Hugo Chavez and the Bolivarian revolution

Wed, 30/11/2005 - 23:00

Keith Sellick reviews Hugo Chávez and the Bolivarian Revolution, by Richard Gott, Verso 2005

When Hugo Chávez was elected President of Venezuela, in 1998, he said that his economic programme would be "as much market as possible; as much state as possible." By February 2005, in a speech to the World Social Forum in Brazil, Chávez had declared himself a socialist saying that "capitalism had to be transcended and replaced by socialism, true socialism with equality and justice?.

Much has changed in Venezuela in the eight years since Chávez came to power and the former colonel of a parachute regiment has changed with it. Richard Gott has produced a useful book detailing these changes, explaining Chávez? background and the influences that have shaped his politics.

Gott well describes Venezuela before Chávez came to power. It was a country wracked by corruption, ruled by a tight circle of rich oligarchs organised in two political parties: the christian democratic Copei and Accion Democratica (AD). These two parties took it in turns to rule and to loot the state, and to pass out patronage to the middle classes and a corrupt trade union movement, the CTV.

While the oil money from Venezuela?s vast reserves was squandered, the masses lived in poverty in shantytowns. The country had a population of 24 million, with four out of five living on or below the minimum wage. Half of GDP was owned by a tenth of the population, while 60% of the land is owned by 1 per cent.

The development of the oil industry in the 1950s and 1960s led to a massive shift of the population to the cities ? 90% of the people now live in urban areas, most in the poverty-ridden shantytowns or barrios. The oil boom of the 1970s exacerbated this problem. With oil exports providing 80% of the country?s revenue, domestic manufacturing was allowed to wither and agriculture collapsed as even basic foodstuffs were imported. Later, grandiose industrial and mining schemes, drawn up in the 1970s, were quickly abandoned when the oil price plummeted in the 1980s.

The colonel from the parachute regiment

Chávez was born in 1954, his parents were teachers and he grew up in a political family. In 1971, he joined the army and by 1977 he had formed a radical circle among junior officers keen to fight corruption. At this stage, "we didn?t know what we wanted," according to Chávez. This circle developed into the Bolivarian Revolutionary Movement by 1982. While Chávez?s economic programme remained vague, he was certain of one thing; it meant a return to the ideals of Simon Bolivar.

The South American revolutionary of the early 19th century fought to overthrow Spanish rule and unite the various nations of the continent. This vision never materialised and soon the ideal itself was largely abandoned. According to Chávez, the continent was Balkanised and placed under the heel of a new colossus ? the United States. Venezuela?s Fourth Republic, created in 1830, was in the words of Chávez, "built by a class of oligarchs and bankers on the bones of Bolivar."

Chávez became a household name in February 1992 when, at the head of a parachute regiment, he...
launched a coup against the widely-hated President Carlos Andres Perez. The attempt collapsed within 24 hours because the military-based movement had done little to build support among the wider population. Chávez called on his comrades to lay down their arms, saying their movement had to concede defeat ?for the moment?.

The Movement for the Fifth Republic
After serving two years in jail, Chávez set up the Movement for the Fifth Republic (MVR), a broad civilian coalition to support his bid for the Presidency. In 1998 he succeeded, winning 56% of the vote. It was an indication of how discredited Copei and AD had become that, despite combining to support a joint candidate, Salas Romer, they received less than 40% of the vote.

Chávez considered the MVR?s programme and politics to be national and popular. Its aim was to clear out corruption, introduce a new and more democratic constitution, and develop the economy in what he termed an ?endogenous? manner, that is, reverse the population movement to the large cities and develop agriculture and urban development in the interior of the country. Although in his early years Chávez welcomed foreign investment, this endogamous strategy has come to mean development outside of the IMF/World Bank neo-liberal framework, which Chávez rightly blamed for much of the corruption and for stunting national development.

Chávez draws on ideas and programmes from several sources within his MVR coalition, chief among them La Causa R. Its main leader was Alfredo Maneiro, a guerrilla fighter who broke from the Communist Party in 1970.

La Causa R built an important base in Guyana province in the 1970s, around the giant steel works and hydroelectric plants on the Orinoco river. They had formed their own unions and had broken from the corrupt and autocratic Confederation of Venezuelan Workers (CTV), which historically had been allied with AD. By the early 1990s, it had three deputies in congress, held the governorships of Bolivar state and the capital Caracas.

La Causa R was pledged to root out corruption in government and on this platform in 1993 it won 22% of the vote in the presidential elections. It had become a significant force in the country. When it threw in its lot with Chávez, the group split and its supporters in the MVR became ?Fatherland for Everyone?.

