

# Understanding Populism and Political Participation: The Case of Venezuela

By Luis Vicente León and David Smilde

Edited by Adam T. Stubits

## INTRODUCTION

Adam T. Stubits

In March 2008, the Latin American Program's project on "Democratic Governance and the 'New Left' in Latin America" convened the seminar "Understanding Populism and Political Participation." The purpose was to examine new forms of political participation and state-civil society interaction in Bolivia, Ecuador, Nicaragua, and Venezuela. In recent years, public opinion polls throughout Latin America have identified a great deal of popular dissatisfaction with the institutions of democratic governance and with existing channels of political representation. The conference sought to understand the extent to which the governments in Bolivia, Ecuador, Nicaragua, and Venezuela had responded to these 'deficits' with new or innovative programs and what the resulting consequence for liberal democracy has been. This bulletin contains the observations of two distinguished analysts of Venezuelan politics: *David Smilde* of the University of Georgia and *Luis Vicente León* of the Caracas polling firm *Datanálisis*. The Wilson Center seminar took place several months following the defeat in Venezuela of a referendum to amend the constitution, a vote seen as a distinct set-back for Venezuelan President Hugo Chávez. Both authors revised their statements in late 2008, and Smilde updated his following the February 2009 approval of a constitutional reform in Venezuela that will allow Chávez to run for a third six-year term in 2012.

*David Smilde* asserted that the policy of Chávez's government towards participation in

Venezuela has moved through three stages, 1) harnessing existing forms of participation, 2) sponsoring participation and currently 3) centralizing participation. In the early years, the notion of "participatory democracy" guided the government's efforts to harness participation from a diverse and autonomous civil society; however, by 2002, growing frictions between the Chávez government and civil society meant that most of these groups considered themselves opponents of the administration. As a result, over the next few years, the Chávez government began to sponsor and consolidate alternative forms of participation that supported the government, including community media and community councils. In light of Chávez's victory in the February 2009 referendum vote, Smilde reexamined his original conclusion that Chávez would be unable to centralize civil society as a result of weak state capacity, the existing legal framework, and the strength of civil society. Indeed, Smilde notes that the Chávez government is now in a much stronger position to build a hegemonic regime capable of progressively neutralizing the autonomy of citizen participation.

*Luis Vicente León* described the various initiatives of the Chávez government to create participatory democracy. He highlighted as a principal component of this governance structure the establishment of a direct relationship between the leader and the masses. Yet in Venezuela, new forms of participation are aggre-



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gated at the local level and there are no institutions that allow for popular participation in policy creation. In fact, he argued, the *misiones*, or community-based missions, are passive recipients of government funding, although communities must organize and mobilize in order to receive government support. León emphasized that while 53.4 percent of Venezuelans had received some benefit from the missions, the organizations themselves leave very little room for dissent.

### THREE STAGES IN THE CHÁVEZ GOVERNMENT'S APPROACH TO PARTICIPATION<sup>1</sup>

David Smilde

University of Georgia

The guiding issue for my thinking on participation in Venezuela is what I see as the dilemma of participatory democracy in Latin America. On the one hand, a liberal strategy of reducing the state's involvement in society and thereby allowing civil associations to sprout up like mushrooms after the rain indeed generates an autonomous and independent civil society. However, this civil society usually has a strong class bias, with middle and upper-middle classes best positioned to develop neighborhood associations, new social movements, and other non-governmental organizations. In addition, by virtue of their independence and autonomy, the movements, associations and organizations of liberal civil society are difficult to bring into any sort

of transformative project seeking to address durable social and economic inequalities.<sup>2</sup>

On the other hand, an engaged strategy of state sponsorship and articulation can generate considerable participation and power among excluded classes.<sup>3</sup> It can also unify participatory forms into an overall project of social and economic transformation. However, without autonomy, the threat that the state will make participatory organizations into clientalistic appendages or, worse, use them to gain a totalitarian reach into society, is permanent.<sup>4</sup>

I will argue that we can see three stages in the Chávez government's engagement of citizen participation as it has moved from a project of deepening political democracy to a project of extending democracy into the economic and political spheres. The government has moved from an original focus on *harnessing* existing forms of participation, to a strategy of *sponsoring* participation, to the current attempt to *centralize* participation.<sup>5</sup> In the process of putting forward this conceptualization I will make reference to my research on religious groups as well as what has now become the centerpiece of the government's participation policy: the new communal councils.

