

THE TRANSFORMATION OF VENEZUELA

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- Rethinking Venezuelan Politics: Class, Conflict, and the Chávez Phenomenon.** By Steve Ellner. Boulder, CO: Lynne Reiner Publishers, 2008. Pp. xiv + 257. \$55.00 cloth.
- Dictatorship and Politics: Intrigue, Betrayal, and Survival in Venezuela, 1908–1935.** By Brian Stuart McBeth. Notre Dame, IN: University of Notre Dame Press, 2008. Pp. xiv + 578. \$60.00 cloth.
- The Enduring Legacy: Oil, Culture, and Society in Venezuela.** By Miguel Tinker Salas. Durham, NC: Duke University Press, 2009. Pp. xvi + 234. \$23.95 paper. \$84.95 cloth.

For all the talk of revolution in Venezuela today, it is the twentieth century that witnessed the most profound transformation in the country's state and society. Prior to the advent to power of Juan Vicente Gómez in 1908, Venezuela mirrored many of its neighbors in the Latin Caribbean: it had an agricultural economy with few substantial exports, a profoundly divided society in which regional and local attachments (*la patria chica*) had pride of place, and a political arena in which violence frequently settled disputes. By the time Hugo Chávez came to power in 1999, Venezuela had transformed into a modern country with all its strengths and weaknesses: a rentier state, a democratic polity, and a modern and cosmopolitan society.

Particularly during the past decade, scholarship on Venezuelan politics has flourished. The phenomena of Chavismo and President Chávez in power have spawned numerous academic studies and a veritable industry of books aimed at a general audience.¹ The polarization evident in Venezuelan politics today has, on occasion, spilled over into scholarship. The rentier economy, the hypercentralized but highly inefficient state, the

1. Although Richard Gott's *In the Shadow of the Liberator* (London: Verso, 2000) marked the beginning of this genre, books for a general audience on Hugo Chávez have continued to appear at a rather steady clip throughout the past decade.

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primacy of populist politics, and the success or decline of democracy have all been examined at length, generating acrimonious and contentious debate as to whether things are getting better or worse. However, not all that many scholars have reached back to connect Venezuela's evolution during the nineteenth and twentieth centuries to present-day politics under Chávez. In other words, where does the Venezuela we see today come from? What does this tell us about where it might go?

The three well-researched books by Brian McBeth, Miguel Tinker Salas, and Steve Ellner allow for an understanding of the deep roots of the transformations that produced the state and society today in Venezuela. McBeth helps us understand how Gómez retained power long enough to create a modern state between 1908 and 1935, a state able to pacify politics, maintain sovereignty, and set in motion oil-led development that eventually produced a rentier state. Tinker Salas looks closely at how oil production transformed society, thus influencing the creation of a modern middle class in Venezuela. Ellner connects the dots between the emergence of modern politics following the death of Gómez in 1935, a politics based on class interests (which multiclass parties later tamed between 1958 and 1998), the crisis of the party system that brought Chávez to power in 1999, and today's debates about the future direction of Chavismo.

STATE FORMATION IN VENEZUELA

The period during which Juan Vicente Gómez governed (1908–1935) is frequently treated as an undifferentiated black box of barbarity in most popular accounts of Venezuelan history. Yet, as McBeth documents, it was actually crucial to the formation of the Venezuelan state. Gómez, a coffee farmer from the Andes, came to Caracas as part of the *Revolución Liberal Restauradora*, led by Cipriano Castro in 1899. After Castro's tumultuous period of rule, Gómez quietly arranged to depose him and assumed power for the next twenty-seven years. He governed with the help of a secret police of unparalleled brutality, and in many ways, he ran Venezuela as a personal plantation, accumulating one of the largest fortunes in South America at the time of his death. His motto was "Unión, Paz, y Trabajo," which was apocryphally interpreted as "unión en las cárceles, trabajo en las carreteras, y paz en el cementerio," given the number of political prisoners incarcerated and forced to work on the national highway system, frequently under conditions leading to their early death.

