

VENEZUELA

Carnival in Caracas

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During his early days as a journalist the Colombian novelist Gabriel García Márquez, author of *One Hundred Years of Solitude*, had come to regard Caracas as "an apocalyptic, unreal, inhuman city." Reporting for the Venezuelan magazine *Momento*, he wrote about the military and popular revolts that led to the overthrow in January, 1958, of Venezuela's last dictator, General Marcos Pérez Jimenez. He witnessed street fighting in the shadows of the huge government office towers in the plaza of Silencio, the siege by the mob of the headquarters of the dictator's secret police, the *Seguridad Nacional*, and the riots a few months later that greeted Vice President Nixon as his motorcade edged its way through hostile crowds massed in front of the slatternly furniture and appliance stores that line Avenida Sucre in the working class district of Catia. That seemed a time of hope, when peasants came to the cities to build new houses and democratic politicians returned from jail and exile to form new governments, when Venezuela, as García Márquez told me later, was "the freest country on earth."

For nearly 400 years Caracas was a tile-roofed town picturesquely cradled in a narrow valley. Only in recent decades has Venezuela's oil prosperity crowded the valley floor with luxury apartments and offices connected by looping freeways that twist like roller coasters amid such landmarks as Sears (the most profitable overseas branch), the headquarters of Shell de Venezuela and Creole (Exxon) Petroleum, the old Nuevo Circo bullfight ring that is used these days for political rallies, and the twin sports stadiums built by Pérez Jimenez, who has lately made a political comeback.

The oil money has drawn great numbers of people into Caracas; Venezuela has had one of the world's most intense peasant migrations to the cities of the twentieth century. The ravines descending into the Valley of Caracas, and the hillsides surrounding it, are covered with *rancho* squatter shacks that force their way into the asphalt city of public works and government budgets. The skyline of western Caracas is dominated by the tall public housing projects built by the dictator and called *superbloques*—fifty-one pastel-colored towers overlooking the acres of *rancho* shacks like stained temple monuments presiding over the rubble of a bombed city. In *The Politics of the Barrios of Venezuela*, one of the best of the many studies of Latin America's urban squatters that have appeared in recent years, Talton F. Ray stresses "the close connection between political change and urbanization." In Latin America during the past generation this has meant squatter land invasions at the time of revolutions and elections. With his intimate knowledge of the *rancho* slums gained in three years' service with the volunteer organization *Acción*, Ray writes that the overthrow of Pérez Jimenez in 1958:

...ushered in a new and entirely unprecedented phase of [squatter] development. Restrictions on land settlement were immediately lifted, and families poured out of their crowded *ranchos* to grab up vacant land on the outskirts of the cities as quickly as possible. When *campesino* families still in the countryside heard about the new opportunities, the flow of migration speeded up tremendously.... So concentrated was the trend that today more

barrios trace their origin back to those first twenty-four months following the Revolution than to any other period.

Pérez Jimenez's overthrow in 1958 was also followed by years of political confusion, During those years Venezuela went through a series of barracks revolts and an outbreak of guerrilla warfare that was more sustained and bitterly fought than Fidel Castro's Cuban insurrection a few years earlier. These were uprisings from the right and left against the reformist government of President Rómulo Betancourt (1959-1964), who was accused by conservatives of being an undercover communist and by revolutionaries of having sold out to US imperialism, especially to the foreign oil companies operating in Venezuela.

In spite of this intense opposition, Betancourt and his *Acción Democrática* (AD) party became the first popularly elected government in Venezuela's 150-year republican history to finish its constitutional term of office. This was, incidentally, the only success of the Kennedy Administration's policies of reform, counterinsurgency, and encouraging private investment in Latin America. However, democracy survived in Venezuela because most people wanted something better than dictatorship and were afraid of political chaos. AD had a large popular following (now diminished) and Betancourt fought tenaciously for survival, even after his hand was mangled in a bomb explosion in 1960 during an assassination attempt organized by the Dominican dictator Rafael Trujillo.