### Harnessing Participation (1999-2002)

In 1998 Hugo Chávez went from being an outsider candidate with popularity in the single digits to a landslide winner of the presidential election because of a highly effective multivalent message of participa-

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The Latin American Program's work on democratic governance focuses on questions of democratic quality. Current research seeks to explain the rise of leftist and populist governments in Latin America and to explore the impact of specific public policies to reduce poverty and inequality and enhance citizen participation and human rights. The project builds on three decades of prior work on democratic governance at the Wilson Center, including path-breaking studies of the breakdown of democratic regimes, transitions from authoritarianism, challenges to the consolidation of democratic rule, decentralization, citizenship, and the relationship between democratization and internal armed conflict. We are grateful to The Ford Foundation for its generous support of this initiative.

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tory democracy. He used populist charisma and fire to promise to the lower classes social and economic transformation that would be achieved through participatory democracy. He simultaneously reached out to the center-left with a clear and credible promise to integrally incorporate civil society into governance through a new constitution.

Throughout its first years, the dilemma of a government that considered itself revolutionary trying to govern with the cacophony of civil society came to the fore.<sup>6</sup> On the one hand, the class-based nature of many civil organizations surfaced and began to clash with the government's priorities. Being predominantly middle- and upper-middle class, the leaders of these organizations were relatively less sympathetic to the distributive policies on the table as well as to plans for structural reform.

On the other hand, the difficulty of bringing diverse groups into a national project surfaced. Many of them represented concretely-defined diverse interests and fiercely protected their autonomy and self-definition. The attempt by the Chávez government to bring religious associations into its governing project provides a case in point. From November 2000 to May 2001, the Chávez administration attempted to organize a "Bolivarian Inter-religious Parliament" that would bring together representatives of all of the different religions in Venezuela with the goal of devolving governmental social projects and transferring funds to them. The Catholic hierarchy immediately criticized this initiative, calling it an attempt to "make the Church into an appendage of the government." And the main Evangelical associations did the same. They suggested that they could pay for their own social projects. Most interestingly, their particular religious outlook did not mesh with the government's attempts to bring them into an organization of associations lumped together as "religious." More concretely they bristled at being lumped together with afro-Venezuelan and new age groups.<sup>7</sup>

Thus, the Chávez government's original attempt to harness preexisting civil society was much more difficult and much less successful than the government expected. As a result it began to govern without some of the consultative processes that had been promised, and progressively marginalized dissenting voices.

It would be an exaggeration to suggest that the period of intensive conflict of 2002-04 began over these issues of participation: the government's increasing attempt not only to deepen democracy but to extend it into the economic sphere was the primary cause. But

the role and shape of civil society became an important point of contention. Indeed, one important part of the opposition coalition consisted of those civil associations predating Chávez that rejected the increasingly authoritarian direction of a government that had promised participatory democracy. The opposition movement frequently referred to itself during this period as "*la sociedad civil*," equating civil society with opposition to Chávez.

A central irony in recent Venezuelan history is that by 2002, a president who had ridden to electoral victory four years earlier by using the master-trope of participatory democracy, ended up having "civil society" as one of its main opponents.

### Sponsoring Participation (2003-06)

The intensive period of conflict that reached its peak with the general strike from December 2002 to February 2003 significantly changed the government's perception of participation. While on the one hand classic autonomous civil society became a formidable foe of the Chávez government, pro-Chávez participatory groups provided key support during the struggle. Community media outlets, for example, showed themselves to be decisive during the media blackout that formed part of the 2002 coup.<sup>8</sup> This led to a new stage in the government's policy, one that I will call "sponsoring participation."

