that 'demo-protection' is the most important element. It can be 'exported' to anywhere as it is concerned primarily with the structural and legal means of limiting and controlling the exercise of power. It can be implemented in any state regardless of socioeconomic conditions. 'Demo-power', on the other hand, enters the arena of policy content processed within the political forum. The will of the people and what is decided accordingly takes into account cultural factors making 'demo-power' much more difficult to implement in another state.

In addition, Sartori says that voting and electing connect these two elements, and both are required for full democracy to exist. He believes that electoral exclusions may exist and the government may still be measured as a full democracy. This theory minimizes the need for inclusion of all citizens' right to vote. A full democracy cannot exist without woman's suffrage, for example. Sartori attempts to recast Dahl's theory in the democratic elitist language, "Dahl's basic strategy is to reserve the world democracy for the ideal 'system' and to use 'polyarchy' as its real world approximation. I accept 'democracy' for the real world, but divide its meaning in two halves: the prescriptive (normative) and the descriptive (denotative)" (Sartori 1987:19).

Gabriel Almond's theory in Comparative Politics Today: A World View, at first seems to provide a 'systems' approach, and sounded culturally unbiased and 'scientific.' Almond reasoned that all political systems had to perform the same functions and created a functional model of political activity that presumably would be universally valid (Almond 1980). Almond listed several required functions of government: political
socialization\(^3\) (political culture); interest articulation; interest aggregation (how interests are brought together); political communications\(^4\); rule-making (laws); rule-execution (administering laws), and rule-adjudication (deciding conflicts over laws).

Almond's theory is abstract and theoretical rather than grounded in empirical analysis. It does not take into account a number of important factors within Latin America: social and political turmoil; class and ethnic conflict; civil war, international intervention; patronage; corruption; coups; privileges for the elite; repression; authoritarianism, and political violence.

**Theories on Latin American Government**

In *Latin American Politics and Development*, Howard Wiarda outlines three main schools of thought or models that dominate the research and writing on Latin American politics. These are: (1) the developmentalist school, largely emerging out of North American, positivistic comparative politics and the United States foreign aid program; (2) the dependency school, mainly a product of Latin American intellectuals of a Marxist and social-democratic (with many variations) persuasions; and (3) what may be called the "Latin-American-tradition" school of historians and political scientists, which mainly focuses on political-cultural and socio-political variables and is, like these other approaches, expressed in a variety of terms: "monism," "corporatism," "organic statism," the "authoritarian tradition." It is imperative that the elements in all three approaches are examined; encompassing useful elements from each, and either bridge the gaps between them or create a new innovative theory of Latin American political culture and change (Wiarda 1996).

\(^3\) How people learn about and obtain political values.
With his work, *Developing Democracy: Toward Consolidation*, Larry Diamond’s theory, as it relates to democracy and more specifically Latin America, defines regional democracies as something less than electoral, as "hybrid regimes" (Diamond: 1999). These regimes may call themselves democratic but are more closely identifiable as competitive authoritarian or hegemonic-party systems. Diamond’s definitions and explanations offer reasonable explanations and insights into the style of government (democracies) that exist within Latin America today. His theory more closely considers the history, civic culture and values of Latin America. Still there are problems with his, as well as other’s, theories. They offer possible ideals and matters of degree that may not consider Latin American reality as they do not consider all of the elements that make Latin America what is today.

In *The Consolidation of Democracy in Latin America*, Joseph Tulchin argues that Latin America must define its roles in world affairs as the liberalization of world trade and increasing globalization affect the region. In the same way that Latin American states differ, so will global changes affect these states in differing ways and degrees. Nevertheless, their ability to deal with the changes will determine how they take advantage of the space available to them for autonomous action in the international system (Tulchin 1995).

The dilemma for Latin American states is that, never before having been in a position to assume real autonomy, they are inhibited. Tulchin argues that there is little awareness, in Latin America, that in order to exercise responsibility in world affairs, a nation must be prepared to sacrifice some measure of sovereignty. Initiatives such as The

\[4\] How interests are conveyed to decision-makers, through modern communications or other, more traditional methods.
"Declaration of Santiago", in which nations of the region pledge to act against a military coup in any country, are the kind of mechanism through which Latin American states can take their destiny in their own hands (Tulchin 1995).

I agree with Tulchin that Latin American states must define their roles as a result of globalization; but I do not agree that they must relinquish some part of their sovereignty in the process. The world must recognize Latin American self-determinism without forcing ethnocentric changes.

In *The Consolidation of Democracy in Latin America*, Phillip Schmitter argues that democratization should involve only the restoration of electoral competition and not issues such as social justice or the rule of law. For him, the connection between the two is merely episodic. He argues that they create external constraints on democracy itself (Schmitter 1995). I do not agree with this theory. I believe that the existence of democracy facilitates some level of social justice and the rule of law is intrinsic to democratic tradition. Within governments transitioning from authoritarianism to democracy, the problem of connecting the newly emerging government with that of the newly empowered political society may be difficult. Societal tradition may not contain elements that contradict social justice and the rule of law but this does not imply that electoral competition will address this nor result in a democratic government.

**Venezuelan Government: Past and Present**

is more stable and less prone to inter-class violence or unrest than its Latin American
neighbors (Ellner 1997). Ellner argues that this theory has led other scholars to
misleading conclusions.

Although I agree with Ellner's theory that the existence of valuable resources can
promote stability, I feel the theory is short-sited and does not account for several
variables such as world price fluctuations and unsound governmental or economic
policies. While Venezuela may be in a more favorable international position due to its
status as an oil-exporter, than other Latin American states with less important resources,
it does not automatically find itself prone to less inner-class violence. In addition, it can
be argued that the recent, less than wise, actions of its political leaders (Chávez) have
created instability between classes and economics in Venezuela. The existence of a
highly desirable resource does not secure a state's economy or social stability. Venezuela
is in crisis. The country is experiencing class and financial turmoil as a result of the very
resource that Ellner would argue secures that states position and society.

Terry Lynn Karl's theory more clearly accounts for possible reasons for
Venezuela's democratic instability regardless of its petroleum resources. In The Paradox
of Plenty: Oil Booms and Petro-States, Karl argues that Venezuela, as well as other oil
producing states, has been unsuccessful at translating revenues to equitable and stable
development. Karl further argues that deep social and political roots can be the cause of
unsuccessful oil-exporting outcomes. Karl's theory "structured contingency" uses the
state's leading sector as the starting point for identifying a range of decision-making
choices and ends by examining the dynamics of the state itself. Economic activity is
embedded in a web of social institutions, customs, and beliefs (Karl 1997).
I agree with Karl's ideas that social and political culture can, and often do, affect a state's economy. Although, I also believe that any transitioning democracy may be in a better position to provide basic social services to its citizens, which creates a belief in democracy thus creating more social stability. Economic stability creates social stability as well as strategic management of resources creates strong stable economies.

In *Political Learning and Redemocratization in Latin America: Do Politicians Learn from Political Crises?*, Jennifer McCoy argues that an important source of democratic change is learning by political actors such as political parties, the military and organized labor. She argues that the statist model in Venezuela unraveled as a result of political elite's inability to successfully manage the goal of democratic stability without compromising representation, participation, and legitimacy. She questions whether political leaders such as Chávez have learned from such crises as the devaluation of 1983, military coup attempts of 1992, and the banking failure in 1994 or whether his policies are skewed by petrodollars and a well-organized party system (McCoy 2000).

McCoy makes valid the point that what political leaders such as Chávez, through history should account for political policy and possible revision. While new generations of political leaders attempt to create new policies and attitudes, traditional leadership styles may offer explanations and insight to developing successful governments and policies.

In *The South American Handbook* (Chapter 4), Richard Hillman argues that an interrelationship between politics and economics exists in Venezuela. Political regimes that have managed to provide basic social services have stayed in power those that have not provided these services have lost power. Hillman argues further that in order to
understand Venezuelan political and socioeconomic evolution, one must also take into account its cultural foundations. The socioeconomic desires of the Venezuelan people have largely gone unfulfilled. Therefore, democracy will remain precarious in the country, despite democratic political culture, as long as these desires are unmet (Hillman 2002).

I agree with Hillman's theory and will use it to further prove that Latin American democracy is precarious and that many factors including self-determination, history and social and political culture combine to create unique political realities in the region. Within Latin American countries such as Venezuela, where political elites continue to distribute wealth inequitably, democratic consolidation is difficult.

John Martz's theory of 'democratic reformism' as a developmental model for Venezuela is presented in *Venezuela: The Democratic Experience*. His argument does not, however, present a model for all Latin American states. He believes that much of Venezuela's success with democracy is a surprise and the result if special circumstances. And that if the government does not put more firmly into place policies for more equitable distribution, democracy will remain precarious if not completely threatened in the future (Martz 1977).

I agree with Martz. As stated throughout this paper, wealth and welfare distribution and the fulfillment of the desires of the people threaten the legitimacy of democracy in Venezuela and the rest of Latin America. This is a core concept to consider when analyzing and making recommendations or predictions for the future of democracy in Latin America.

* * *
These works reveal that the essential components of democracy are grounded in a country's culture. They also demonstrate how political culture in Latin America defines democracy in unique ways. Therefore, we turn to a definition of democracy and investigate how these cultural and political factors translate into democracy, Latin American style.

**Democracy Defined**

**Characteristics**

Democracy is a form of government in which the people have the right to make or, at least, influence decisions that affect them (Dahl 1998). Which standards should be used to determine the legitimacy of a state's claim of a democratic government? Is a claim by the state's government enough? If a country's government professes democracy, is it? Many countries proclaim they are democracies but have very different styles, rules, and levels. Some are more democratic than others. Does this make one a democracy and the other not? The elusiveness of democracy may result in the appearance that it exists where, in actuality, it does not. By what parameter can we fairly label any government if we do not allow for self-determination/definition? Varying degrees of democracy allow for much debate and analysis. The fact that democracy can be elusive and that self-determination is crucial, are important considerations when defining and analyzing the evolving political systems of Latin America.