During the 1960s, AD suffered three major splits that cost the party its electoral majority. Still, while the Social Christian COPEI party of President Rafael Caldera is now in power, its social policies and its connections with big business are difficult to distinguish from those of AD. Whether Venezuelan democracy can continue will be tested in this December's presidential and congressional elections.

Has the democratic political system worked? Daniel H. Levine stresses the notable achievements of the post-1958 period of his study, *Conflict and Political Change in Venezuela*:

With only three years of civilian rule in the first half of this century, [Venezuela] has built since 1958 one of the few effective, competitive, democratic political orders in Latin America. Ridden with conflict, civil violence, and systematic guerrilla warfare since the early 1960s, it has nevertheless managed three peaceful transfers of power in recent years (1958, 1963, 1968). These were the first consecutive transfers of power through mass popular elections in the nation's modern history, and the 1968 elections [narrowly won by COPEI] marked the first time power had ever been handed over to an opposition party.

Levine's book describes well the bitter fights of the 1940s and 1960s over the question of Catholic vs. secular education, and he shows how the revolutionary student movement at the Central University in Caracas fell apart while trying to promote the guerrilla insurrections of the 1960s. He argues that Venezuelans have been so divided among themselves and their political parties have been so weak that "extreme appeals [were] required to reach and activate a following not normally enrolled in organizations." This helps to explain why the battle between Catholic and anticlerical zealots over state control of education got out of hand and led to the overthrow of the first AD government (1945-1948) by the military coup that set up Pérez Jimenez's dictatorship. However, after the dictator's fall in 1958, the two major parties, AD and COPEI, were able to settle the Church-state issue quietly in private negotiations. Levine believes that the growth of AD and COPEI has tended to cool down Venezuelan politics by isolating extremists and providing ways for people to take part in political life.

He may be overstating his case, however, and underestimating the underlying weaknesses of Venezuelan society. He overlooks the widespread disenchantment today in Venezuela with the recent performance of the democratic parties and the squandering of government

oil revenues on a monumental scale. The clearest sign of this disenchantment is the extraordinary political comeback of Pérez Jimenez himself. Freed in August, 1968, after five years in jail for stealing public funds^[2] the bald pudgy ex-dictator ran for a Senate seat, from Madrid, four months later, conducting no campaign and spending no money. To everyone's surprise, he swept all but one of Caracas's sixteen parishes, winning the most votes in the same poor districts where people had poured into the streets to oust him ten years before.

Notwithstanding his many failings, Pérez Jimenez did preside over the giddy economic boom that began toward the end of the long dictatorship of Juan Vicente Gomez (1908-1935) and that expanded sharply after Pérez Jimenez himself took power in 1948 by a military coup. According to the late Chilean sociologist Jorge Ahumada, "The gross domestic product increased by 8 percent per year between 1936 and 1958.... In the history of the Western world there has been no similar experience." [3]

Under Pérez Jimenez, moreover, oil production doubled between 1950 and 1958, while personal consumption rose even faster. Between 1948 and 1957 the oil industry yielded \$7 billion in government revenue, a sum "greater than the whole previous total of public revenue since the colonization of the country by Spain." [4] Money for speculative investments poured into Venezuela from all over the world, mainly to lavish public works and private construction projects. But this flood of oil and speculative money also exaggerated the already vast contrast between the prosperity of the cities and the declining countryside. The proportion of people in towns and cities grew from 35 percent in 1936 to 78 percent in the 1971 census, while the population as a whole tripled in the same period.

Unlike Perón in Argentina, Pérez Jimenez did little to achieve a more just distribution of income. In his Pastoral Letter of May 1, 1957, which helped to prepare the way for the dictator's fall, the Archbishop of Caracas charged: "Our country is getting rich with impressive speed.... However, no one can say this wealth is distributed so as to reach all Venezuelans, since the great mass of our people lives in subhuman conditions." [5]

Many Venezuelans now seem nostalgic for what they recall as the easy prosperity and relative quiet of Pérez Jimenez's dictatorship in contrast to the social and political confusion of recent years. They tend to forget the waste and corruption and police brutality of his rule: "Sure he stole. But he did things also." Jimenez's election to the Senate in 1968 was annulled on a technicality, and the Venezuelan Constitution has just been hastily amended to prevent him from running for president in 1973. While five of the fourteen presidential candidates now in the field claim to represent the exdictator's views, Pérez Jimenez himself keeps the country guessing about his preference. "Many pre-candidates have come to talk with me," he said last spring, "but I cannot say to the Venezuelan community, 'Vote for this one or that one,' because this would be an insult to our people."