After the resolution of the general strike in 2003, the government's strategy of extending democracy into the social and economic realms began to bear fruit. Reforms in the petroleum regime meant more disposable income for the government. New social policies brought healthcare, education, and basic foodstuffs to the poorest sectors of the population. New opportunities for productive cooperatives, land reform, and property titles took hold in decades-old squatters' settlements as well as in rural areas. All of these reforms took hold and essentially amounted to the government sponsoring various forms of participation in extra-household activities.<sup>9</sup>

Increasingly, state banks began disbursing grants and loans to non-governmental organizations for their social projects. Of course, in a highly politicized context, these grants and loans were frequently funneled towards pro-Chávez organizations. For example, at the end of July 2004, several neo-Pentecostal groups received \$400,000 from the government for a project to foment peace and dialogue. They used the money for several small workshops but also two large rallies—the "Clamor for Venezuela" and the "Million Prayers for



Peace” rally. At the rallies, the organizers claimed to speak for the entire evangelical movement in throwing their support behind the Chávez government. Chávez himself gave a 40-minute speech in which he called Jesus the “original *comandante*” and referred to himself as a “soldier of Christ.”<sup>10</sup>

But the government financial disbursements to Evangelical groups cannot be reduced to such crass examples of political patronage. Indeed, many Evangelical as well as Catholic Churches received government financial support for their social projects during this period. Two Evangelical pastors I have worked with received large grants from the Banco del Desarrollo. One is the pastor of an Evangelical church in a small Andean town—someone I have known for over ten years—who received \$400,000 to build a substance abuse center. The other is a pastor in the Caracas neighborhood of La Vega who received approximately \$150,000 for a project to take an old abandoned baseball field, restore it, and run an after-school sports program there.

By early 2006 the new *Consejos Comunales*, or “Community Councils” (CCs) had become the centerpiece of the government’s participation policy. The CCs are to be local initiatives in which 200-400 households within a self-defined geographical area, consisting of 20 percent of the population, hold elections and write a charter. They then write a history of the community, make a list of problems the community suffers, and translate these problems into projects. They request financial support from public institutions and then are charged with exercising supervision over these projects. An established CC consists of an executive board, a communal bank, and an accountability commission.

The 2006 law creating the CCs also created the National Presidential Commission for Popular Power, consisting of ministers and other functionaries designated by the president. The Commission receives, prioritizes, and finances the projects forwarded by the CCs through the National Communal Councils Fund. Official figures say that in 2006, 18,000 CCs received close to \$1 billion in support.<sup>11</sup>

This period is properly thought of as “sponsoring participation” because there was little real effort to try to coordinate and control it. The neo-Pentecostal groups that received the \$400,000 from the government, for example, got into an embarrassing public conflict with other Evangelical associations as well as within their own congregations, and subsequently lowered their openly pro-Chávez

profile—all while continuing to collaborate and receive funds from the government.

### Centralizing Participation (2007-?)

In December 2006, Chávez was reelected with over 60 percent of the vote. A good part of the electorate was quite happy with existing conditions—a good economy, new infrastructure, and reforms in various aspects of the public sector. Nevertheless, Chávez clearly campaigned for reelection promising a move to something called “21<sup>st</sup> century socialism,” and he took the landslide vote as support for his plan. The year 2007 thus witnessed a dramatic attempt at recentralizing government, including the centralization of participation. Some government ministers even speak of the installation of a “new hegemony” in Venezuela now that the old hegemony has been broken.

Expansion of the Communal Councils during 2007 is indicative of this centralization process. Indeed, the CCs are controversial not for what they are, but for what they could become. In the best light, they could be like the participatory budgeting councils created by the Worker’s Party in Brazil, which administer government funds for projects the budgeting councils have defined, but which have maintained an admirable independence from patronage politics. In the worst light, they could look more like the *Comités de la Defensa de la Revolución* in Cuba, functioning as local appendages of the state that co-opt rather than channel local initiative. In the process of change of 2007, this latter scenario seemed to be the direction of change. The original law on the CCs, passed in early 2006, was largely written in the discourse of participatory democracy and with reference to the 1999 constitution. But by 2007, the “Explosion of Communal Power” had become one of the “five motors for the construction of socialism.” There were frequent public ceremonies with President Chávez accompanied by representatives of the CCs with red tee-shirts and hats, making it seem that the CCs were the base of the new socialist party, or at least, of the new socialist society.<sup>12</sup> And at the different meeting places of the CCs there were often tables to sign-up for the United Socialist Party of Venezuela, PSUV.