**Methods and Degrees**

Democratic power is derived, directly or indirectly, in one of two forms: direct or representative democracy (Dahl 1998). A direct democracy is one in which the people are given the opportunity to participate in making policy decisions. High levels of
participation are required for a direct democracy to be effective and be called as such. The sheer numbers, any one state may have, make this form of democracy virtually impossible. Issues of confidence, transportation, voting facility accessibility all factor in, for small and large states, as barriers to an effective direct democracy. People need to feel that their needs are being met for them to have confidence in their democratic government. When they do not, the legitimacy of democracy becomes threatened. Voter participation is required for democracy in that people need to be able to vote in free and fair elections to have their desired heard and represented. If voting machines are antiquated and not working properly or people lack the transportation to get to a polling place, the legitimacy of the outcome is compromised (Dahl 1998). Further, if voters don’t believe in what they are presented with to vote on; if they have no means of getting to polling places; if voting machines are antiquated, in disrepair, or do not exist, direct democracy does not work.

Representative democracy allows people to vote in elections for representatives who in turn make policy according to the desires of the people. Two models exist within a representative democracy: the Trustee model and the Delegate model (Avritzer 2002). Voters entrust that elected officials will make decisions that are in the best interest of the people in a trustee model. Ideally, within a delegate model, delegates ask their constituents what they want and vote accordingly. Essentially voters (the people) are charged with voting into power a delegate that will not only understand the issues they want to be represented but actually act accordingly.

In a democracy the electoral system allows for the free and fair election of representatives, those charged with making policy for the people under a system of
checks and balances (Almond and Verba 1963). These checks and balances help to ensure the accountability of elected officials. Each state that is a democracy may have varying levels and styles of checks and balances but all are designed as a means to similar ends: keeping in check elected officials. How can we be sure that the officials elected are really the decision makers? Are they influenced, coerced or pressured to make decisions or vote a certain way that may not be the will or desires of the people? Are other groups, such as the military, lobbying interests groups, religious organizations, or others, actually more powerful? Many of these factors may come into play when officials are readying themselves to vote on an issue that is significant enough to one of these entities to make an effort at influencing their vote. These types of interruptions in the democratic process are more examples of considerations to be examined when discerning whether a democracy truly exists. In addition, eminent scholars have pointed out that “the boundary between democratic and undemocratic (or “less than democratic”) is often blurred and imperfect, and beyond it lies a much broader range of variation in political systems. Even if we only look at the political, legal, and constitutional structures the cases appear ambiguous, and this ambiguity is greatly complicated by the constraints on free political activity, organization, and expression, or the major human rights violations, or the substantial remaining political prerogatives of military authorities, or some combination of these that may in practice make the system less democratic than its formal structure (Diamond, Linz, Lipset 1995).

Parties and Institutions

Political institutions as well as the party system further enhance the persistence and stability of democracy (Diamond and Plattner 2001). Institutionalized systems are
less volatile because they structure behavior into predictable and recurrent patterns. Regardless of how they perform economically, effective political institutions are more likely to perform well in maintaining not only political order but also a rule of law. With the rule of law, civil liberties, checks and balances, meaningful representation, competition, choice, and accountability are ensured.

Political parties are indispensable for forming governments and effective opposition because they create a forum in which people can express political issues and interest. Political parties also continue to be challenged as issues and interests become more diverse. Technological advancements have personalized politics and distribute information more rapidly. In turn political preferences and voting patterns are ever changing and flexible. As a result, parties must work harder to gain a larger number of votes than in the past in an effort to gain the necessary support to strengthen their party and platform. "Only political parties can fashion diverse identities, interests, and preferences into laws, appropriations, policies, and coalitions. Without effective parties that command at least somewhat stable bases of support, democracies can not have effective governance" (Diamond, Hartlyn, Linz, Lipset 1999:25).

Substantive and Procedural

The difference between procedural and substantive democracy is a significant consideration when analyzing democracies within Latin America. The difference can make daily life within any particular state dramatically different. Procedural democracy focuses on the existence of formal democratic institutions, such as a written constitution that recognizes a practice of regularly scheduled elections. Procedural democracies must hold free, fair, and frequent elections of its public officials. They must secure freedom of
speech, press, and association. Procedural democracy relates to how decisions are made through things such as universal participation, political equality, majority rule, and representation.

Substantive democracy goes further by adding the norms of behavior and beliefs that underlie the political activities of elected officials and the existence of popular liberties. Substantive democratic theory focuses on the substance of government policies, not in the procedures followed in making these policies. It argues that in a democratic government, certain principles must be incorporated into government policies. If one wishes to ensure certain minority rights and civil liberties as government policies, then one must argue on the basis of substantive democracy rather than procedural democracy. Substantive democracy relates to the kinds of decisions or policies that are made to create a legitimate democracy with things such as civil liberties, civil, social and economic rights (Dahl 1998).

Historically, Latin American states have had problems implementing substantive democracy because of unstable economies. Countries with fragile economies have difficulties transitioning to democracy while at the same time allowing for substantial consideration of public welfare and well-being. Within this type of system individual rights and liberties need to be coupled with achieving economic well-being for its people. Socially, a democratic society allows for high levels of opportunity and quality of life. The fragile economies that exist within Latin America today make transition a difficult but not impossible task.

Using Dahl’s definition, can any state claim itself a democracy? One can argue that such a definition may be better described as a democratic utopia and may not
currently exist in any state. The nature of modern society creates inner struggles that test
democracy. Modern pluralistic societies have many centers of power that are in constant
competition with each other. Dahl’s theory may help to explain the ideal form of
democracy and describe aspects of any democracy but never actually exist in its entirety
as defined. More realistically, we can use his theory as an ideal, a kind of democracy to
strive toward. And other scholars, like Sartori, Huntington, Almond and Verba, may
offer even more theories and aspects of a true democracy, which offer yet more
possibilities to strive toward.

As a result of these varying elements, self-determination is the main consideration
in the case of Latin American democracy. Democracy must contain elements of free, fair
elections, checks and balances, and allow for a certain level of well-being. Latin
America currently has forms of government that I describe as *Democratarian*, which
combine elements of democracy with authoritarianism. This style of democracy, self-
described democracy, should be a major consideration when considering any type of
analysis and/or involvement with Latin American states. Further, it may be just what the
fragile economies and transitioning democracies of the region need to succeed toward
their goal of strong democracies. It is important to recognize grades of distinction among
systems that appear less than purely democratic. Accordingly, in the words of eminent
scholars, “Isolated violations of civil liberties or modest and occasional vote rigging
should not disqualify a country from broad classification as a democracy, we need to
categorize separately those countries that allow greater political competition and freedom
than would be found in a truly authoritarian regime but less than could be justifiable
termed democratic” (Diamond, Linz, Lipset 1995:33).
The Rule of Law

The rule of law is crucial to any democracy because it "provides that decisions should be made by the application of known principles or laws without the intervention of discretion in their application." (Everyone's Legal Encyclopedia 1984:76). The rule of law is the right to equality before the law, or equal protection of the law fundamental to any just and democratic society. The rule of law can be an ambiguous term that can mean different things in different contexts. In one context the term means rule according to law. In another context the term means rule under the law. In either context, a democratic state cannot impose inequities and should be required to deal evenly and equally with all people. The law, being created by the people, should allow for no one to be above it. The citizens of a democracy submit to the law because they recognize that, however indirectly, they are submitting to themselves as makers of the law. The judiciary is extremely important to the political legitimacy of any democratic state as it defends the integrity, political freedom and due process. "The judiciary is the ultimate guarantor of the rule of law and thus of the accountability of rulers to the ruled, which is the basic premise of democracy" (Diamond, Linz, Lipset 1995: 41).

Democratic Legitimacy

Democratic stability comes from the consent from the majority of those governed (Diamond 1999). All governments combine elements of coercion and consent. The people as well as those in decision-making positions both must believe that the system in which they live and work is valid and legitimate. When they do not, the system becomes fragile and the laws, which govern the state, may lose their effectiveness as people do not respect them or find them useful. "Theories of democracy stress that democratic stability
requires a widespread belief among elites and masses in the legitimacy of the democratic system: that it is the best (or the "least evil") form of government and that the democratic regime is morally entitled to demand obedience, to tax and draft, to make laws and enforce them" (Diamond, Linz, Lipset 1995:9).

When it is most stable and secure, democratic legitimacy derives from an intrinsic value commitment rooted in the political culture. Also, it is shaped by the performance of the regime, both economically and politically, through maintenance of civil order, security, adjudication, and a minimum of predictability in the making of decisions. When a regime is able to provide what people want, it generally is considered legitimate. Regimes that do not provide what people want or need are more vulnerable to collapse in periods of economic and social distress. This is of particular importance to the cases of democracy in Latin America. Regimes that begin with low levels of legitimacy and effectiveness when coupled with poverty and the strains of modernization find it difficult to perform effectively and gain higher levels of legitimacy.

Democracies are particularly more vulnerable to scrutiny that their authoritarian counterparts because any type of corruption is likely to be exposed. Corruption also undermines economic development and is one of the major arguments used by the military to justify its overthrow of elected governments, even though its own corruption will likely be as great or greater in time (Diamond, Hartlyn, Linz, Lipset 1999). The successful coup attempt in Venezuela in 1992 is evidence of this, as I demonstrate in a subsequent section of this paper.

Once achieved, legitimacy is not permanent and requires continuous adjustment and reform. The democratic failures by long established democracies in Chile, Colombia
and Uruguay during the 1970s and the institutional breakdowns in Venezuela and Columbia in the 1980s and 90s demonstrate that legitimacy is in constant flux and requires continuous adjustments (Diamond 1993). A state that continues to strive for democratic legitimacy is better equipped to endure crises and challenges.

**Challenges to Democracy**

**Economic**

Economic development is a powerful factor in the increased prospect for stable democracy. Regimes that lack legitimacy are vulnerable to collapse during periods of economic and social distress. Latin American regimes may often find themselves in precarious economic situations because of the combination of widespread poverty and the strains of globalization. These strains on the government make new democracies struggle for legitimacy "Socioeconomic development can alter political beliefs and values" (Diamond, Hartlyn, Linz, Lipset 1995:16).

While the number of democracies continues to grow throughout the world, the state of freedom appears to be diminishing. This appears to contradict democratic theory. One explanation for this trend may be that many states face economic, political and/or social issues while at the same time are led by officials who undermine basic human rights and liberties.