The survival of Venezuelan democracy still remains in doubt because of the decline in popular support for the major parties. Both now compete for the backing of the large family firms and economic combines that have been using political pressure behind the scenes so as to accumulate huge fortunes that directly or indirectly are based on oil. Consequently, the two major presidential candidates this year are men of conservative views: AD's man is Carlos Andrés Pérez, who as Betancourt's Interior Minister was responsible for crushing the guerrilla uprising of the early 1960s, while COPEI's candidate is Lorenzo Fernandez, formerly Caldera's Interior Minister, a conventional Catholic lawyer and father of eleven children who implemented a "pacification" program of amnesty for defeated guerrillas that helped quiet the country down after the turbulence of the 1960s.

Neither man has much popular appeal and both rely heavily on their organizations and on huge advertising and TV budgets to get votes. They travel around the country making the usual promises of housing for *rancho* dwellers and crop loans for peasants, giving no sign that Venezuela faces huge difficulties; that, for example, population is expected to increase

by half over the next decade, while oil production—now the source of nine-tenths of Venezuela's foreign exchange earnings and two-thirds of government revenue—may decline by more than one-third.

Unfortunately, most scholarly writing on Venezuela has been so uncritical of Betancourt and *Acción Democrática* ^[7] that little is known abroad about its current problems. No study has yet been made of the deeper reasons why Venezuela has squandered most of its oil revenues over the past two decades, and why democratic politics have failed to diversify the economy so that it would be more independent of oil. In one of the many recent books praising AD, for example, John Duncan Powell claims that the party maintained its power by "an organized program of benefits to rural voters." But Powell confines his study largely to the apparatchik-functionaries of the AD-controlled Venezuelan Peasant Federation, overlooking the fact that the "benefits to rural voters" were modest indeed. According to one government report, two-fifths of the 162,000 land parcels purportedly given peasant "beneficiaries" in Venezuela's agrarian reform have been abandoned. On the 95,000 land parcels that are still occupied, 80 percent of the peasants had never received titles or were squatting illegally on lands given other peasants. "This represents a regressive process," the report continues,

...since in many cases this means that a single person has been able to grab up many parcels previously distributed to peasants, who in turn have moved into the belts of misery that surround the cities, or reverted to their past lives as *conuqueros* [nomadic practitioners of slash-and-burn agriculture] in the mountains. What is worse, many have remained to work as peons for the private agricultural firms organized on the lands which the peons received under the agrarian reform and still legally own. [8]

Much of the \$2 billion spent on the Venezuelan land reform went for expropriating *latifundia* at inflated prices to landlords, leading another expert to conclude that "the landowners gained more than the *campesinos*." In a series last year on "The Harvest of Failure" in the Caracas newspaper *El Nacional*, Venezuela's leading investigative reporter, Germán Carías, reported that "\$125 million were spent to build a large dam and irrigation canals—government posters called it 'the largest irrigation system in Latin America....'
Today most of the canals are clogged, the peasants are losing their crops and, paradoxically, cattle are dying in the summer for lack of water. The immense dam is cared for by dozens of government functionaries, yet its only use now is by sportsmen on Sunday outings from Caracas or Valencia who use the dam to practice water-skiing."