The black legend of Gómez's dictatorship has come under fire by historians for some time, and a number of fine revisionist studies have been published, of which McBeth's is the latest.² It is not hard to understand

2. A number of histories written in Venezuela reexamine Gómez's rule with an eye to developing a more accurate account. Although not an exhaustive list, these include the

why such a legend came about, given the ruthlessness of the regime. As Ellner notes in his very thorough review, it was politically useful for the democratizers that followed to construct this black legend so as to then differentiate themselves. By casting aspersions on Gómez, the democratizers justified some of their own excesses while highlighting their successes. McBeth digs deep into the sources of the political turmoil that characterized Gómez's rule, using extensive archival sources and interviews to build an astonishingly detailed picture of the period.

McBeth brings into sharp relief the fragility of Venezuela as a nation when Gómez assumed power. Several major European powers had blockaded the country, and it was highly indebted to foreigners, fragmented by regional and political rivalries, and prone to civil war and economic crises. The government lived from hand to mouth, wholly dependent on customs revenues and frequently in default on its debts under Castro. After becoming president, Gómez was constantly under assault by rebellions and coup plots, to such an extent that it would be all too easy for a nonspecialist to lose track of these problems because of the sheer number of conspiratorial movements that McBeth has documented. In addition, foreign powers often considered removing General Gómez from power during his first decade in office.

By the time of his death in 1935, Gómez had changed all this. Venezuela had no foreign debt, had successfully negotiated and developed one of the largest oil industries in the Western Hemisphere, and had expanded agricultural and educational opportunities. In addition, Gómez had demilitarized the population by defeating regional caudillos, had formed a modern national army, and had established the kernel of a modern state bureaucracy. Although not always emphasized, the campaign of depoliticization by repression also wiped out the traditional Liberal and Conservative parties, opening the way for a new system influenced by European ideologies such as socialism and Christian democracy.³

The foundation Gómez established had its flaws. A nearly inescapable consequence of oil dominance was the rentier state.⁴ This, in turn,

following: Germán Carrera Damas, *Jornadas de historia crítica: La evasora personalidad de Juan Vicente Gómez y otros temas* (Caracas: Universidad Central de Venezuela, Ediciones de la Biblioteca, 1983); Yolanda Segnini, *La consolidación del régimen de Juan Vicente Gómez* (Caracas: Academia Nacional de Historia, 1982); Tomás Polanco Alcantara, *Juan Vicente Gómez: Aproximación a una biografía* (Caracas: Academia Nacional de Historia, 1990); Francisco Carreño Delgado, *El benemérito: Un bellaco admirable* (Caracas: Editorial Texto, 1987); Manuel Caballero, *Gómez, El tirano liberal* (Caracas: Monte Ávila, 1994).

3. For a fine overview of state formation in Venezuela, see Doug Yarrington, "Cattle, Corruption and Venezuelan State Formation during the Regime of Juan Vicente Gómez, 1908–1935," *Latin American Research Review* 38, no. 2 (2003): 9–33.

4. See Terry Lynn Karl, *The Paradox of Plenty: Oil Booms and Petrostates* (Berkeley: University of California Press, 1997).

supported the hypercentralization of the state in Caracas, the primacy of the presidency over other branches of government, and thoroughgoing corruption in the exercise of state power. A cynic might observe that Venezuela's fundamental problem since that time has been how to coordinate the transfer of state oil revenues into private hands while avoiding political violence. Ellner provides considerable insight into the various political mechanisms used to unravel this Gordian knot.

TRANSFORMATION OF VENEZUELAN SOCIETY

Although Venezuela prided itself on being semiofficially color blind during much of the twentieth century, it had inherited difficult racial and ethnic divisions from the time of its independence, including a history of mistreating indigenous peoples and the enslavement of Venezuelans of African descent. To this, we can add the class distinctions that sprang up and became accentuated when oil catapulted Venezuelan society (or at least some parts of it) into modernity. The major political parties of the so-called Fourth Republic (1958–1998)—Acción Democrática (AD) and Comité de Organización Política Electoral Independiente (COPEI)—hewed to the semiofficial mythology of a racially integrated society and advocated multiclass parties precisely because they had discovered during the Trienio (the three-year period of AD rule between 1945 and 1948) just how volatile and dangerous it could be to mobilize race and class tensions in Venezuela.