Another important organisation in the MVR is the Movement Towards Socialism (MAS), which again came out of the Communist Party in the early 1970s. Its politics are social democratic/Eurocommunist and at sometime most left intellectuals in Venezuela have passed through it. While the MAS has no objection to large scale, state financed industrial projects, La Causa R traditionally opposed such a strategy, preferring smaller scale, co-operative projects and reducing the size of the central state?s role in the economy. Gott notes its similarity with the European Green parties.

The new constitution
On coming to power, Chávez?s proposed the drafting of a new constitution and elections were held for a constituent assembly to draft it. The new constitution aimed to involve more of the population in decision-making, by the greater use of referendums, an expanded role for co-operatives and neighbourhood organisations in both politics and the economy, and establishing the right of recall of elected officials. The assembly met for most of 1999 and about half of the 624 proposals included in the new constitution came from social organisations. The constitution also gave legal equality to women, including setting up a bank specifically to provide them with micro credit, and cultural and language rights to indigenous peoples. It also gave the vote to soldiers. It put duties on the state to provide welfare and develop society, especially agriculture and industry. Importantly, the constitution offered a means by which the population could
become involved with politics by forming local committees.

In a December 1999 referendum, the new constitution was passed overwhelmingly and the following year Chávez was re-elected President of the Fifth Republic under its terms.

**The right mobilise**

Once the old ruling parties realised that Chávez was serious about reform and about using oil revenue to benefit the poor rather than the rich, they mobilised to get rid of him by any means necessary. Not only is Venezuela scarred by huge class inequalities but, as Gott points out, it is a deeply racist society. While the masses, the rural poor and shantytown dwellers are overwhelmingly of Afro-Caribbean and indigenous Indian descent, the rich and the ruling class are overwhelmingly white, of Spanish and European stock. The fact that there was now a president championing the poor and the racially oppressed added insult to injury as far as supporters of the old regime were concerned.

In November 2001, Chávez passed a set of 49 decrees which brought forward reforms in land ownership, stopped the planned privatisation of social security, and promised reform of the state oil company so as to use some of its revenues for social programmes at home.

Opposition to Chávez coalesced around the employers’ organisation Fedecamaras, the trade union federation CTV, and the powerful, privately owned, mass media. They organised demonstrations and strikes. Some of the MVR coalition went over to the opposition in December after failing to get Chávez to halt the decrees, leaving him on the verge of losing his majority in the National Assembly. Chávez’s reaction was to push ahead with the reforms and to set up the Bolivarian Circles, groups of supporters in the shantytowns. These circles had a dual purpose, both as political discussion groups and as civic organisations that helped people to obtain micro credit to set up co-operatives and small businesses.

On 11 April 2002, sections of the military, with backing from the employers and the CTV and under cover of a two-day general strike, organised a coup and put Chávez under arrest. The country was told that he had resigned. Gott reports the presence of two military attaches from the US Embassy present at coup headquarters throughout.

But the coup rapidly fell apart. Pedro Carmona, head of Fedecamaras and appointed the new president, started outlawing and arresting members of the National Assembly and suspending constitutional rights, alienating sections of the opposition and army command.

Then news filtered out that Chávez had refused to resign. Chávez supporters, organised by the Bolivarian Circles, came out into the streets in their hundreds of thousands. The presidential palace was surrounded and the soldiers ? given heart by the masses ? seized it back. Carmona fled to Florida, and within 36 hours Chávez was back in the Miroflores presidential palace.

Remarkably, Chávez failed to deal with any of the coup plotters at the time, saying he was ?sheathing his sword.? Later, the reactionary Supreme Court ruled that the plotters had no case to answer as there had been no coup, only a ?vacuum of power?! Only after the Supreme Court had been purged were 60 generals forced into retirement by Chávez.

Despite their failed coup, the bosses tried again. In December 2002, they launched a lock-out across the country. Factories, schools, banks and offices were shut down and transport was disrupted. Worst of all, the national oil company, the PDVSA, closed down for a full two months, inflicting enormous damage on the economy. After a test of strength, with mass demonstrations on both sides, the oil lock out was finally broken with the help of sympathetic workers in the industry. By the end of January, the bosses and the CTV had been beaten. Chávez then purged the PDVSA sacking 19,000 workers and managers ? many
just pen pushing placemen from the old ruling parties.

A third major test for Chávez was the referendum of August 2004. Under the new constitution, the president had to face a referendum on whether to hold a Presidential election if 20 per cent of the people signed a petition demanding it. During 2004, the right-wing opposition forces got the signatures. Again, Chávez turned to the masses. The Bolivarian Circles organised election drives in the shantytowns and among the pro-Chávez trade unions. Tens of thousands of residents from different Latin American countries, who had lived for years in the country without a vote, were finally enfranchised. The result was a 90% turn out with Chávez winning 60% of the vote. The right wing opposition had been dealt another blow and was now in disarray. In the following regional and governor elections, the supporters of the MVR swept the board.