Is democracy the link that may foster the creation of potentially strong economies within Latin America? Latin American governments have been plagued with reduced economic growth and the development of an extremely fragile democracy. Over the past decade, economic reform has emerged as one of the main performance challenges for new and recent democracies, as well as some long-standing ones such as Venezuela’s.
Barring economic challenges, democratic legitimacy or success can be measured in other ways. "While per capita national income has been the variable most commonly correlated with democracy, the more important underlying phenomenon appears to be reduction in poverty and improvement in literacy, life expectancy, and so on, as measured by the United Nations Development Programme's (UNDP) Human Development Index (HDI)."  

Based on the Chilean experience under the dictatorship of Pinochet, it has been argued that authoritarian rule was necessary to impose economic reform over the opposition. While Pinochet may have been successful in terms of Chile's economy, the question of at what cost needs to be asked. Thousands of people were murdered or disappeared under his reign. In addition, most authoritarian regimes do not reform their economies because they are too committed to the distribution of rents that derive from state ownership and controls over production, foreign exchange, and trade (Diamond, Hartlyn, Linz, Lipset 1999).

While an increase in socioeconomic development may foster a strong democracy, in many cases it does not always work this way. Certain stages of development may increase corruption or alter class coalitions in ways favorable to authoritarian rule rather than to democratic rule. In some cases, historically the bourgeoisie has been sympathetic to authoritarian rule and hostile to democracy, and the working class has been a leading force pressing for democratization (Rueschemeyer, Huber Stephens, Stephens 1992). At certain stages of economic development, an increase in corruption may occur. Corruption can alter class coalitions, turning many away from democracy. Historically in Latin America the bourgeoisie has been in favor of more authoritarian style regimes and

opposed to democratic governments. The working class has historically been the
supported democracy. Today, this phenomenon continues to exist. Large capital owners,
especially those that benefit from state contracts or involvement are more likely to
support continued authoritarian style governments. These are important considerations in
analyzing the success of transitioning democracies. They also reinforce the importance

**Effects of Globalization**

Globalization has many definitions and interpretations as to what the concept
really means. For the purpose of this paper, I define globalization as the contact between
two or more states. This contact can be made invariably through the internet, economic
interaction through trade or aid, environmental or cultural through personal contact with
those from other nations.

Globalization has challenged Latin American countries in many ways. While
globalization can have many very positive effects on a state, Latin America has struggled
with achieving social justice, insofar as the distribution of the wealth, because it lacked
the political-economic mechanisms and the necessary institutions to assimilate into the
global arena on equal ground with other nations (Vargas Hernandez 2002). Technology
has increased and Latin Americans are more connected with the rest of the world than
ever before. This is good news but also sets high expectations at a possibly unreasonable
level.

The continuing impact of globalization on development in Latin American
countries is clear and disturbing. These countries generally have demonstrated an
economic dependence on other countries such as the United States and those of the
European Union. Financial crises have perpetuated the nagging problem of inequitable wealth distribution, concentrating wealth to a small portion of the population, the elites. And economic growth has slowed and underemployment and unemployment have increased. Through all of these phenomena, the social fabric of Latin American states has been impacted. Incomes are down, poverty is up, and outside governments and companies continue to take advantage of certain vulnerability.

The challenges Latin America states face affect, simultaneously, their economies, culture and their governments. It must find ways of achieving sustainable economic growth and manage equitable distribution of income. In addition, Latin American states must work to remove the obstacles that block development of state institutions allowing a higher degree of democratic participation.

Some would argue that the only way to distribute wealth in Latin America is through controlled globalization through such things as the creation of jobs and importation of capital investment, thus arguing that globalization presents opportunities otherwise unavailable. The problem with this argument is that there is relatively little control over how these jobs and/or capital are distributed and it does not allow for the guarantee of increases in wealth for anyone other than those in power and an elite few.

The economies of Latin America have allowed for little growth, further affecting the poorest of the population. The growth rate has slowed and is likely to continue due to the pressures of globalization. Financial crises continue, making it difficult to maintain stability. Dissatisfaction has lead to social protest demonstrating wide dissent against governments and their economic policies. Often, governance is an arrangement among different political-elites affecting few, while excluding the populous. Despite the efforts
to democratize, most Latin American states’ governments continue to be controlled by political elites who perpetuate existing relationships and the socioeconomic inequalities. Political elites benefit from such economic inefficiency. For example, in Brazil the wealthiest ten percent of the population earn the highest percent of income, roughly fifty percent. Even though Brazil has become more urbanized and socially mobilized, income inequality and poverty have worsened while the overall rates of economic growth have risen (Diamond, Linz, Lipset 1995).

The last two decades have given way toward the spread of democracy within Latin America. As military regimes relinquish power, movements toward more open, competitive forms of government replace them. Just as societies began to welcome more open politics, an economic crisis plagued the region. The socioeconomic crisis of the 80's made it difficult for newly elected governments to meet societal expectations. Development efforts were largely hindered by the loss of capital. This resulted in a loss of confidence by the people and they began to question the viability of democracy.

Economic failure in the 1980's was precipitated by the 1973-74 OPEC oil crisis. Many states, still under military control, pushed for rapid industrialization and diversification of the range of export related products. By 1984, the United States imported over half of Brazil's exports of manufactured goods, often regarded as export subsidies (Blakemore 1996). Development came at a high cost. Most had to import oil which had experienced rising costs as a result of the world economic crisis. In an effort to pay for development and the rising cost of oil, many states began to adopt new financial policies as well as look outside of their borders: borrowing money from others.
Regardless, lenders from abroad had a positive outlook for Latin America and were eager to make loans.

Latin America fell into a worsening debt crisis as the global recession of the 80's made making debt payments more and more difficult. Interest rates rose as demand for the region's exports dropped. The region's import trade as a larger part of export earnings was absorbed in servicing debt (Blakemore 1996). Debts were renegotiated and terms extended. This vulnerability put additional pressure on new democratic governments. The task of balancing debt, continuing development, and providing services was ever more tumultuous and led to an emergency situation for much of Latin America. The International Monetary Fund (IMF) began granting emergency loans for states whose monetary output was more than it took in with 'austerity' programs (Hillman 1997). Many states participated with reluctance out of necessity. For example, Argentina resisted the stabilization measures until mid-1985, when its economic situation left no choice for its leaders (Blakemore 1996).

Austerity programs were designed to stabilize Latin American economies by requiring measures to reduce inflation, the privatization of state-owned firms, a reduction in state subsidies and public sector spending and employment, and incentives to attract foreign investment. These programs didn't always do what they intended to do. In response to price increases on basic goods mandated by austerity programs, riots became commonplace occurrences. In most cases, governments were unable to implement the programs fully because of public outrage over higher prices, rising unemployment, and a sharp decline in social spending. An explosion of demonstrations and violence in Venezuela in 1989, sparked by the unexpected implementation of austerity measures,
revealed the depth of popular discontent (Hillman 1992). While sometimes good
intentioned, global intervention is not always the answer to fostering democracy through
economic assistance.

Economic policy-making in Latin America has been severely limited. Regardless
of individual differences or circumstances, the region needs to find a collective means to
solving its economic struggles. The world economy determines much of Latin American
states’ economies. The demand for exports and the price of oil are of major importance
to the region. Continued efforts to revitalize trade agreements and the pursuit of more
diversified markets are necessary but the influence of their trade partners cannot be
underestimated (Blakemore 1996). External trade, balance of payments, and economic
growth of other nations continue to influence Latin American economies.

**Latin American Political Culture**

**Major Historical Legacies**

Latin America struggles with the past and the present: attempting to manage the
delicate matter of weaving the two into one cohesive unit. The colonial European past is
evident within Latin America’s attitudes and values. The region experienced more than
three centuries of colonial rule, where it firmly planted its institutions. Traditional
authoritarianism and more contemporary democracy have blended together to create a
unique style of its own (Hillman 1997). The conflicting values, institutions and processes
of these two types of government have managed to come together on a certain level but
not without much struggle. These conflicts have influenced the course of Latin American
political evolution and are reaching a critical point within the process of democratization.
Historical legacies such as colonialism, land distribution patterns; repartimiento, (from the verb repartir, "to distribute") forced labor or enslavement; encomienda, (from the verb encomendar, "to entrust") legal system; "obedezco pero no cumplo, low regard by citizenry for the rule of law; independence; caudillo and personalismo traditions, authoritarian style governments; golpes del estado, coups; massive poverty and elite classes and patron-clientelism are all key considerations to understanding Latin American political culture.

Latin American states share common legacies of periods of exploitive colonial rule by Spain or Portugal. Spaniards conquered and exploited indigenous people for forced labor and enslavement through the horrific system of repartimiento. Impacting social and economic structures were polarized class divisions. The inequities created by these factors remain today and continually challenge democratic development. Conquerors were obliged by the crown in 1503 to replace repartimiento with the legal system of encomienda. This new system sought to Christianize or "civilize" the native peoples, allowing conquerors justify keeping them as slaves (Hillman 1997).

Independence was violent and disrupted existing institutions as well as creating instability resulting in the destruction of the wealth and infrastructure of the colonial period. The Spanish captain generals, known as peninsulares (those from the Iberian peninsula), were appointed by the crown in response to defending its colonial rule on the region. Spanish Americans or criollos (those from South America) were looked down upon by the peninsulares, who among others such as the military, the clergy and government officials were given fueros or special privileges (Hillman 1997). Many Latin American states were not committed to independence but were liberated by outside
armies. This military character created by the process of gaining independence from Spain generated a new type of leadership, under a caudillo (military strong-man), which arguably has endured in contemporary Latin America. These elite leaders managed to compete peacefully for power that resolved, for a time, the violent conflicts that preceded them during colonialism. And although abolished in 1820, fueros continued beyond Latin American independence. This may be an indication of how political culture has evolved in Latin America and why people may appear indifferent to or content with elite, authoritarian regimes that perpetuate the significant socioeconomic divide (Diamond, Lintz, Lipset 1995).

**Attitudes, Ideas, Beliefs and Values**

Cultural constructions of ethnicity and nationalism are elements of Latin American history and political culture that have formed beliefs and values about society and government (Avritzer 2002). Ethnicity and class and their manifestation in nationalism have evolved and will continue to be intimately interrelated in ways that are significant for the future of the region. Although affected by an increasingly global culture, unique conceptions and configurations of ethnicity, class and nationalism in Latin America persist. They require careful analysis for a meaningful understanding of contemporary Latin America, especially in the context of evolving democratic culture.