The proposed constitutional reform of 2007 also sought to create “Popular Power” as a new layer of the government in addition to its municipal, state, and national levels. This popular power would not be elected but somehow emerge directly from “the people” which, in practice, would mean that its functionaries would be selected by the executive branch. This

reform would have abstracted funding and organization from the level of municipal and state government. Under the current legal structure, the CCs need to register with the Local Councils of Political Planning. Much of their resources are funneled through municipalities and state governments, which have agreed to cede ten percent of their budgets to the CCs. This, in turn, would have weakened state and municipal government, the strength and vitality of which has been the main achievement of decentralization in Venezuela over the past 20 years.<sup>13</sup>

The 2007 reform failed because of resistance to the proposal by numerous sectors that had previously been sympathetic or at least neutral with respect to the Chávez government. The highest profile dissenters included the former Minister of Defense Raúl Baduel, as well as some political parties from the Chávez coalition who actively campaigned against the proposed reform. Christian churches also weighed in even though the measure did not mention religion. Both Venezuela's Catholic Bishops and the Venezuelan Evangelical Council issued letters rejecting the reform. Each letter was similar, rejecting the concentration of power and the move from democracy to socialism, and affirming the need for pluralism.<sup>14</sup>

The first draft of this paper was written in March 2008, three months after the failure of the 2007 constitutional reform. At that time, I suggested that Chávez was unlikely to be able to bring civil society into a hegemonic project for three reasons: the existing legal framework, the strength of pre-existing civil society, and weak state capacity. Chávez's resounding victory in the February 2009 referendum on a constitutional amendment allowing indefinite reelection has certainly challenged my assertions. This should hardly come as a surprise given the nature of political predictions, but it is worth looking at what concretely has changed in the ensuing year.

### Existing Legal Structures

The 2007 constitutional reform set out to undo or modify key aspects of the 1999 constitution. That constitution did conserve a structure and autonomy

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for participatory initiatives, by having their funding and organization run through municipalities instead of the central government. Those provisions are among the articles that the unsuccessful 2007 reform sought to change. Nevertheless, the twenty-six laws promulgated by executive decree close to midnight on July 31, 2008—the last day of the presidential enabling law—contained significant elements of the failed 2007 reform.

The twenty-six laws did not revive the creation of the popular power branch of government, which would have significantly changed the participatory regime as mentioned above. However, the new Law on Public Administration created “regional authorities” that can directly distribute resources—thereby bypassing governors and mayors. A number of the laws also give an extensive new set of duties to the Communal Councils. Far from being simply local participatory instruments for resolving community needs, these laws give CCs roles in basic issues of governance such as national defense, agro-industrial policy, and the fomentation of the “popular economy.” Finally, throughout 2008 the Ministry of Popular Participation and Social Protection worked to implement the structures contained in the 2007 reform, including intermediate structures such as “communes” (the next step above the CCs), “union of communes,” and “socialist municipalities.” The idea has been to slowly construct these parallel structures and eventually make existing structures of local power (i.e., states and municipalities) irrelevant. It is still too early to tell if the results of the 2008 regional elections—in which the opposition parties gained space but the PSUV still won the majority of contests—will accelerate or slow down this process.

### The Strength of Pre-existing Civil Society

In my March 2008 presentation I argued that the strength of pre-existing civil society would impede the development of a hegemonic project. It may seem strange to make this argument, as it is common place in Venezuelan studies to point out the historical weakness of civil society. Nonetheless, there are several dimensions of its articulation that make it resistant to a hegemonic project.

Pre-existing forms of civil society such as neighborhood associations, new social movements, and religious groups are still intact. They are willing to collaborate with the government when their interests overlap but are not easily molded beyond that.<sup>15</sup> Furthermore, they have the experience and knowledge to



know how to take advantage of existing opportunities such as the CCs. For example, community organizer Elías Santana, at times a central player in the opposition movement, has fully embraced the CCs and other participatory forms of the government, giving workshops, running discussion groups, and providing consulting services on citizen participation. As a result, many of the most successful CCs are in affluent neighborhoods and do not therefore represent viable conduits for government control. Nevertheless, these pre-existing networks of civil society still have a strong class bias and in-grown quality that keeps them from being able to connect to the interests of the poor majority during electoral contests. In the run up to the 2009 referendum they either became paralyzed or haplessly fell into Chávez's strategy of making it a referendum on his presidency rather than on the constitutional amendment. Campaigning against the Chávez government in an environment in which he has clear majority support was doomed from the beginning but seemed like a logical choice to members of opposition civil associations given their network isolation.<sup>16</sup>