These sickening stories have created a political vacuum from which two new political movements have arisen. One is the political resurrection of Pérez Jimenez. A second derives from the remains of the failed guerrilla insurrection of the 1960s and the split of the Venezuelan Communist Party (PCV) in December, 1970. The younger PCV leaders who helped to organize the 1958 popular uprising that led to the fall of Pérez Jimenez, and who then started the guerrilla movement, are the closest Latin America has come to producing a coherent group of professional revolutionaries in the classic sense. After the late Sixties, when the guerrilla movement was defeated, this group rebelled against the older communist leadership and, after a bitter intraparty struggle, they formed their own Marxist-Leninist party, the MAS (*Movimiento al Socialismo*). One of the important documents of the intraparty debate on renovation vs. orthodoxy that finally split the PCV was a short book on the Soviet invasion of Czechoslovakia by a former guerrilla leader, Teodoro Petkoff, who was denounced in *Pravda* just before the PCV split and later by Leonid Brezhnev, in his speech to the Twenty-fourth Congress of the Soviet Communist Party, for "nationalist tendencies [with] an anti-soviet character."

In his ¿Socialismo para Venezuela? (1970), published a few months before he left the PCV to form the MAS, Petkoff broke with the traditional cold war PCV line by arguing that "the anti-imperialist struggle in Venezuela does not consist of a declaration of war against the

United States, but a very real confrontation with our own dependent capitalism and its political power." The launching of the MAS has been a dramatic event, and the new party is expected to make a strong showing in the December elections. When they were most successful in the early Sixties, the Venezuelan guerrillas used sensational stunts such as the brief kidnapping of a Spanish soccer star, the hijacking of the steamer *Anzoategui*, the stealing and voluntary return of an entire exhibition of French impressionist paintings. The newly formed MAS has recently been using similar tactics to frighten and lampoon the Venezuelan plutocracy. [11]

The MAS attacks on the rich—orchestrated with splashy posters and the distribution of thousands of counterfeit banknotes bearing portraits of tycoons and the legend: *This money is false, he has the real money*—are now attracting wider support than anyone would have predicted a few years ago. When García Márquez returned to Caracas last year to receive the Rómulo Gallegos Award for *One Hundred Years of Solitude*, he donated the \$23,000 prize money to the MAS. It is, he said, [12]

...a young and imaginative party with a great doctrinal clarity, with its own policy based on national reality, with a stupendous spirit of personal sacrifice and a revolutionary determination that cannot fail. At the same time, and this is formidable and new, its activists know that revolutionary seriousness is not incompatible with modern dances, cowboy pictures, and a sense of humor, and they are not ashamed of loving. I am identified with its purposes; I am a personal friend of many of its leaders, and I am convinced that they are going to make the revolution in Venezuela.

Petkoff is an intense, outspoken political organizer and orator who was a leader of the 1958 insurrection against Pérez Jimenez and made two dramatic prison escapes while fighting in the guerrilla movement of the 1960s. In recent years he has spent much of his time traveling from town to town along with other MAS leaders such as Pompeyo Márquez and German Lairet, rallying opposition against both major parties. But he has been equally influential because of his books, *Checoeslovaquai: El Socialismo como Problema* (1969) and ¿Socialismo para Venezuela?, which not only helped bring about the PCV split but also tried to define the condition of the professional revolutionary in Latin America after the guerrillas failed.

While much of Petkoff's language is burdened by clichés that reflect the isolation of a man who has spent nearly all his adult life underground or in prison for insurrectional activity, he still has been able to redefine some of the problems of a revolutionary movement in what he calls the "deluxe underdevelopment" of Venezuelan society. He rightly observes that "the violent process of urbanization" is "peculiar to capitalism in general." All strong one-party socialist states forbid uncontrolled peasant migrations to the cities, thus avoiding the political and economic problems generated by shack settlements like the Venezuelan *ranchos*.

Indeed, the major theoretical failure in Marxist-Leninist writing on Latin American society is its neglect of the squatters who form one-third of the population of most Latin American cities and whose potential for insurrection was made clear in the 1965 Santo Domingo revolution. Traditional Marxist theory has ignored this phenomenon, for there was no equivalent to Latin American squatter settlements in nineteenth-century Europe; the flow of peasants into the cities occurred at a slower pace and there were more industrial jobs available to absorb new migrants into the working class.