Political culture is constituted by the beliefs and values concerning politics that exist within the elite and citizens. Countries that have been the most stably democratic appear to have the most democratic political values and beliefs. Several values are crucial for stable and effective democracy: belief in the legitimacy of the government; tolerance for opposing parties, beliefs, and preferences; a willingness to compromise with
political opponents and, underlying this, pragmatism and flexibility; trust in the political environment, and cooperation, particularly among political competitors; moderation in political positions and partisan identifications; civility of political discourse; and political efficacy and participation, based on principles of political equality but tempered by the presence of a subject role and a parochial role (Diamond, Linz, & Lipset 1995).

The success of transitioning democracies depends on the growth of democratic values as well as in political and cultural tradition. That is not to say that these cultures and traditions do not change over time. Cultural patterns and beliefs do change in response to things such as socioeconomic development and institutional incentives. For example, the experience of brutal dictatorships and repression in Latin America has created an appreciation of representative government and democracy. I recall a conversation I had with a woman on a bus in Santiago, Chile in 1997. She expressed that she had come from a family that always had ‘plata’ (money), so she was raised to believe that she held a special place in society. She realized, after living through the brutal dictatorship of Pinochet, that money didn’t protect you from brutality. She spoke of an uncle who had disappeared during the regime and had changed the way she viewed government and how it related to her position in society.6

**Political Institutions and Parties**

Political parties are essential components of democratic systems. As political parties began to form, they were and still are largely elitist as they are generally composed of members of the upper and middle classes, through which patronage and favors are given in return for support. "Party organizations have served to channel

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6 This interview and many others reflect personal observations based on in-field research.
popular participation and, in the process, have facilitated the cooptation of the masses into the existing framework under elite tutelage" (Hillman 1997: 90). Many have ideological, policy and personal issues within the same party, which weakens them in any effort to create change. Many were and continue to be created around one leader and that person’s individual personality and typically lacked ideological bases. Many perpetuated elite relationship building, further segregating the masses by the return of favors in response to support. The legitimacy of democracy is challenged by such political party systems, which are largely ineffective at solving social problems and also continue their path of neither addressing political nor socioeconomic desires of the population.

Latin America has experienced a wide range of diversity within political parties. There are also many commonalities. While most tend to be elitist, in that those who wield power within the parties are drawn predominantly from the middle classes, ideological orientations, party structures, and the relative importance of parties in their respective systems, account for the diversity in Latin American systems and parties. The nature of the functions these parties perform are widely divergent. Many have served as electoral vehicles for personalistic leaders. For example, "in authoritarian systems such as Cuba under Castro and the Dominican Republic under Rafael Trujillo, parties were created as a means of mobilizing support for the regime and of maintaining social control" (Hillman 1997: 89).

In Latin America party politics began in the early post independence era when informal elite groups began as Conservative and Liberal Parties (Dominguez and Lowenthal 1996). In the late 1800's and early 1900's, more socio-economically advanced countries began to formulate other types of parties. Modernization brought more
education and political awareness to the rising middle classes, which led to the creation of more reformist parties. Marxist, nationalist-populist, and Christian Democratic parties were thus formed. These parties, such as the revolutionary Nationalistic Movement in Bolivia and the Christian-Democrats of Chile, called for reforms and have had varying success.

Governments began to change as a result of coups, revolutions and questionable elections. People became frustrated and the growing middle class became more demanding and vocal. New governments began a different approach. They began to develop modernization through industrialization. Labor unions began forming and needed to be dealt with. The inflexibility of those in power to meet the demands of the unions and the inequitable distribution of wealth and power led the way to revolutionary change in Latin America.

Conflict grew among groups with divergent interests polarizing societies. Rising expectations continued as Latin Americans became more exposed to new ideas through the media and technology. As those in power continued to disregard the desires of the ever-growing middle sector, rising discontent fueled revolution. Movements to overthrow governments and the threat of radical change further challenged these governments and threatened national stability. These groups quickly gained the international reputation of dissidents and threatened the economic relationship with other countries (Wiarda and Kline 1996).

Intervention by the United States and others sent a clear message. Revolutionary groups were perceived as ‘communist’ or anti-establishment and the governments of these states (no matter how repressive) needed backing in the effort to maintain control.
Remember that these, largely authoritarian governments, allowed for huge profit margins for foreign investors and were ‘not communists’. Intervention came in the way of direct military intervention, technical assistance and economic aid. International intervention and serious socioeconomic constraints made any hope for transition to democracy seem a far away dream for Latin America.

**Neo-liberal Economies**

Elites in Latin America have long sought control over social and economic policy with a view to increasing their share of income and wealth. Neo-liberal policies took root in Latin America due to the weakness of both the economies and the democratic political systems in place. During the 1960s and 1970s, broad neo-liberal experiments took place throughout the region, accompanied by general strikes, popular uprisings, and the formation of guerrilla movements. Elites have and continue to try and limit the competition democracy fosters. These efforts to control the political realm within their countries has taken shape with things such as bans on opposition parties and limits on civil participation and opposition as well.

Dependence on the export development model proved troublesome for Latin America by the early twentieth century. The reliance on the export of raw materials, market price fluctuations, and the dependence on imported manufactured goods were debilitating to Latin American states. In addition, the Great Depression and World War I were additional thorns in the economic sides of the region. Economic instability encouraged political change.

The merging of old and new technology, political systems, and values create serious challenges for Latin American states. Further, the deep-rooted history of tradition
in Latin America makes it rich but also makes for slow, sometimes painful, change. The lack of institutions, independent economies and severe poverty make democracy difficult. The success that individual states have had is constantly challenged by greater expectations and demands from society. Free-market economic reform and the increased collective energies among differing political parties may be essential components for stable democracies within Latin America.

**Latin American Democracy**

**Foundations and Participation**

Historically, Latin America has had almost every kind of government in power at one point or another. *Caudillo* rule (a military figure who has taken over and rules by force), populist regimes, monarchies, civilian and military dictatorships, oligarchic democracies, parliamentary democracies, revolutionary systems and bureaucratic-authoritarian states have all existed within the last few centuries. The current trend toward democracy has certainly encountered roadblocks as a result. Latin Americans accepted the change to democratic governments with vigor a relatively short time ago. Since then the enthusiasm toward democracy has grown stale. The varying degrees of success offer an explanation. Economies have suffered due to region-wide recession, lowered per capita rates and a decrease in services provided (Colburn 2002). The magnitude of the challenges confronting national governments is daunting. The biggest reason is that public opinion and support for democracy is down: voter turn out is low, economies are suffering, and political parties are weak and support for them is lacking. With such political history and present day reality, is democracy sustainable within Latin
America? This research suggests that indeed democracy is sustainable but not without a period of transition and an element of self-determination (self-definition/style).

Varying stages of transitioning democracies can be found throughout Latin America today. As a result of similar Spanish and Portuguese colonization, the tendency to generalize the states that make up the region persists. This mistake does not allow for their divergent histories, cultures, traditions, institutions and levels of economic modernization. Following independence, the former colonies began a period of economic transition and turmoil. In addition, the political structures faced challenges. Most wars for independence were fought while political leaders tried to maintain systems that existed at the time: a two-class, hierarchical structure dominated the region’s states.

Economic devastation as a result of the wars and the absence of a strong central authority made these states unprepared for newly found independence. Constitutions were written at the time of independence, yet most included provisions for maintaining established military or church power.

The implementation of democracy was further challenged by rival elites and caudillos. Personalismo or repressive rule dominated the time period. While these types of leaders provided some form of order and control, they also deeply divided most states on regional issues by inhibiting any new forms of institutions. The possibility of new institutions posed a threat to their continued control and power, essentially the wealth of the country. The need for the formation of such institutions became clearer and clearer into the mid nineteenth century.

By the late nineteenth century the economic future of Latin America seemed to be on the upswing (Wiarda and Kline 1996). Global changes were the primary source of
such positive prospects for Latin American states. Western Europe and the United States were in the midst of the Industrial Revolution and began investing in Latin America. International investment stimulated economic growth by supporting national industries. All of which served to begin Latin America’s integration into the global economy. Such modernization proved to have lasting political implications.

As a response to an increased demand for goods internationally, leaders tried to establish governments that worked with an export model of development. Many implemented an exclusionary system designed to preserve their own interests. The interests of the rising middle and working classes were countered with the combined efforts of the commercial and land owning elites. In addition, some states responded with the traditional personalismo or caudillo styles of governing. These governments were as noted earlier highly repressive and promoted a façade of stability. These types of regimes were rather successful as they were inviting to foreign investors because of the appearance of stability within the country. Investors were not interested in the equitable distribution of the capital flowing to these countries but rather that they continued to produce the desired goods without messy political opposition from radical groups. This further encouraged repression and made the transition to democracy tumultuous.

**Patron-Clientelism and the Elite Class**

In Latin America traditional and modern patterns of political culture have been blended together, creating new systems. At the same time personalism and patron-clientelism persist, which have affected leadership, social and political groups, and the function of institutions (Hillman 1994). This is not to say that party politics in the region have not continued to grow in this era of democratization. Parties have become more

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7 Individual domination in politics.
organized and are more efficiently managing programs designed to manage the effects of globalization and modernization. Elections can now be recognized as legitimate means of gaining power.

As long as Latin American governments continue with patron-clientelistic patterns, however, democracy will remain precarious in the region. As a result of this style of governing, many political parties and their leaders remain only partially effective at dealing with chronic problems. The basic political and socioeconomic desires of the people must be fulfilled. The legitimacy of Latin American democratic governments will forever be questioned if stability is not secured within them.

Electoral Authoritarianism

The cultural, political and economic legacies of Latin America have shaped its contemporary styles of democratic rule. Without a more substantive approach to democracy, the region will continue to struggle with democratic transition. Unfortunately, most Latin American states currently work under a more procedural style of democracy. This type of democracy will not allow for the desperately needed types of social programs and services that a substantive democracy would afford them.

Electoral authoritarian regimes are the contemporary result of domestic and international pressure to create a broadly legitimate democratic regime but otherwise may be much more authoritarian in nature. These regimes have felt this pressure to at least through elections mimic democratic reform (Diamond 2002). They do not allow for necessarily free, open and fair elections so that opposition can run fairly. If allowed, the electoral majority may vote in favor of other more democratic parties, thus threatening the power of the authoritarian regime. For example, in Chile the lack of existing
democratic representative institutions in addition to an unfair electoral system has threatened democracy. In 1980, the Chilean Congress's power was reduced by the installation of a new constitution (Aguero and Stark 1998). This type of action results in a reduction of the citizen's ability to scrutinize government actions.