President Chávez departed from this political consensus quite dramatically after 1999. With explicit appeals to poor and working-class Venezuelans, his political campaigns revisited what the traditional elites had considered dangerous ground. He also highlighted, along class lines, the African and indigenous roots of Venezuelan culture to an extent unparalleled by politicians of the previous democratic period. This approach has prompted a good deal of new debate on the issue of race and class in Venezuela.⁵

Tinker Salas explores the deep roots of race, class, and gender dynamics in modern Venezuela through the lens of the oil industry. His upbringing in and near the oil camps that dominated the exploitation and production of crude in Venezuela shapes his interest.⁶ He argues that, by bringing new technology, personnel, and modes of organization to bear, international oil companies transformed the landscapes of the cities, towns, and immediate environs of the oil fields through informal, unplanned construction and rapid oil-focused infrastructure development. The im-

5. See Terry Lynn Karl, *The Paradox of Plenty: Oil Booms and Petrostates* (Berkeley: University of California Press, 1997).

6. *Ibid.*

fact of oil completely overwhelmed cities and small towns, particularly in the state of Zulia, as newcomers placed unprecedented demands on largely traditional societies.

Tinker Salas argues that the approaches and techniques of foreign oil workers and managers produced an increasingly stratified society in these areas, beginning in the 1920s. In particular, the attitudes of the many workers recruited from Texas and Oklahoma influenced society and governance in the oil camps, affecting not only labor but also gender and race relations. As the camps developed, companies increasingly encouraged expatriates to move their families to the compounds to stabilize them. This added another dimension to the social and cultural tensions between Venezuelans and foreign workers. In addition, the desire for skilled and semiskilled English-speaking labor created a demand for immigrants from the British Caribbean. The inclusion of foreigners of South Asian and African descent added yet another layer of social tension to the camp hierarchy and Venezuelan society more generally.

This is not to say that Venezuelans opposed the jobs that grew out of the oil industry. They flocked in large numbers to the main production centers (initially mostly in Zulia and Falcón in western Venezuela), which completely transformed local societies and brought together Venezuelans from different regional backgrounds in a manner without precedent, probably since the wars of independence. Tinker Salas argues that Venezuelan workers resented the social and labor hierarchy that the camps produced, and this provided fertile grounds for a labor movement that later came to have significant influence on national labor relations. The contrast between the highly regimented, organized, and groomed life in the camps (which resembled small suburban enclaves in the United States) and the relatively informal communities surrounding them is a consistent theme in the book, one that ultimately helped drive the evolution of Venezuelan attitudes toward foreign oil companies.

Tinker Salas suggests that the values that international oil companies (mainly from the United States) communicated to Venezuelans in the industry came to be embedded in the middle class and persisted in the organizational culture of the industry after nationalization. In particular, in reaction to the early nationalization of oil in Mexico in 1938, foreign oil companies pursued a policy of *venezolanización* that brought local workers, managers, and professionals into higher and higher levels of responsibility within the industry. Tinker Salas tells a fascinating story of the great lengths to which the oil industry went to foster middle-class values among its workers, encouraging home ownership, education, punctuality, and hard work as a way to fend off nationalization or, worse (from the companies' perspective), communism. Tinker Salas shows how Venezuelan professionals and workers absorbed the foreign values associated with the oil industry, even as they continued to experience a social gulf

between themselves and the largely American and British expatriates who still populated the upper levels of management in the 1950s and 1960s. He suggests that these values carried forward into the industry after nationalization, influencing the formation of a state within the state.

Foreign oil companies also carefully tracked local politics beyond the boundaries of their industry, sometimes intervening to fend off what they perceived as extreme movements but more frequently reaching arrangements with whatever regime held power. This came to mean a persistent campaign to influence public opinion through the media and propaganda. Some efforts were quite inventive, but it is not clear from Tinker Salas's study how much effect they actually had on the broader population. Nevertheless, they persistently pushed the message that oil companies (and their objectives) were good for Venezuela. As Tinker Salas documents, many employees of the oil industry came to believe this as well.