How can the squatters be mobilized? In dealing with this problem, Petkoff and his comrades in the MAS are trying to reconcile the old contradiction between populism and anti-populism that divided Bakunin and Marx. Petkoff bitterly recalls the PCV's efforts in January, 1958, to organize a popular uprising against the Pérez Jimenez dictatorship,

...when our agitation in some of the most important work centers of the capital...met with an irritating indifference. The general strike of January 21 finally was successful, but many of us feared for the result if the employers had not closed their factories, stores, and banks, contributing thus to the participation of the working class in the strike.

In contrast to the "conservatism and passivity" of the Venezuelan working class, he writes,

...the marginal masses are a powder-keg, a charge of social dynamite that only awaits a detonator, and leadership.

The working class and the marginal subproletariat

...live in the same *barrios*, come from the same countryside, and share the same consciousness of poverty, of being disinherited.... Leadership, organization, and orientation are urgently needed, since the powder-keg of the marginal masses could explode in a direction completely opposed to the interests of the revolution. The very instability of this mass makes it responsive to the action of any demagogue, or of that very special version of Latin American demagogy: military dictators—and exdictators [i.e., Pérez Jimenez]. If a revolutionary change does not occur, the future contains an economic collapse and a catastrophic deterioration of the living conditions of the popular masses.

There is, unfortunately, a great difference between social explosion and social revolution, and so far the problem of organizing the floating poor has been insoluble. But Petkoff is right in seeing that the population explosion and the rush of peasants into the cities have produced intractable social problems at the same time oil production has begun to decline. The Venezuelan politicians are beginning to worry that there will no longer be enough oil money to purchase political stability. For nearly four decades they have been talking about "sowing the petroleum" to diversify the economy away from heavy dependence on the oil industry. Successive Venezuelan governments over the last twenty years have spent some \$20 billion, mainly on such investments as highways, education, hydroelectric dams, steel, petrochemicals, and agricultural development. Yet these investments have been so ineffective that the country has become more rather than less dependent on petroleum.

In his impassioned treatise *Petroleo y Dependencia*, Dr. Juan Pablo Pérez Alfonzo, who was the principal architect of OPEC (Organization of Petroleum Exporting Countries) and twice Venezuela's Minister of Mines, denounces the squandering of the country's oil revenues that has continued both under the Pérez Jimenez dictatorship of the 1950s and democratic regimes of the 1960s and 1970s:

The continuing increases in easy income from oil have created a limited society of intense consumption, composed of the privileged who take advantage of this transitory oil wealth, that has been artificially superimposed over the much more marginal masses of the Venezuelan population.

This is essentially the situation in which Venezuela faces the critical elections of December, 1973. The two big parties, AD and COPEI, are trying to arrest a decline in their popularity and are threatened by the resurgence of Pérez Jimenez and by the rise of the MAS. At the same time, with the present concessions to the foreign oil companies scheduled to expire around 1983, the new government to be chosen in December's elections will be increasingly enmeshed in the geopolitics of oil.

One might think that petroleum policy would be a big issue in the current election campaign. Even though crude oil production will decline, rising world prices might nevertheless keep up the current level of per capita oil revenues for the next decade, even allowing for growing population. 13 But Venezuela, one of the organizers of the OPEC

cartel which has been raising the price of oil, will face grim choices after the election. Its budget deficits are already large. If the next government, like the last one, goes on spending more and more to stay in power, it will have to increase oil reserves in as yet underdeveloped parts of the country and this will be costly.

The fall of Allende in Chile has had a pronounced impact on Venezuela's party politicians, who are trying to preserve one of the few constitutional democracies left in Latin America. Recently there have been reports of conspiracies for a take-over by the Venezuelan military. In early October President Caldera issued a pointed warning to "those who try to incite, instigate, or provoke a rejection of the election results." But the campaign has dragged on for so long—nearly two years—and has ventilated so few serious issues that the politicians are having a hard time keeping up interest in the elections.