The other element of pre-existing civil society consists of the grassroots participants, brokers, and liaisons who work in the government and who still speak primarily through an idiom of community-level autonomy and initiative; only with great difficulty is this idiom combined with a centralizing, hegemonic logic. During 2007 the political context of a president who had just won a landslide reelection, leading a dizzying process of centralization, and aiming at a constitutional change that would both expand his power and make probable his perpetuation in office for foreseeable future generated an accelerated process of self-monitoring and political positioning. In this process any sort of internal debate or discussion among supporters of the government was unimaginably difficult; anyone who expressed independence or reserve exposed him or herself to the threat of being leapfrogged by others sensing opportunity. Instead, the dominant reaction among mid-level government functionaries was to try to outdo each other in demonstrations of one-minded loyalty to Chávez.<sup>17</sup> But when the reform lost at the ballot box and Chávez no longer appeared invincible, this process largely dissipated and prior discursive and network commitments resurfaced.<sup>18</sup>

Nevertheless, during the abbreviated two-month campaign leading up to the 2009 referendum on a constitutional amendment, this centripetal process quickly reappeared; Chávez was able to easily polar-

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ize the nation and mobilize his supporters.<sup>19</sup> The centerpiece of his campaign was the idea that the government's social programs and participatory forms depended on Chávez for their continuation. These mid-level government officials and community activists eagerly carried this message to the public, despite its implicit, unflattering portrayal of their own role and importance.

### **Weak State Capacity**

The final obstacle to the construction of a new hegemony in Venezuela is the long history of state disarticulation and inefficiency in Venezuela. Since the onset of oil exploitation, the Venezuelan state has had enviable financial resources. Nevertheless, it has always had difficulty with effective policy implementation. The historical reasons for this are beyond the scope of this paper, but corruption, inefficiency, and disarticulation have been constants within the government during Venezuela's democratic period and into the present. From within the government, inefficiency and disarticulation make the idea of a totalitarian state hard to imagine; most bureaucrats feel more like they have a tiger by the tail than a dog on a leash.<sup>20</sup> The assured presidential candidacy of Hugo Chávez in 2012 and beyond, however, could change the dynamic in either or both of the following ways. On the one hand, the accentuated personalism represented by Chávez's continuation in office will make government officials even more dependent on signals from above and, therefore, even less likely to take the initiatives and make the decisions necessary to the functioning of the institutions they head. This could complicate the centralizing process. On the other hand, state bureaucrats who now have every reason to

think their entire professional future depends on their publicly-demonstrated fidelity to Hugo Chávez will facilitate centralization without Chávez even having to ask for it.<sup>21</sup>

Thus, after a year in which it appeared that the clear progress in citizen participation in Venezuela would continue without its being centralized, the tide has shifted. At the current writing (March 2009) the Chávez government appears in a strong position to build a hegemonic regime that mobilizes citizen participation but progressively neutralizes its independence and autonomy.

### **PARTICIPATORY DEMOCRACY IN VENEZUELA?**

Luis Vicente León

Datanálisis, Caracas

If by democracy we mean government of the people, by the people, and for the people, it must be assumed that the level of participation and self-government required for the citizenry to be able govern is not attainable without participatory democracy. Experience shows, however, that such a level of participation has been difficult or impossible to attain.

There are motivational limitations in that not everyone wishes to make the effort or sacrifice to be involved in governing. In fact, only a minority have the level of education and information—not to mention the economic resources—that would allow them to participate effectively and efficiently in governing themselves. And, if the number of people who are to govern themselves is quite high, two impediments arise. First, there is a physical impediment involving how to bring them together. Second, although physical impediments can be overcome through the use of information technology, the challenge is acquiring that technology and developing mechanisms for participation, while also educating the citizenry in the use of technology for such purposes.

Emerging from the aforementioned obstacles to participatory democracy is the idea that representative democracy results from the process of electing representatives of the people at the executive and legislative levels, as well as various other authorities. Universal, direct, and “secret ballot” elections for public posts represent an important step forward in bringing representative democracy closer to participatory democracy, by allowing—through voting—everyone to participate at some point in time.