The mass movement
One result of these attacks and mass mobilisations in defence of the government has been a turn to the left by Chávez. After the 2002-3 lock-out, Missions were set up. Working outside of the bureaucratic state machine, the Missions use money, mainly from the oil industry, to improve health, education and housing. They rely on the enthusiasm, skill and initiative of the masses in improving the welfare of the people. Thousands of Cuban doctors have been brought in to the shantytowns to establish clinics. School fees have been abolished for the poor, resulting in hundreds of thousands attending school for the first time, and national projects have been established for those who dropped out of education. In many cases, schools closed in the lockout were reopened, staffed and repaired by local people. Housing projects have been set up ? although this particular mission has only built about 43,000 homes against the target of 120,000.

The new constitution provided a big boost for the co-operative movement. In 2001, there were about 1,900 co-operatives and two years later there were 10,000, involving 650,000 people. Many are linked to agriculture and to Chávez?s plans to rebuild local farms in the interior to encourage people from the overcrowded shantytowns to move to these new communities. These developments are aided by the army which helps build roads and houses.

Other co-ops were encouraged by the state to improve their neighbourhoods through new building, improving the environment or providing cheap food. Others use cheap credit to run local businesses. The co-ops also have rights to local broadcasting: the big TV and radio stations and newspapers are controlled by the right-wing so local radio is one way to overcome this bias.

The Bolivarian Circles are central to these developments and they were broadened out into Patriotic Circles during the national lock-out. According to Gott, some two million people are now involved in them. They provide a much-needed mass base of support for Chávez that goes much beyond the cadres involved in the political parties that make up the MVR.

The new unions
Gott describes how, since Chávez came to power, the Venezuelan labour movement has taken a great step forward in building a new federation, the National Union of Workers (UNT). There was an attempt by his supporters to win control of the CTV in elections in 2001 but it failed ? prompting Chávez to call the vote fraudulent. Disgust with the CTV?s involvement in the bosses? lock-out in 2002-3 led some unions to form the UNT in May 2003.

The UNT has grown spectacularly at the expense of the CTV; half of all agreements in the private sector have favoured the UNT and three-quarters of all agreements if the public sector is included. For example, the UNT was backed by 80 per cent of the workers at the eight Coke Fremsa bottling plants. In the Ford
car plants, the new union movement goes back to 2000, a product of the radicalisation prompted by the 1998 election. Within the UNT, there are several currents, the main two being the pro Chávez Bolivarian Workers' Force (FBT) and the autonomous movement, which stresses its independence but does have links with the labour ministry.

The most encouraging development in the workforce has been the movement to take control of factories and to run industry. It was boosted by Chávez’s own call during the lock-out that ‘any factory that closes will be taken over’. Indeed, that was often what happened when employers just left or refused to pay back wages that were due.

One of the most well-known takeovers has been of the paper manufacturer Venepal. The company went bankrupt, putting 900 workers out of work. After a long legal fight, the government took over the company, buying out the owners. The state now has 51 per cent of shares with the rest going to the workforce; a workplace assembly makes decisions about the company. Similar events have taken place at the aluminium company Alcasa, and the valve company CNV.

But debates have occurred in the UNT about the nature of the control. The former head of the union at the Venepal plant, Alex Ornevo, has stated that there is no need for a union because workers are in control of the plant! Other workers disputed this saying that the workers only own a share of the company and have criticised the idea of individual shares, where profits or benefits will go to individual workers as opposed to being put back into the national plan. At the state electricity company, Cadafe, workers have two representatives on the five person co-ordinating committee, which can only recommend action. Workers at the plant have demonstrated about the lack of workers’ involvement in running the company.

Chávez points to co-management at Venepal as a form of the ‘socialism of the 21st century? he is trying to promote. The debates within the UNT show that the workers themselves are far from convinced. They recognise the dangers of workers being turned into small shareholders as well as the conflict inherent in being both ‘manager’ and worker.

The land question
Struggles over land ownership have also sharpened. In January 2005, Chávez issued a new land decree which set up a land commission to investigate the use of land owned by private companies. Unused or underutilised land was to be handed over to the peasants. Similarly, land for which the owners could not prove ownership back to the 1820s could be dealt with in a similar way. This was to deal with fraudulent land ownership where huge tracts of state or indigenous land had been handed over in return for bribes, but never legally sanctioned.

The new decree encouraged peasants to seize land, including El Charcotte, a ranch owned by the British multi-national Vestey, against which the British Embassy protested vigorously. Ultimately, about one-fifth of the land was taken over.