The 1980's witnessed significant growth in international concern for human rights, including the rights to choose democratically the government under which one lives and to express and organize around one's political principles and views (Diamond, Linz, & Lipset 1995). As torture, disappearances, and other human rights violations became more widespread but were more systematically exposed and denounced around the world, a renewed deeper appreciation developed for democratic institutions. “The growth of democratic norms throughout the world was strikingly evidenced in the degree to which authoritarian regimes found it necessary to wrap themselves in the rhetoric and constitutional trappings of democracy or at least state as their goal the eventual establishment of democracy” (Diamond, Linz, & Lipset 1995:2).

Only the development of an egalitarian democratic environment will allow social demands to be met. Social movements must be allowed to contribute to the governability of democracy and stability (Aguero and Stark 1998). Political power must be accountable and responsible. The implementation and continuation of citizen empowerment to exercise their rights is a key element to stable democracy in Latin America.

Democratic civilian rulers have been weakened by the continual challenges Latin America's history has presented. Substantial obstacles exist still today that constantly challenge democratic governments. Military institutions continue within many Latin
American states to be very political and act as a branch of government. Given the tradition of military rule, the transition to greater civilian rule is difficult.

The Military

The military has played a significant role in Latin American history as well as current governments, institutions and practices. The conquest of Latin American states instilled a legacy of a social system that fused military power, social prestige, and landed wealth (Zagorski 1997). Nineteenth century military leaders inherited many characteristics from periods of imperial rule and wars for independence. Caudillo-led militaries led Latin American states to independence and established authority of the new governments. Through the use of fueros (favors and privileges) the military was able to separate itself from the rest of society. By the twentieth century politics within the region became highly militarized as a result of such deep-rooted structures of power.

Through national security doctrines and well-established traditions of military intervention, military governments assumed the mission of reforming unstable social, economic, and political structures. In addition, military involvement has been induced by corruption, stagnation, and malfunctioning of democratic institutions. As a result the military views themselves as the country's salvation and the only entity that which can create order and defense (Diamond, Linz, Lipset 1995). For example, the 1980 military-inspired constitution in Chile allowed the military to secure candidacy and power in the government. In 1988 voters voted "no" for the military incumbent General Augusto Pinochet. In response, the military held a competitive election in which no pro-regime candidate won the vote. And although there was popular pressure to change the constitution, it didn't happen. The military retained most of its power, as written in the
constitution, and appointed senators an additional eight-year term and fixed a portion of
the gross domestic product (GDP) for the military budget (Zagorski 1997).

It can be argued that the military's role in Latin America has brought successful
independence and national security. But at what cost? The military has made a mockery
of the rule of law with gross violations of human rights. The citizens as well as military
officials who do not agree with the unjust practices of the military have little with which
to oppose or hold accountable those responsible for violations to the rule of law.
Torture, murder, rape and unlawful detention account for human rights violations that
have violated national and international law. The military has justified these actions as
defense of the nation, arguing that guerillas and their allies are foreign agents and thus
outside of the protection of law (Zagorski 1997). Guerillas generally are groups of
citizens who have formed groups in an effort to change policies and their daily realities,
which often include massive poverty and squalor.

How can a military government avert responsibility and gain amnesty for its
actions? The military places numerous areas of public policy under unaccountable
military control (Diamond, Linz, Lipset 1995). Often, prior to possible transfers of
power to civilians, military leaders assure themselves amnesty prior to the exchange of
power. Legal amnesties have been challenged but few result in accountability and legal
action against violators. For example, they have been challenged in such countries as
Argentina, Chile and Uruguay with dismal results. Although General Pinochet was
finally found guilty of human rights violations by a British tribunal, he was too 'old and
sick' to be placed in prison.
Today the military tradition of a stronghold on civilian Latin American
governments still exists and stifles democratic development. As a result of military
personnel still holding governmental posts, the threat persists of autogolpes (self-coup: an
executive maneuver, supported by the military, that suspends the operation of the
legislature and the judiciary) persists. In 1992, Peruvian President Alberto Fujimori
attempted to stage an autogolpe, stating an economic crisis and on-going guerrilla
warfare was to blame. International pressure forced him to hold elections for a new
constituent assembly/legislature.

Social turmoil in Latin America continues to provide a vehicle for the military to
continually flex its muscle. Many Latin American governments are trying still to set
clear definitions of the military’s role in government. This is difficult when few resources
are available to carry out promises made by the government. For example, in Brazil,
President Lula da Silva has increasingly looked to the military to advance his social
development plan to improve infrastructure and distribute food to the poor (Rother 2003).
Questions of restoring the role of the military in a country that has lived under a military
dictatorship from 1964 to 1985 are eminent. Geraldo Cavadnari, former army colonel
and current university professor at the University of Campinas in Brazil said, "Time has
passed, democratic rule is firmly implanted, and we have now entered a period of
reflection about the military and the tasks it should undertake" (Rother 2003:3).

Even when clear definitions are created, the military still has to accept them and
participate accordingly. The risk of military rebellion against these measures can be
minimized by according the military to a position of high status and income but
refraining from using it as a power resource (Diamond, Linz, Lipset 1995). Brazil’s
renewed dependence on the military makes evident the fact that democracy in Latin American countries is unique compared to other democracies around the world. Self-definition, acceptable governmental policies, and the use of resources within Latin American countries must be considered when analyzing democratic legitimacy in the region.

**Venezuela**

Until the last few decades, insufficient significant research on Venezuela’s government has been undertaken. Until the discovery of petroleum, Venezuela seemingly offered little to the rest of the world and thus was of little interest. The discovery of oil changed all of that. It is naïve to think that the current international situation and the United States waging war in the Middle East has little to do with increased interest in Venezuela. The fact that newspapers around the world consistently print stories on Venezuela’s political situation is indicative that the country has a resource that has immeasurable global value. With this in mind, I have chosen Venezuela as the state to be analyzed within the context of Latin American democracy and self-determination. Venezuela is an important test-case for the analysis of democratic development in Latin America.

**History**

Venezuela has struggled with authoritarianism and elitism since pre-colonial times. Democratic political culture is young and ever changing for Venezuelans. Since the European arrival to America, through the Spanish colonial period, Venezuela grew slowly, becoming a mature society in the last quarter of the eighteenth century (Lombardi 1977). The country gained its independence from Spain in 1811. Independence coupled
with the creation of the Republic of Venezuela in 1829 resulted in instability and fostered an environment susceptible to civil war, caudillismo, military strong holds, and a number of constitutions (Hillman 2002). A dramatic transformation in Venezuelan politics and society occurred when in 1908 General Juan Vincente Gómez seized power. Gómez’s (1908-1935) brutal reign consolidated commercial bureaucracies, which included a monopoly on technology and communications, and the roots of modern party politics were established (Myers 1996). Venezuela’s internal processes and policy-making began to change and became tied to the development patterns of rapid industrialization and the discovery of commercially marketable petroleum in the 1920s (Lombardi 1977). Petroleum exploitation and the creation of modern communication and transportation infrastructures in Caracas, during the 1930s, diffused technology to the interior. This sparked growth of urban middle and working classes but the speed with which new technology had been adopted, coupled with the dynamics of Venezuela’s own culture and situation, made democratic consolidation difficult (Lombardi 1977). A new generation of political leaders emerged and created new parties. Largely, the most important party leaders were eventually forced into exile or imprisoned by Gómez.

Upon Gómez’s death, many returned to Venezuela and organized new political groups. The increase in political activity contributed to the creation of mass-based groups such as the Unión Nacional Republicana, the Bloque Nacional Democrática (BND), the Organización Venezolana (ORVE), the Partido Republicano Progresista (PRP), and labor organizations (Hillman 2002). In addition, many opposition groups such as the Federación de Estudiantes de Venezuela (FEV, Federation of Venezuelan
Students), the BND, the ORVE, and the PRP combined their efforts to create the *Partido Democrático Nacional* (PDN) (Hillman 2002).

Foreign interest groups and their ideologies have influenced Venezuela's transition from brutal dictatorships to more liberal democratic development (Myers 1996). Along with early agricultural wealth, the exploitation of petroleum has afforded Venezuela periods of economic growth and stability. Such economic stability has allowed for modern political leaders to attempt the implementation of democratic reforms. In addition, the rapid pace with which Venezuela was changing, coupled with new communications technology, made old-style governments less effective. Modern communication technology gave the opposition new and powerful tools. And the traditional military was unable to respond rapidly enough to change (Lombardi 1977). Some of Venezuela's main party organizations emerged within this period. Former PDN Communists created the *Partido Comunista de Venezuela* (PVC) and PDN gained legal status, reconstituted itself and became *Acción Democrática* (AD) (Democratic Action). In addition several other parties were formed during this time: *Unión Republicana Democrática* (URD), and the Social Christian Party (COPEI) was formalized, whose roots can be traced to the *Unión Nacional Estudiantil* (UNE) (Hillman 2002).

The *trienio* (1945-48) was a period in which Venezuela was lead by democracy for the first time (Hillman 2002). Under the premise that Venezuela may be victimized by foreign intervention and the threat of communism, traditional elites seized power in 1948. These elites were a coalition of military officer and elites from the middle class intent on overthrowing the popularly elected president Rómulo Gallegos, who had served for just ten months. Gallegos and his party, AD, planned to redistribute wealth, status
and power. By 1948 the elite coalition persuaded the officer corps to overthrow Gallegos and outlaw the AD party (Myers 1996). Venezuela once again was captive to military dictatorship rule, which lasted until 1958 when democracy once again emerged with the overthrow of General Marcos Pérez Jiménez.