Other mechanisms that bring representative democracy closer to participatory democracy are fed

eralism and decentralization. Federalism guarantees that the parties agreeing to form a nation-state maintain control of certain prerogatives at the regional or provincial level. Accordingly, decisions on matters covered under these privileges can be carried out through more direct means of participation than they were made at the central government level. Similarly, decentralization endows the provinces with certain functions of the central government, thereby allowing decision-making to be brought closer to the population in these provinces. This, of course, only occurs if the rules of the regional political game promote such participation. In addition, it is much easier to generate mechanisms of participation with smaller populations at the local level than at the national level.

Despite these advances in representative democracy, there are limits to the ideal of self-government. Even in so-called developed countries there is extensive literature on processes of public decision-making which fail to respect the ideal of representative democracy, much less that of participatory democracy. Thus, there have arisen the concepts of the power elite (C. Wright Mills), the ruling class (Gaetano Mosca), and the elites (Wilfred Pareto), etc., all of which highlight the decision-making power of privileged groups. These groups are privileged either because of the leadership positions they already hold, their political power, their economic resources, the social group or caste to which they belong, or the information they control. Defenders of democracy such as Joseph Schumpeter and Max Weber would argue that, in those representative democracies distorted by the privileges of the few (in that they have greater access to public decisions than do the majorities), the privileged few ultimately must still compete among themselves democratically over outcomes. Hence, at least at the elite level, there is a play of interests that rises above the autocracies, absolute monarchies, and dictatorships.

The ambiguous path to political development between the absence of democracy and representative democracy divides leaders who are revisiting the challenge of participatory democracy into two groups: 1) those who take representative democracy as the starting point and aim to improve it through decentralization; and 2) those who reject representative democracy in favor of participatory democracy

In principle, these options should not be mutually exclusive: as decentralization gradually trickles down towards smaller units of government, democratic participation or self-government ought to become easier.



In Venezuela, however, these two options have been presented as mutually exclusive.

Decentralization was first initiated in Venezuela in 1989 by the administration of President Carlos Andrés Pérez. Decentralization included the direct election of governors and mayors and the transfer of administrative powers from the central government to the state and city governments. However, the decentralization process in Venezuela, which lasted from 1989 to 1993, was limited by the following:

1. Lack of standardized planning and organization in the transfer of power, which resulted in sporadic and diverse forms of implementation;
2. State and city governments were unable to subsidize benefits for workers who transitioned from being employees of the central government to being employees of the state or city. This meant that the infrastructures of hospitals, sports fields, and schools were decentralized, but not personnel;
3. Lack of sustainable sources of local and regional financing resulted in continued financial dependence on the central government;
4. Lack of adequate mechanisms of accountability, such as open town council meetings. This problem begins with the selection criteria for candidates for public posts and is further exacerbated by the fact that the nation has hundreds of thousands of voters officially registered in jurisdictions where they do not live;
5. Lack of genuine mechanisms for direct participation.

With the replacement of what was known as the “Punto Fijo” regime by the Fifth Republic headed by Hugo Chávez, the approach for bringing decision-making closer to the people has changed drastically. The Chávez administration is critical of representative democracy and proposes to replace it with participatory democracy based on the following features:

1. Constant political communication by the leader through the mass media to inform the population of his plans, opinions, etc.;
2. The granting of entitlements and the distribution of subsidies—in conjunction with the constant political communication mentioned above, serves to mentally and socially mobilize the least favored masses, leading them to

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a never-before experienced chance at political and economic participation and social inclusion. Indeed, this establishes the foundation, however precarious, for possible effective political participation.

For this political participation to become effective, suitable local jurisdictions have to be created. A gradual decentralization of the central government provides such authority to the states, which in turn is passed down to city government and then on down to other lesser authorities such as the communes or communal councils established by the current government. However, the government is not establishing a chain of suitable authorities and jurisdictions to implement participatory democracy. Rather, it has resorted to the following actions:

1. Freezing the decentralization process and no longer transferring any power to governors or mayors. (The transfer process had actually already been suspended by the second administration of Rafael Caldera);
2. Failure to pass the Law of Regional Public Funding, through which some sources of individual financing were being developed for state governments in particular;
3. Limiting the Situado Constitucional (constitutional entitlements) wherein state and local governments receive a certain percentage of ordinary revenue as estimated by the National Treasury. Since Hugo Chávez came to power, however, the national budgets forecast very low oil prices compared to the market prices that until the global financial crisis of late 2008;
4. The eventual repeal of the Law of Special Allotments for Oil-Producing States, a product of the oil income produced in each state;

5. Increasing problems with qualifying projects to be funded by the Intergovernmental Fund for Decentralization (FIDES);
6. An unsuccessful effort to create a Federal System of Cities through the constitutional reform of 2007, which was not approved. The reform called for the creation of jurisdictions superimposed on state governments, city governments, and villages. These jurisdictions were to have political-administrative powers above those already assigned to state governments and city halls and budgets were to be competitive with those of the state and city governments. In addition, those in charge would not be elected, but named by the president.

Thus, what seemed to be a communal council system “adrift” was going to be attached and anchored to the federal system of cities, thereby creating a chain and connecting the councils with the central power, albeit a central power that was not elected but rather appointed by the president. As the reform was ultimately defeated, the communal council system—designed to make participatory democracy a daily reality—is once again adrift. As such, the financial resources received by the communal councils will come from the central government, an authority that cannot supervise the use of the money.

The government headed by President Hugo Chávez defined the revolution as participatory, not representative, democracy, with a humanistic economy and twenty-first century socialism as opposed to capitalism and a market economy.

Within the framework of participatory democracy, the new administration began a process of participation from the bottom up, one lacking the necessary links that would allow it to manage the day-to-day business of decentralization and participatory democracy. In fact, the present government has not tried to create a chain of decentralized authorities but rather a direct relationship between the leader and the masses in which so-called intermediate institutions, such as state governments, city halls, and political parties are derided by the leader.

Insofar as 60,000 communal councils had been created, the president was faced with the challenge of handling his relationship with these entities without intermediate institutions. Because this was impossi-

ble, Chávez set out to institutionalize the relationship. He created the Federal System of Cities and positions for nine vice-presidents that he would name, to administer the transmission of financial resources and to communicate decisions between the leader and the masses organized through the commune system. The plan ultimately failed with the defeat of the 2007 constitutional reform proposal.

Parties fail to be an effective alternative channel to participatory democracy when their ideological and programmatic content disappears and is replaced by clientelism. This also occurred under the Pérez administration. In addition, state subsidies serve as a mechanism of passive participation for those that receive them; such subsidies constitute one of the most important mechanisms for bolstering support for the current administration and the leadership of the supposedly charismatic Chávez.

There is fragmentation in the political arena as well as within the sector identified with *chavismo*. The linkages between the president and his followers are 10 percent ideological, 20 percent emotional, and 70 percent utilitarian—that is, people support Chávez because he gives or promises them something. These findings highlight the negative side of the current administration’s foundation base of support, that is, a direction relationship between the leader and the masses with limited institutions, dominated by an interest in resolving everyday personal and family problems but with no real plan for the country. The dynamics of this relationship go a long way in explaining why the December 2007 constitutional referendum failed. The urban poor, a segment largely dissatisfied with the revolution, showed little loyalty to that movement’s leader or to the referendum.

Under the Chávez administration, the most readily recognizable forms of participation are 1) the government’s attention to people’s demands, 2) passive participation in state subsidies, also known as missions, and 3) the creation of the communal councils, although these lack a chain connecting them with the central government. Under this structure, where the potential for *caudillismo* is great and the potential for institutional democracy is low, community participation in self-government can be high when the issues are strictly local and routine, but in matters that reach beyond—to the city, state, or nation—participation is low.



## Notes

1. I would like to thank Kirk Hawkins and Margarita López Maya for their comments on this article.

2. See Kenneth M. Roberts 1999. *Deepening Democracy? The Modern Left and Social Movements in Chile and Peru*. Stanford: Stanford University Press. Dylan Riley and Juan J. Fernández. 2006. "The Authoritarian Foundations of Civic Culture: Spain and Italy in Comparative Perspective." Institute of Industrial Relations Working Paper Series, University of California Berkeley, 135-06. María Pilar García-Guadilla. 2003. "Civil Society: Institutionalization, Fragmentation, Autonomy," in *Venezuelan Politics in The Chávez Era*. Edited by Steve Ellner & Daniel Hellinger. Boulder: Lynne Rienner Publishers, pp. 179-196.