However, even with Chávez’s backing, peasants are intimidated and killed – often by hired thugs from Colombia. A peasants’ conference, in February 2005, criticised the slowness of the reforms and pointed to local judges and military chiefs driving the peasants off the land. The activists called for self-defence units, the organisation of collective farms and for a ‘revolution within the revolution? – a slogan that has recently also been raised in the workers’ movement to signify the need to clear out the reformists.

Gott on Chávez
Gott’s book praises Chávez and the people who follow him. He attributes the President’s success to the rising price of oil which has provided money for the reform programmes that are benefiting the poor and the landless. He points out that the USA’s preoccupation with the Middle East and need for secure supplies of oil from Venezuela has also given Chávez a breathing space. He notes his foreign policy, his
friendship and agreements with China, Cuba, Brazil and Argentina and his attempt to develop a Bolivian alternative to the neo-liberal North American Free Trade Agreement.

He concludes that Chávez is a man of the left, a radical searching for new forms of politics, and new structures of economic organisation. He points out that many such governments in the region, elected or not, have proven too radical for Washington’s taste which has conspired to bring them to a premature end. He argues that Chávez and his Bolivarian Revolution deserve a better fate.

However, Richard Gott is unable to explain the real dynamics of the revolution or how it can be defended. For example, he rejects the idea that Chávez can be seen as the dangerous Bonapartist once brilliantly evoked by Marx. But this misunderstands how Marxists have used this term. Chávez is a bonapartist figure and, indeed, a dangerous one but for imperialism. As the head of a populist government he has raised himself above the two contending classes, the capitalists backed by imperialism on one side, the workers, the poor and landless on the other.

So far, counter-revolutionary conspiracies and the mobilisation of the masses have pushed Chávez leftwards. To carry out even his limited social democratic reforms, he has had to lean on the masses, mobilising and organising them against the Venezuelan capitalists and US imperialism.

At the same time, Chávez is no socialist revolutionary. He has left the state intact, reforming it through a new constitution but not smashing it and replacing it with workers’ and peasants’ councils. This creates problems even for his own reforms; he is forced to go around a hostile state bureaucracy using the Missions, leaving in post those who, for the moment, obstruct but will, later, sabotage these measures. The same applies to the army. While Chávez has purged the high command, the officer structure remains intact; there has been no attempt to organise the rank and file soldiers into democratic committees and integrate them into the local Bolivarian Circles, or integrate the soldiers into the workers’ and peasants’ struggles. The army, with its hierarchy and command structure in place, its long-term training links with the US military and its officer caste’s connections to the Venezuelan ruling class, remains a dangerous site of counter-revolution in a period of crisis.

Equally, Chávez has taken no measures to expropriate the property and wealth of the capitalists and the multi nationals which have proved themselves to be the most active and determined bastions of counter revolution. Even the partial taking-over of a few big estates, like that of Vestey, have led to armed attacks on peasants and some officers siding with the land owners. This is a warning; unless the workers and peasants move forward to seize the land and to neutralise the armed counter-revolution by means of their own armed militias, their leaders will be picked off by death squads and the agrarian reform will be stopped in its tracks.

The same applies in the factories and industrial plants. Chávez’s strategy is to go round the existing private enterprises, to create a new sector of the economy run by co-operatives and co-management state enterprises. He wants to regulate the banking sector and use state funds to set up micro credit schemes. Such a strategy, that includes buying out bankrupt enterprises, is only possible because of the enormous income from the oil industry as oil prices float in the stratosphere.

Yet the private sector, its capitalists and bankers supported by imperialism, are only biding their time. Having failed miserably in their coups and lockouts, they have to play a waiting game for the moment. When the time comes, a political or economic crisis, an assassination of the President, another US backed coup, or even the 2006 presidential elections, they will use all the levers they still control to wrest back control from the masses and roll back the reform programme. To defend the gains of this revolutionary period - in health, education, land reform, trade union rights - the
workers and peasants have to be organised. They need their own workers? and peasants? councils, councils that draw in the rank and file soldiers; they need their own militias. They cannot be content with the Bolivarian and Patriotic Circles tied to the Chávez strategy, a strategy that will not prevent a counter-revolution. Above all, they need their own party, a revolutionary workers? party, that unites the organised workers, the urban poor and the landless rural workers and poor farmers.

Such a party will only be built if it has a clear understanding of its relationship to Chávez and his movement. Every positive reform that Chávez introduces must be supported, every attempt by the counter-revolution to attack or overthrow the government must be resisted, arms in hand, alongside the Bolivarian Circles and pro-Chávez Circles. But such a policy must not slip over into giving political support for Chávez or his government. Even less must it encourage the belief that somehow Chávez will be pushed ever more left. Left bonapartes can become right bonapartes and attack the workers, as Peron showed in Argentina. The fate of the revolution in Venezuela lies in the hands of the workers and peasants, not in the hands of the ex-parachute colonel.

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