These arguments start to fall flat when Tinker Salas stretches his findings to claim that foreign oil companies also shaped the values of a broad range of Venezuelans, particularly in the middle class. This claim should be treated carefully because, even at its peak in 1948, the industry employed only 4.5 percent of the labor force. Other sources claim a somewhat lower 3.5 percent of the economically active population was involved in the industry, and both figures declined quite rapidly in the following decade.⁷ The rapid urbanization of Venezuela made possible by oil rents surely had a greater role in the formation of a middle class, yet any effects foreign oil companies might have had on this process were quite indirect. In addition, the contrasts in wealth and social status that oil camps produced were generally experienced only in the states of Zulia and Falcón (and later Monagas) during this period. The contrast between popular barrios and middle-class urbanizations in major cities (where the oil industry employed very few on either side of the divide) was much more likely to affect politics on a broad national scale than exposure to the ways of foreign oil companies.

In addition, although Tinker Salas makes a strong argument for the effect of foreign oil companies on their employees, the gamut of influences bearing at the same time on the broader middle class is remarkable. In addition to the values that newly urbanized Venezuelans brought from their home districts to cities, large-scale immigration, including hundreds of thousands of skilled workers, also contributed to the development of the middle class. The new residents from abroad included Republican refugees from the Spanish Civil War; other Europeans escaping war, repression, and economic hardship during and after the Second World War; immigrants from the Levant attracted by economic opportunities and the

7. See Terry Lynn Karl, *The Paradox of Plenty: Oil Booms and Petrostates* (Berkeley: University of California Press, 1997).

absence of violent conflict; those politically persecuted by Southern Cone dictatorships in the 1960s and 1970s who escaped to one of a few stable democracies in Latin America; and others from across the globe in search of a better standard of living.⁸ To suggest that foreign oil companies, largely from the United States, were predominant in shaping the values of the middle class may be one of the few cases in which one can overstate the oil industry's impact on Venezuela.

THE TRANSFORMATION OF VENEZUELAN POLITICS

Beginning with the 1928 student movement that Gómez thoroughly repressed, a new generation of politicians unaffiliated with the traditional Liberal and Conservative parties began to organize to take power. Gómez's heirs, military officers originating in the Andean region, managed to hold on to power through 1958, albeit with a brief interlude of democratization in 1945–1948. A central problem with which both the armed forces and democratizers had to struggle was how to administer increasing oil revenues, which flowed to the state through relatively little effort of its own. The struggle to balance investment against distribution, particularly distribution through legal channels aimed to alleviate societal concerns, indeed marks Venezuelan politics.

Although he claims to bring socioeconomic factors back in, Ellner actually showcases his grasp of the role of political actors in the transformation of Venezuelan politics in the twentieth century. Building on his earlier work critiquing notions of Venezuelan exceptionalism, Ellner reminds us of the social and political struggles underpinning the evolution of a modern party system in Venezuela, its eventual crisis during the 1990s, and its collapse under Chávez. The first four chapters of *Rethinking Venezuelan Politics* offer an especially useful and nuanced critique of traditional approaches to understanding twentieth-century Venezuelan politics.

Clearly, the socioeconomic factors that Ellner tries to bring back in are the class tensions that have arisen from the persistent exclusion from politics and society of substantial numbers of Venezuelans, particularly of the lowest classes. Although AD and COPEI (the dominant parties of the post-Gómez period) both had populist wings genuinely concerned with social reform and justice, most twentieth-century Venezuelan governments were able to reduce poverty only during boom times associated with high oil prices. The sheer volume of money sloshing through the system inevitably created an economic tide that floated all boats, though not for very long in many cases. After the boom times receded, the underlying class tension between the barrios and middle- and upper-class *urbanizaciones*

8. See Terry Lynn Karl, *The Paradox of Plenty: Oil Booms and Petrostates* (Berkeley: University of California Press, 1997).

was never very far away, as the 1989 urban revolt known as the Caracazo reminded Venezuela and its observers.