Behind the scenes conflicts are taking place among those who want more rapid nationalization of petroleum; those who want to make deals with the oil companies to finance exploration for more reserves; and those who want to ignore the problem of reserves and continue the old policy of limiting production and increasing prices. In view of the disastrous experience of some other Latin American countries, Petkoff and MAS now doubt whether nationalization would be a truly revolutionary measure. They fear that a decline in Venezuelan oil revenues would undermine the strength of any revolutionary regime. But the major parties have agreed not to debate petroleum in this election, a failure that reflects the hollowness of the entire campaign. The survival of this prodigal democracy cannot be taken for granted while the carnival continues and its leaders fail to gain convincing popular support.

Notes

- Quoted in Mario Vargas Llosa, *García Márquez: Historia de un Deicidio* (Monte Avila, Caracas, 1971), p. 56.
- The Kennedy Administration extradited Pérez Jimenez in 1963 from his Miami exile at the request of the Betancourt regime. He was finally sentenced to five years in jail for illicit enrichment in August, 1968, and was immediately released—proceeding directly from jail to the airport to go to live in Madrid—after the court ruled that his sentence had been served in the five years of pretrial and trial procedures.
- Ahumada was the founding director of CENDES (Center for Development Studies) at the Central University in Caracas. His 1962 essay, "Hypothesis for Diagnosing Social Change: The Venezuelan Case," forms the introduction to *The Politics of Change in Venezuela*. Volume 1: *A Strategy for Research on Social Policy* (MIT, 1967).
- [4] From "Economic Developments in Venezuela in the 1950s," in *Economic Bulletin for Latin America*, Volume V, Number 1 (United Nations Commission for Latin America, Santiago, Chile, 1960), p. 23.
- This document was reprinted in *Testimonio de la Revolución en Venezuela* (Tipografía Vargas, Caracas, 1958), p. 85. The same volume reproduces a *Momento* article by García Márquez on the role of the Church in the dictator's overthrow.
- Quoted in the magazine *Semana*, Caracas, May 17, 1973, p. 12.
- [7] The leading examples of this genre are: Edwin Lieuwen, *Petroleum in Venezuela* (California, 1954) and *Venezuela* (Oxford, 1961); Robert J. Alexander, *The Venezuelan Democratic Revolution: A Profile of the Regime of Rómulo Betancourt* (Rutgers, 1964), and John D. Martz, *Acción Democrática: Evolution of a Modern Political Party in Venezuela* (Princeton, 1966).

[8] From Victor M. Gimenez Landinez, *Reforma Agraria: Política y Programas 1970* (Caracas, 1971), p. 17. Gimenez is a leading authority on Latin American land reform who was director of Venezuela's National Agrarian Institute (IAN) at the time he wrote this report.

- From Doreen Warriner, *Land Reform in Principle and Practice* (Oxford, 1969), p. 357. This is the best available survey of the generic problems of land reform in different parts of the world, giving a detailed explanation in its Venezuelan chapter of the inflated indemnizations to landlords.
- [10] See Carías, "La Cosecha del Fracaso," *El Nacional*, March 1-8, 1972. Also see my "Peasant Victimized by Venezuelan Agrarian Reform," *The Washington Post*, January 14, 1965.
- The PCV and the MIR (Movement of the Revolutionary Left), an offshoot of AD, fought together in the insurrection under the banner of the FALN (*Fuerzas Armadas de Liberación Nacional*). In some twenty hours of interviews taped in 1972 and 1973, Petkoff relates some key aspects of the inner history of the guerrilla movement and the division of the PCV. For these interviews, see my *Teodoro Petkoff: The Crisis of the Professional Revolutionary*. Part I: *Years of Insurrection*, American Universities Field Staff Reports, East Coast South America Series, Volume XVI, Number 1, 1972. Part II: *A New Party* (1973, forthcoming).
- This statement is contained in an interview with the Colombian journalist Plinio Apuleyo Mendoza, published in the Paris magazine *Libre*, Number 3, shortly before García Márquez received the Gallegos award. It was reprinted in the literary supplement of *El Nacional*, Caracas, July 30, 1972.
- [13] For a fuller discussion of population pressures and waste, see my *Oil and Democracy in Venezuela*, Part I: *Sowing the Petroleum*. Part II: *The Marginal Man*. American Universities Field Staff Reports, East Coast South America Series, Volume XVII, Numbers 1 and 2, 1973.

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