AD and Rómulo Betancourt gained democratic control with free and fair elections and the adoption of a new constitution. AD, the populist Democratic Republican union (URD), and the Social Christian party (COPEI) agreed to share power under the terms of the Pact of Punto Fijo - the origin of *puntofijismo*, the word Venezuelans use to describe the arrangement. These political groups agreed to cooperate in a "consociational" system in which they shared power (Hillman 2002). The assumption was that distributive politics would predominate and the allocation of income generated from petroleum was critical to gaining the loyalty of previously excluded groups such as workers and peasants. Further, it was necessary to build broad-based coalitions while keeping them small enough to preserve the essence of a centralized decision-making process (Kelley 1977). Labor Confederation and Peasant Federation leaders were given positions within the distributive political process to allow for increased resources for allocation to their clients. In addition, traditional elites were regulated but permitted to keep their holding and create additional wealth. Supportive distribution, a strong democracy and social peace were the result of this power sharing (Myers 1996).

In February 1983, on "Black Friday", oil prices dropped and President Herrera was forced to devalue Venezuela's currency (Hillman 2002). Venezuelans became quickly disillusioned, as inflation rose and governments were increasingly corrupt. An increasingly independent press uncovered corrupt activities that had taken place during
the previous administration. Frequent revelations of illegal profits for politicians were uncovered and few, if any, were punished (Coppedge 1996). Venezuela experienced a macroeconomic nightmare and the bolivar, Venezuela's currency, was devalued by 75 percent in 1989 by President Pérez (Myers 1996).

Electoral abstention was the result of increasing disillusionment with party politics. AD and COPEI had dominated elections during the 1980s and 90s. They allowed for the masses' interests to go unheard while ensuring the interests of powerful interest groups. Massive strikes coupled with two coup attempts weakened the coalition and in 1993 former COPEI founder and leader Rafael Caldera ran as the candidate of a "convergence" coalition of smaller parties (Hillman 2002). Caldera won with only 30 percent of the vote and after factoring in the 43.8% abstention rate, he was elected with the support of only 17% of registered voters (Coppedge 1996).

Hugo Chávez's pursuit of power and the strategy he has adopted for achieving dramatic change in Venezuela, in many ways differs from that of other Latin American politicians (Ellner 2001). The presidential campaign of 1998 served as a reminder that democracy and the party system in Venezuela were fragile. Candidates ran independently from major parties, which served to discredit the parties and the system further. In addition, the victory of former military officer and coup leader, Hugo Chávez shook the major parties. Chávez ran under a campaign for “social revolution”, which was widely popular with the poorest of the population under the Movimiento V República (MVR, the Movement for the Fifth Republic) (Hillman 2002). A successful campaign for Chávez was imminent as 70-80% of the total population is among the poorest in the country. The country was experiencing serious economic problems and the people had
high expectations of the Chávez government. He had heard their voices and they believed in all of his populist rhetoric. In addition, they election of Chávez was representative of Venezuelans’ disappointment with AD and COPEI and a weakening party system. By 1999, a National Constituent Assembly was convened to rewrite the constitution, of which, 90% of seats were filled by MVR members, otherwise known as chavistas. Chávez lobbied for immediate re-election of the President for a second term, a reorganization of the judiciary, and an extension of the vote to active military personnel, which all passed with ease (Hillman 2002). Many feared the new constitution would give the president too much power and allowing for a second term (continuismo or continual power). Per the new Constitution, the president now served for six-year terms and abolished the Senate. Chávez’s success will hinge on whether or not people are willing to transfer their loyalty to new institutions from traditional parties and his effective promotion of the rule of law.

Current Government

Chávez

The roots of Hugo Chávez’s power began when he inspired an attempted coup, with a group of mid-level military officers, on February 4, 1992. The coup attempt was seen by most Venezuelans as attacks against a system that was corrupt and led by elitists who no longer were able to deliver on promises rather than a conventional military’s attempt to seize power. The population showed no inclination to actually support a coup, rather they displayed a remarkably strong commitment to the country’s democratic institutions marking the beginning of the rise of Chávez as a political player (Rosen and Youngers 2003). The February coup attempt failed to gain the government but it did
succeed in bringing large numbers of new participants, particularly from among the poor, into the political process, changing the climate and structure of Venezuelan politics. Pardoned by President Rafael Caldera in 1994, Chávez formed his own political party, the Fifth Republic Movement (MVR), and victoriously ran for the presidency in 1998. The erosion of the quality of life for Venezuelans had led to a loss of the government credibility and legitimacy (Hillman 1994). Chávez successfully responded to this lack of confidence with a professed inclusionary plan for government.

Chávez has a remarkably strong rapport with the poor. His long televised speeches are typically aimed at the poor; he carefully explains world events, basic geography and national politics in ways that include people who have typically been left out of the political arena. Politically this creates the sense that "Chávez is our president." For many of his middle class opponents, Chávez’ speeches are viewed as patronizing, repetitive and demagogic. For those historically excluded, Chavismo has attempted to democratize power; it has struggled for political respect, dignity and social rights. While this kind of mass support may help enable Chávez’s intentions, it also leads to very high expectations (Hillman 2002). He has followed through on his campaign promise to use a constituent assembly as a means of revamping the country’s neo-corporatist political system (Ellner 2001). Neo-corporatist policies were to be replaced with one of direct popular participation.

Chávez’s style and policies have continually raised questions as to the possibility of the successful direction of governance in Venezuela (Pettrash and Woolcombe 1999). In order for him to be successful as the president of Venezuela, Chávez will need to produce: improve employment levels, lower inflation, and increase social services.
Without these promised policies of improvement, support for Chávez and confidence in democracy will be threatened. Thus far, much of his action and rhetoric has pointed more to a powerful executive (Ellner 2001).

The current political and economic situations in Venezuela face continual problems, whose origins are historical. The Fifth Republic is designed to reduce corruption among the political elite and at the same time boost Venezuela's economy (Hillman 2002). Chávez's regime is based on a unique concept of plebiscitary democracy and potentially has an enormous impact on Venezuela's future.

The Bolivarian Republic of Venezuela is a federal republic. Since February 3, 1999, President Hugo Chávez Frías, won 60% of the popular vote for a six-year term. Vice President José Vicente Rangel was elected April 28, 2002. The cabinet is appointed by the president and is named the Council of Ministers.

**Self Definition**

**Legislative Branch**

Historically, the Venezuelan Congress has not significantly functioned autonomously from the executive branch of government. Party representatives who framed the 1961 Constitution created long-lasting congressional structures and powers. For example, the constitution was created to allow for little formal separation of lawmaking and executive roles by enabling members of the Council of Ministers to introduce bills directly into Congress (Kelley 1977). Congress has not yet been able to build strong internal structures of integration, which has resulted in a role primarily of a vetoing agency and only rarely as a policy initiator.
Currently, the legislative branch is a unicameral National Assembly, consisting of 165 seats, whose members are elected by popular vote to serve five-year terms. Three of these seats are reserved for indigenous people. The latest elections held on July 30, 2000 resulted in pro-government candidates winning 108 seats: The Fifth Republic Movement (MVR) won 92 seats; Movement Towad Socialism (MAS)\(^8\) took 6 seats; indigenous groups came away with only 3 seats, and various other groups won 7 seats. The opposition won 57 seats: Acción Democrática (AD) or the Democratic Action party won 33 seats; while the Comité de Organización Política Electoral Independiente (COPEI) or Social Christian party took only 6 seats, Justice First won 5 seats, and various others won 13 seats.

**Judicial branch**

In order for judicial systems to be strong and able to act independently within political systems, they depend largely on the existence of institutions on the permissible limits of individual, corporate and government behavior (Kelley 1977). Historically, in Venezuela, the possibility of an independent judiciary has been limited by the fact that the law has always been in code-law form, which does not allow judges to freely make laws.

Currently the system is a blend of liberal-democratic ideas with an authoritarian code background (Myers 1996). The National Assembly elects the Supreme Tribunal of Justice magistrates for a single 12-year term. The magistrates’ power is limited as the Constitution allows for executive power to be placed in the hands of the president.

\(^8\) A radical leftist party that coalesced following the Soviet Union's invasion of Czechoslovakia in 1968. MAS is directed by former members of the Venezuelan Communist Party (PCV). It became more moderate under the leadership of Teodoro Petkoff.
The president has enormous power: as the commander of the armed forces; having the right to call special sessions of Congress, and to appoint all cabinet ministers. In addition, the president can also declare the country in a stage of siege and temporarily suspend constitutional guarantees (Myers 1996).

**Political Parties and Leaders**

President Chávez has effectively energized popular movements. In addition, he has been intent on replacing the old political class with a new set of players loyal to the Bolivarian Revolution, which has created two sets of displaced enemies: the economic elites, grouped around the Chamber of Commerce (Fedecámaras), and the old political class, many of whom are affiliated with the once-dominant social democratic party Democratic Action (AD) and its affiliated Confederation of Venezuelan Workers (CTV), see Table 2. This alliance at best remains fragmented (Rosen and Youngers 2003). Ideology by itself does not dictate one’s position within the Venezuelan political arena. For example, trade union and social democratic actors from the old political class are now excluded from power and are determined to regain their old privilege.

The institutionalization of the political party system and its performance are of utmost importance to the consolidation of democracy in Venezuela. In post-1958 Venezuela, party organization was the key to political control. These parties performed diverse and important tasks such as mobilizing supporters, recruitment for government positions, mediation of demands of competing interests, and creating symbols that can strengthen or undermine support for the current regime (Myers 1996). Political party power and influence cannot be underestimated within the Venezuelan government. The demise of the traditional parties, therefore, is problematic.
Political Interest Groups

Democracy in Venezuela has been fertile ground for political interest groups. Historically, elitists from the military, business community, landowners and the church have created important institutional and interest groups (Myers 1996). These groups have evolved tremendously and serve to influence politicians and have their agendas addressed. Many groups, which serve the interests of others such as the urban poor and indigenous groups, have also been formed, although with limited influential power.

FEDECAMARAS is a conservative business group composed of over two hundred individual groups whose key interests are within industry, trade, cattle raising, and agriculture. Due to its size and influential power it is arguably the most important political interest group in Venezuela. Each group within FEDECAMARAS, possesses its own sub-group related to specific industries: COINDUSTRIA is responsible for industry; CONSECOMERCIO for commerce; FEDEGAN for cattle raising, and FEDEAGRO for the agriculture industry.