Ellner documents President Chávez's evolution in power, from his first electoral victory to his proclamation of twenty-first century socialism. Chávez promised to address the socioeconomic divide and, unlike politicians of the previous four decades, he definitely picked a side. This return to a more populist and partisan approach has worked to keep Chávez in power, allowing him to win most elections and survive a coup, a general strike, and a recall referendum. After a decade in power, it is only fair to review the political and ideological underpinnings of the Chavista movement, especially because it advertises itself in explicitly ideological terms such as *bolivarianismo* and *twenty-first century socialism*. Ellner has a fine ear for the dialogue of the broad array of groups, parties, movements, and cliques that make up Chavismo. He notes the tensions between efforts to improve democratic participation by independents and grassroots supporters of Chavismo, and the compulsion to "follow the leader" and defend vertical lines of authority by the Chavista leadership. Some scholars suggest that it may oversimplify the internal debate within Chavismo during the past decade to identify the grass roots with a softer line and the movement's elites with a political hard line. However, the general point that there has been an effort to improve participation through bottom-up social mobilization and inclusion, particularly among the traditionally disenfranchised in Venezuela, is well taken. Although Ellner emphasizes this less, there is also a clear authoritarian bent in key sectors of Chavismo, and those sectors are willing to defend some very undemocratic practices (even in the area of elections) in their effort to retain power.⁹

Despite his focus on socioeconomic factors, Ellner does less well in incorporating recent debates about the impact of oil rents on government performance and the alleviation of poverty. Chávez has been fortunate in that, since 2003, Venezuela has experienced one of its great oil booms. This has allowed the state to paper over most problems with money. It is still under debate whether the various social programs created by President Chávez have worked, and it is very much in doubt whether they are sustainable in the absence of oil-fueled state largesse.¹⁰ However, it is clear that Venezuela's success in alleviating poverty and reducing inequality has mostly occurred during oil booms, regardless of the orientation of the government in power.¹¹ Conversely, that the drying up of oil rents fuels political crises is well supported by evidence, but this does not play a very significant role in Ellner's analyses of such crises outside of his discussion of Carlos Andrés Pérez's second government, which began in 1989.

9. See Terry Lynn Karl, *The Paradox of Plenty: Oil Booms and Petrostates* (Berkeley: University of California Press, 1997).

By not addressing the less democratic elements of Chavismo and the continuing inefficacy and inefficiency of government programs, Ellner avoids taking his argument to its logical conclusion. It is true that the frequently venomous debate in the media and society as to how authoritarian President Chávez is, and as to how effective government programs have been during his administration, make difficult a sensible study of the subject. However, there is a strange disconnect in Ellner's work between the ideological underpinnings of Chavismo, on the one hand, and how the country really functions, on the other hand. After a decade spent observing Chavismo, it is not clear to me that concepts such as participatory democracy and twenty-first-century socialism explain very much about how decisions are made in Venezuela. Ellner's book could have pushed further by delineating those areas in which ideological debate actually matters for outcomes and those areas where traditional power politics trumps all.

CONCLUSION

Each of the books reviewed here examines an important but understudied piece of Venezuela's recent history. Each in its own way also contributes to the well-established critique of Venezuelan exceptionalism in academic studies.¹² McBeth's close study of Gómez's rule (1908–1935) helps us understand the process that transformed Venezuela from a vulnerable country with chaotic domestic politics into a modernizing state, integrated into the world economy through its role in international energy markets. Tinker Salas's well-researched book helps us understand the role that oil played in shaping class, race, and gender relations in the twentieth century, particularly in the oil industry. Ellner provides a thorough review of the evolution of Venezuelan politics to the present day, together with a serious examination of the state of play in ideological debates within Chavismo.

Although the books are all well worth reading, they are not without flaws. McBeth's volume is written for specialists in Venezuelan history and would benefit from a more thorough introduction. Without an overview of the historical context that Gómez faced when he came to power, it is easy to miss just how important his rule was for state formation in Venezuela. Tinker Salas offers excellent fieldwork and analysis, although some may find that his disciplinary jargon occasionally gets in the way of a fascinating story. He also overreaches somewhat in attempting to connect the oil industry's efforts to shape its employees' values to the contentious politics of Venezuela today, if only because so many other factors also affect the formation of the middle class. Finally, Ellner falls short of connecting his very nuanced understanding of the ideological debate within Chavismo to a sense of how this debate actually influences practices, particularly in those spheres of politics in which all that truly matters is what President Chávez says.