3. Riley and Fernandez, op. cit.

4. Stokes, Susan. 1995. *Cultures in Conflict: Social Movements and the State in Peru*. Berkeley: University of California Press

5. These types of engagement can only be seen as temporal stages in terms of which predominates in a given period as each of them has been present simultaneously throughout the Chávez period. For example, one notable initiative that takes place during the "harnessing participation" period which clearly represents a case of "sponsoring participation" is the government's push to spread "Bolivarian Circles" in 2001 and 2002, see Hawkins, Kirk A. and David R. Hansen. 2006. "Dependent Civil Society: The Círculos Bolivarianos in Venezuela." *Latin American Research Review*. 41 (1): 102-32. Nevertheless I would maintain that the primary strategy during this period was "harnessing participation."

6. García-Guadilla op. cit.; Luis Salamanca 2004. "Civil Society: Late Bloomers," *The Unraveling of Representative Democracy in Venezuela*. Edited by Jennifer L. McCoy and David J. Meyers. Baltimore: Johns Hopkins University Press.

7. David Smilde. 2004. "Contradiction without Paradox: Evangelical Political Culture in the 1998 Venezuelan Elections," *Latin American Politics and Society*, Vol.46, No.1 (Spring).

8. Sujatha Fernandes. Forthcoming. "Radio Bemba in an Age of Electronic Media: The Dynamics of Popular Communication in Chávez's Venezuela." *Participation, Politics and Culture in Venezuela's Bolivarian Democracy*. David Smilde and Daniel Hellinger (eds.). Durham: Duke University Press.

9. Luis Lander and Margarita López Maya. Forthcoming. "Participatory Democracy in Venezuela: Ideas and Achievements." Op.cit. Smilde and Hellinger.

10. David Smilde and Coraly Pagan. Forthcoming. *Christianity and Politics in Venezuela's Bolivarian Democracy: Catholics, Evangelicals and Political Polarization*. Op.cit. Smilde and Hellinger.

11. Marie Deltas. "Démocratie participative à la Chávez." *Le Monde*. 21 April 2007.

12. Margarita López Maya. 2008. "Caracas: Estado, sujeto popular y cómo hacer para que las cosas funcionen." Unpublished manuscript.

13. López Maya 2008. Op.cit.

14. Consejo Evangélico de Venezuela. "Comunicado de Prensa." November 16, 2007.

15. García-Guadilla 2007. *El Poder Popular Y La Democracia Participativa En Venezuela: Los Consejos Comunales*. Paper presented at the XXVII International Congress of the Latin American Studies Association (LASA), 2007. Montreal, Canada; Smilde 2004, op.cit.

16. Smilde 2008. *The Social Structure of Hugo Chávez*. *Contexts* Vol. 7 No.1 (Spring): 38-43

17. For a good description of this process, see MacFarquhar and Schoehhals depiction of "moving towards the chairman" in the context of the cultural revolution in China, Roderick MacFarquhar, Michael Schoenhals. 2006. *Mao's Last Revolution*. Cambridge: Harvard Belknap.

18. López Maya 2008, op.cit.; Fernández 2006, op.cit.

19. Poll data from the two months before the referendum show that the government has successfully engaged in its standard strategy of polarization. In December 2008 polling Chávez had 58 percent support and the amendment 38 percent. After about five weeks of strongly polarizing rhetoric and actions Chávez's support had dropped to 51 percent and support for the amendment had gone up to 51 percent. In other words, at a cost of 8 percent of his soft support, Chávez was able to rally his core base which is enough to win (if they stick with him). This is also shown by the increase in "pro-government" political identification from 28 percent in December to 40 percent in January (Datanálisis, Actualización Escenarios Datanálisis 2009-2010: La Enmienda Constitucional y Perspectivas Político Económicas. February 2009).

20. Carlos Waisman. 2002. "Civil Society, State Capacity, and the Conflicting 'Logics' of Economic and Political Change," *Estudios Interdisciplinarios de America Latina y el Caribe*. Vol.13, No.1; López Maya 2008, op. cit.

21. MacFarquhar and Schoehhals 2006, op. cit.

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