Labor unions in Venezuela also have significant influence in politics. The Venezuelan Confederation of Workers (CTV) is one of Venezuela’s labor organizations, which boasts a membership of over 2.5 million. CTV has experienced some problems, which have undermined the group’s efforts: fluctuating oil prices and past scandals of misused union funds have discredited leadership (Myers 1996). As a result, labor organizations have been created to provide alternatives to CTV membership. The Unified Center of Venezuelan Workers (CUTV) and the Confederation of Autonomous Unions (CODESA), allied with COPEI, are two such organizations. Still, they have marginal importance and influence as compared to CTV.
The urban poor have organized out of frustration as a result of the state's failure to use petroleum revenues to improve living conditions. During the 1980s the Center at the Service of Popular Action (CESAP) was formed with a focus on changing the state policy within the existing political system. While the group experienced limited success in the way of fund allocation to their cause, they were able to aid the electoral success of CAUSA R (Radical Cause) and MAS in 1992 (Myers 1996).

**Current Status**

**Political Unrest**

Since late last year Venezuela has been entrenched in a business-led general strike. The strike was initiated and led by an opposition group called "Democratic Coordinator": the same coalition of business, union and political party forces that briefly forced President Chávez from office in April, 2002. Participants included managers and workers from the country's crucial and privileged oil industry. The strikers aim to build sufficient pressure to force Chávez from office, as his policies threaten their continued dominance over oil-revenues. They have been successful at shutting down economic activity (Rosen and Yongers 2003). The opposition's only demand has been that Chávez resign immediately and a new presidential election be scheduled as quickly as possible. The government, citing a provision in the constitution, offered to hold a referendum on Chávez's rule halfway through his term in August, 2003. If he were to lose the proposed referendum a new election would be called.

Secretary General of the Organization of American States (OAS), César Gaviria (ex-president of Colombia) is currently mediating ongoing negotiations between the government and the opposition. The negotiations sponsored by the OAS, the UN
Development Program (UNDP) and the Carter Center, have focused on an attempt to reach an agreement on the form and timing of a popular referendum, to take steps to disarm the heavily armed population and establish a "truth commission" to look into the events which culminated in the coup and countercoup of April 11-14 (Rosen and Youngers 2003). A mid-term recall, for Chávez, could come as early as August 19, and it is the only vote he has said repeatedly that he will accept if it is requested at the polls.

On February 2, 2003 the opposition officially declared an end to the 63-day general strike with a recall petition. The recall petition is aimed at allowing Chávez's opponents to voice opinions about possible options for cutting short the president's term, which is scheduled to last until 2006 (Karon 2003). Although the strike was formally ended, it has continued in the oil sector with many workers having been fired.

The strike has cost Venezuela, as the world's fifth largest oil exporter, billions of dollars in losses because of dramatically lowered oil shipments. Prior to the strike, the oil industry produced 2.8 thousand barrels of crude oil per day. As a result of the strike, by January, production reached its lowest levels of 614 thousand barrels per day. This drastic reduction in production has had a devastating effect on the Venezuelan economy and sent crude oil prices to two-year highs. As intensity levels of the strike have come down, oil production has gone up. Fortunately, production has now reached upwards of 1700 barrels per day and is projected to reach maximum levels in 2003 (see Table 3).

**Economic Problems**

The petroleum sector dominates Venezuela’s economy, accounting for roughly one third of GDP, around 80% of export earnings, and more than half of government operating revenues. Venezuelan officials estimate that GDP grew by 2.7% in 2001 (see
Table 4). A strong rebound in international oil prices fueled the recovery from steep recession in 1999. Nevertheless, a weak non-oil sector and capital flight, and a temporary fall in oil prices served to undercut the recovery (Rosen and Youngers 2003).

Rather than neo-liberal economic plans, Chávez professes ‘socialist’ economic plans but often implements ones that resemble a more capitalistic model. His administration has suspended the privatization of the health system, limited the profits of private companies that administered pension funds and prohibited the sale of stock in the state petroleum company. Early on these policies, which resisted the statist approach of increasing public control over all sectors, appeared to be working as increases in exchange rates and inflation were kept in check (Ellner 2001). As we will see, these early positive leaning signs did not last long.

Chávez’s plans have not been effective in curing many of Venezuela’s economic ills in the long run. While oil prices and revenues increase, high levels of unemployment, inflation, debt, capital flight remain, and business and investment confidence continue to be low (Hillman 2002). Population below the poverty line is estimated at 67-80%. Inflation and unemployment rates are 12.3% and 14.1% respectively (CIA’s World Factbook 2003). Whether or not Chávez will be able to attract foreign investment remains to be seen. His inflammatory rhetoric continues to alienate and discourage potential investors. “Problems within the international economic order are neither widely understood nor likely to be convincing as explanations of failure, since the masses generally continue to believe that Venezuela’s oil wealth is the national patrimony” (Hillman 2003:55).
Venezuela's immediate economic crisis will require careful analysis and procedural changes at varying levels. In the short term, the country faces a crisis of governability and political tolerance. In the long-term the crisis of sustainable, equitable economic growth and development exists. These two crises are intertwined. The short-term crisis dominates political discourse on all sides: the principal agenda of all participants in the political debate should focus on democracy and political tolerance. Once this is addressed, the political leaders of Venezuela will be able to focus on the reasons for the long-term economic crisis that the country continues to find itself in. This brings us to another dilemma: which is necessary for the other to exist, a strong economy or strong democracy. This research points to the conclusion that they are interrelated. Transitioning democracies face severe challenges if they cannot meet the needs their citizens. As I have illustrated, this lack of services leads to a lack of confidence, in the democratic process. It is worth repeating that without confidence democracy cannot thrive. In addition, a strong democracy may foster a strong economy and equitable distribution similarly.

Conclusion

Positive Signs

In spite of the current conflict concerning the oil industry and opposition from upper and middle classes in Venezuela, Chávez's 35% approval rating is still among the highest for a Latin American head of state. In an effort to reconcile the crisis affecting Venezuela and to promote stability within the region, Latin American governments have committed resources to a negotiated, constitutional resolution to the conflict (Rosen and Youngers 2003).
The transition to democracy in Latin America has had some successes.

Democratization within some Latin American states has recovered where it had once been eliminated, for example in Argentina, Brazil and Guatemala. It has deepened where democracy already existed, as in Colombia, Costa Rica, Mexico, the Dominican Republic and Venezuela (Vargas-Hernandez 2002). Continued advancement and the consolidation of stable Latin American democracy require the implementation of a regional strategy of development, which will help to overcome the kinds of stresses we observe during short-term economic challenges.

**Evolving & Transitioning Democracy**

**Self-Determination**

A loss of confidence in democracy has led to widespread disillusionment with the government within Latin America. This has led to apathy and a withdraw from political participation (Petras and Woollcombe 1999). Economic difficulties within Latin America further serve to threaten democracy. Equitable distribution of economic growth is the catalyst for stabilizing and solidifying democratic government in Venezuela and throughout Latin America.

In addition, the recent strengthening of executive power in Latin America has weakened democracy by reducing the participation and decision-making power of the people. Latin American democracies today are largely governed by charismatic populist leaders, in which presidents rely on executive decrees, use plebiscites to legitimize authority and employ antiparty rhetoric (Ellner 2001). Elite-control had prevailed in Venezuela and the ruling class had largely ignored demands for reform and greater participation until the Chávez era. “Despite a democratic political culture, therefore,
political stability will be precarious as long as basic socioeconomic aspirations remain unfulfilled for the vast majority of the people. The desire for democracy does not necessarily result in the consolidation of democratic institutions” (Hillman 1994:55).

Latin American governments have been plagued with relatively low economic growth and the development of an extremely fragile democracy. The new model of neoliberal state consolidation, so-called economic liberalization, has not produced the anticipated strengthening in the political, economic and social spheres. Nor has it produced the expected gains in efficiency, equity and freedom. As a result, democratic governments have experienced severe weaknesses (Vargas-Hernandez 2002). These government’s ability to thrive, or simply survive, depends largely on continued participation, self-definition and foreign policies from the international community that consider Latin America’s history and current socio-political culture.

**International Concerns & Implications**

Latin American democracy as defined within the literature, without an element of self-determination, remains precarious. The state of democratic governability within the region is uncertain. The rule of law can only be upheld with measures of accountability. Inefficient, powerless and corrupt systems such as those of any state’s judiciary, prove to be consistent problems that Latin American democracies struggle with. Several other phenomena that exist within Latin American states’ political and social arenas affect how they define current government structures. The international community must be willing to accept variations to the manner in which democracy is defined and governed within and by Latin American states. Historically, foreign governments have welcomed democracy when it serves their own interests and have been far more ambivalent when it
complicates their own strategic goals. Foreign governments whose policies include relations with Latin American countries must be consistent with their message and create policies that promote democracy.

Why should the international community be concerned with Latin America and Venezuela and what is happening there? For the United States, Venezuela is the second most important export market in South America and a primary source of offshore petroleum. Fifteen percent of oil imported into the United States comes from Venezuela. More importantly, the erosion of democracy in Latin America and Venezuela and international indifference to that erosion sends the wrong message to those with fragile institutions and whose commitment to democracy is in a constant state of indecision (Graham 2002).

The international community needs to be cognizant of and factor in several things when creating policy: military presence coupled with civilian leaders within Latin American political institutions; varying degrees of power given to congress’ governing capabilities; weak political parties that do not represent the population effectively, and the existence of patron-clientelism. Much of Latin America has been controlled by military dictatorships. As a result of international policy and the increase in technology and communications the people of the region have been encouraged to believe that a commitment to democracy would mean political choice and improved prosperity and security. In many countries, democratic governments have not lived up to these expectations.
Outlook for the Future

Latin America faces some of the most significant challenges facing democratic governance: slow transitions to stable political democracies; military intervention in internal politics; elitist power; corruption; violence; human rights violations; marginalization, and public apathy toward democracy. These all point to important implications for stable democratic systems within Latin America and require a deeper understanding of policy-makers of other nations that interact with and influence the states of the region. The persistence of social inequity is one of the causes of social exclusion and constitutes serious problems for good governance in Latin America. The elite class continues to dominate ownership of major corporations and the main means of production and revenue generation (Vargas-Hernandez 2002). Despite these important considerations, foreign policies of other nations that have relations with Latin American countries have neglected to consider them (Petrash and Woolcombe 1999).

As foreign trade and investment increase in the region, there is a growing need to raise awareness of the dominant social and political issues facing Latin America. Foreign policy priorities and initiatives must be created with the uniqueness of the region's history and how it has laid the groundwork for the current social and political realities that exist within the region today in mind. Foreign policies must consider the sources of poverty and democratic instability within Latin American society: lack of capital, lack of incentives for individual action (except for the elite or those in big government or big corporations), lack of institutions that protect people's decent standard of living or don't
provide basic social services, generally absence of the "rule of law," and authoritarian style governments (Vargas-Hernandez 2002).

While there has been some reform of electoral processes, more is needed. Legitimacy of government requires that Latin American governments must enhance democratic participation of its citizens. Citizens must be able to exercise their rights, to inspect and criticize the function of government, and to participate in the design of policies and programs that affect them.

The challenges Latin America faces affect, simultaneously, their economies, culture and their governments. They must find ways of achieving sustainable economic growth and manage equitable distribution of income. In addition, Latin American states must work to remove the obstacles that block development and democratic participation. Despite the efforts to democratize, many Latin American states continue to be strongly centralized, their governments stifled by non-democratic traditions and controlled by political elites. Political elites benefit from the economic inefficiency, which proves fatal to genuine efforts of political and social reform.

The case of Venezuela illustrates the need to promote democracy in a manner that would be mutually beneficial to all nations within the Western Hemisphere and, by extension, the emerging global community.
**Appendix**

Table 1

Venezuela: 2000 Presidential Election Results - Resultados de Elecciones Presidenciales

<table>
<thead>
<tr>
<th>Candidate/Party-Candidato/Partido</th>
<th>Votes-Votos</th>
<th>Percentage-Porcentaje</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HUGO CHAVEZ (TOTAL)</strong></td>
<td>3,757,773</td>
<td>60.3%</td>
</tr>
<tr>
<td>Movimiento V República (MVR)</td>
<td>3,025,224</td>
<td>48.11%</td>
</tr>
<tr>
<td>Movimiento al Socialismo (MAS)</td>
<td>547,192</td>
<td>8.7%</td>
</tr>
<tr>
<td>Partido Comunista de Venezuela (PCV)</td>
<td>57,118</td>
<td>0.91%</td>
</tr>
<tr>
<td>Socialista de Izquierda(SI)</td>
<td>44,074</td>
<td>0.7%</td>
</tr>
<tr>
<td>Independiente por la Comunidad Nacional (IPCN)</td>
<td>29,676</td>
<td>0.47%</td>
</tr>
<tr>
<td>Acción Agropecuaria</td>
<td>15,189</td>
<td>0.24%</td>
</tr>
<tr>
<td>Movimiento Electoral del Pueblo (MEP)</td>
<td>14,045</td>
<td>0.22%</td>
</tr>
<tr>
<td>Genie Emergente (GE)</td>
<td>13,491</td>
<td>0.21%</td>
</tr>
<tr>
<td><strong>ARIAS CARDEÑAS (TOTAL)</strong></td>
<td>2,359,459</td>
<td>37.5%</td>
</tr>
<tr>
<td>La Causa &quot;R&quot;</td>
<td>1,191,379</td>
<td>18.95%</td>
</tr>
<tr>
<td>Arias Cardenas</td>
<td>872,229</td>
<td>13.8%</td>
</tr>
<tr>
<td>Izquierda</td>
<td>148,120</td>
<td>2.36%</td>
</tr>
<tr>
<td>MIN</td>
<td>67,094</td>
<td>1.07%</td>
</tr>
<tr>
<td>MDD</td>
<td>64,055</td>
<td>1.02%</td>
</tr>
<tr>
<td><strong>CLAUDIO FERMIN (TOTAL)</strong></td>
<td>171,346</td>
<td>2.7%</td>
</tr>
<tr>
<td>Encuentro</td>
<td>171,346</td>
<td>2.72%</td>
</tr>
</tbody>
</table>

*Source: CIA World Factbook, 2003.*
<table>
<thead>
<tr>
<th>Political Party</th>
<th>Headed by</th>
<th>Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic Action (AD)</td>
<td>Claudio Fermin</td>
<td>Social Democratic</td>
</tr>
<tr>
<td>The Fifth Republic Movement (MVR)*</td>
<td>Garcia Ponce</td>
<td>Social Revolutionary</td>
</tr>
<tr>
<td>The Homeland for All (PPT)</td>
<td>Jose Alborniz</td>
<td>Coalition</td>
</tr>
<tr>
<td>The Movement Toward Socialism (MAS)</td>
<td>Hector Mujica</td>
<td>Democratic Leftist</td>
</tr>
<tr>
<td>The National Convergence</td>
<td>Rafael Caldera</td>
<td>Independent</td>
</tr>
<tr>
<td>Radical Cause</td>
<td>Antonio Herrera</td>
<td>Unionist</td>
</tr>
<tr>
<td>The Venezuela Project (PV)</td>
<td>Henrique Salas Romer</td>
<td>Conservative</td>
</tr>
<tr>
<td>Justice First</td>
<td>Julio Borges</td>
<td>Conservative</td>
</tr>
</tbody>
</table>

*Note: MVR is currently the strongest political party.*
Table 3

OPEC Crude Oil Production – Country Comparison

<table>
<thead>
<tr>
<th>Country</th>
<th>January 2003</th>
<th>February 2003</th>
<th>March 2003</th>
<th>2/01/03 Quota*</th>
<th>Production Capacity</th>
<th>March Surplus Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>1,050</td>
<td>1,050</td>
<td>1,050</td>
<td>782</td>
<td>1,100</td>
<td>50</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1,070</td>
<td>1,060</td>
<td>1,050</td>
<td>1,270</td>
<td>1,050</td>
<td>0</td>
</tr>
<tr>
<td>Iran</td>
<td>3,600</td>
<td>3,700</td>
<td>3,700</td>
<td>3,597</td>
<td>3,750</td>
<td>50</td>
</tr>
<tr>
<td>Kuwait</td>
<td>2,000</td>
<td>2,100</td>
<td>2,100</td>
<td>1,966</td>
<td>2,100</td>
<td>0</td>
</tr>
<tr>
<td>Libya</td>
<td>1,350</td>
<td>1,370</td>
<td>1,370</td>
<td>1,312</td>
<td>1,400</td>
<td>30</td>
</tr>
<tr>
<td>Nigeria</td>
<td>2,100</td>
<td>2,200</td>
<td>2,200</td>
<td>2,018</td>
<td>2,300</td>
<td>100</td>
</tr>
<tr>
<td>Qatar</td>
<td>700</td>
<td>740</td>
<td>740</td>
<td>635</td>
<td>850</td>
<td>110</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>8,500</td>
<td>8,700</td>
<td>9,200</td>
<td>7,963</td>
<td>10,000-10,500</td>
<td>800-1,300</td>
</tr>
<tr>
<td>Venezuela**</td>
<td>614</td>
<td>1,400</td>
<td>1,700</td>
<td>2,819</td>
<td>1,700</td>
<td>0</td>
</tr>
<tr>
<td>Iraq</td>
<td>2,545</td>
<td>2,390</td>
<td>2,319</td>
<td>N/A</td>
<td>2,900</td>
<td>581</td>
</tr>
<tr>
<td>OPEC Crude Oil Total</td>
<td>25,579</td>
<td>26,860</td>
<td>27,579</td>
<td>N/A</td>
<td>29,650-30,150</td>
<td>2,071-2,571</td>
</tr>
</tbody>
</table>


Note: N/A: Not Applicable
*Quotas are based on crude oil production only.
**It has been estimated that it could take several months for Venezuela to approach its pre-strike production capacity.
<table>
<thead>
<tr>
<th>Economic Statistics:</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GDP</strong></td>
<td>$146.2 billion (2001 est.)</td>
</tr>
<tr>
<td>GDP real growth rate</td>
<td>2.7% (2001 est.)</td>
</tr>
<tr>
<td>GDP per capita</td>
<td>$6,100 (2001 est.)</td>
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<tr>
<td><strong>GDP Composition By Sector:</strong> (2001 est.)</td>
<td></td>
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<tr>
<td>Agriculture</td>
<td>5%</td>
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<tr>
<td>Industry</td>
<td>40%</td>
</tr>
<tr>
<td>Services</td>
<td>55%</td>
</tr>
<tr>
<td><strong>Budget Revenues:</strong></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$21.5 billion</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$27 billion</td>
</tr>
<tr>
<td><strong>Major Industries:</strong></td>
<td></td>
</tr>
<tr>
<td>Petroleum, Iron Ore Mining, Construction Materials, Food Processing, Textiles, Steel, Aluminum &amp; Motor Vehicle Assembly</td>
<td></td>
</tr>
<tr>
<td><strong>Exports Commodities:</strong></td>
<td>$29.5 billion (2001)</td>
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<tr>
<td>Petroleum, Bauxite, Aluminum, Steel, Chemicals, Agricultural Products and Basic Manufactured Goods</td>
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</tr>
<tr>
<td><strong>Export Partners:</strong> (2000)</td>
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</tr>
<tr>
<td>United States</td>
<td>60%</td>
</tr>
<tr>
<td>Brazil</td>
<td>5.50%</td>
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<tr>
<td>Colombia</td>
<td>3.50%</td>
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<tr>
<td>Italy</td>
<td>3.50%</td>
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<tr>
<td>Spain</td>
<td>3.40%</td>
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<tr>
<td><strong>Import Commodities:</strong></td>
<td>$18.4 billion (2001)</td>
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<tr>
<td>Raw Materials, Machinery and Equipment, Transportation Equipment &amp; Construction Materials</td>
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<tr>
<td><strong>Major Import Partners:</strong> (2000)</td>
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<tr>
<td>United States</td>
<td>35.8%</td>
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<tr>
<td>Colombia</td>
<td>6.8%</td>
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<tr>
<td>Brazil</td>
<td>4.5%</td>
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<tr>
<td>Germany</td>
<td>3.9%</td>
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<tr>
<td>Italy</td>
<td>3.9%</td>
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<tr>
<td><strong>External Debt:</strong> (2000)</td>
<td>$34.5 billion</td>
</tr>
<tr>
<td>Economic Aid Recipient</td>
<td>$35 million</td>
</tr>
</tbody>
</table>

*Source: CIA World Factbook, 2003*
Bibliography


Collier, David, 1942-Research Note: Democracy with Adjectives: Conceptual Innovation in Comparative Research *World Politics* 49, no. 3 (April 1997)


