



## **VENEZUELA'S GLOBAL AGENDA: SIX MORE YEARS**

Remarks by

H.E. Bernardo Alvarez Herrera

Ambassador of the Bolivarian Republic of Venezuela  
To the United States

The Belfer Center for Science and International Affairs  
The John F. Kennedy School of Government  
Harvard University

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Good afternoon.

I would like to thank the Belfer Center for Science and International Affairs for inviting me to this prestigious institution to share and discuss with its faculty and students Venezuela's Global Agenda for the next six years. Given the mission of the Belfer Center of promoting "leadership in advancing policy-relevant knowledge about the most important challenges of international security and other critical issues where science, technology, environmental policy, and international affairs intersect," I find it important to engage in a constructive dialogue about Venezuela's global and regional outlook. As you all know, Venezuela has been undergoing important social, economic and political transformations that have not only reconfigured societal relations in Venezuela but have also helped shape the country's foreign policy over the past seven years. These transformations, along with the fact that Venezuela has the largest reserves of petroleum and gas outside of the Middle East, make Venezuela an important player among the states of the hemisphere. I am glad to see the interest the Belfer Center has shown in my country by inviting me to speak today.

Up until President Hugo Chavez was elected in 1998, Venezuela wasn't a country that attracted much attention. It was considered the "exceptional case" in Latin America. Outsiders saw Venezuela as a stable and consolidated



democracy, a U.S. ally and an obedient adherent of the Washington Consensus recipe of neo-liberal economic reforms. But starting with civil disturbances in 1989 and a pair of military rebellions in 1992, Venezuela was exposed as a country mired in poverty, a country whose people were profoundly excluded from their own political system and whose government had surrendered the capacity to address pressing social and economic concerns. President Hugo Chavez's election was a democratic revolution – by overwhelmingly casting their votes in his favor, the Venezuelan people signaled their desire for a new path, for a new government in which they could more actively participate and which would marshal the resources to fight for social justice. This democratic revolution has taken place against the will of an old political elite that united against our project and refused to accept the democratic changes mandated by the Venezuelan electorate. At the same time, this democratic revolution has re-defined relations between the state, the market and the people, while spawning an active foreign policy aimed at strengthening Venezuela's position in the international system and promoting a redefinition and re-conceptualization of this system as it was conceived after World War II. Just as national development models of the past excluded important sectors of society in the promotion of liberal democratic states in Latin America, the international system has also excluded important sectors of the world's nations and peoples from the structures that manage the international system of nations. Exclusion has taken place not only nationally, but also internationally.

Venezuela's democratic revolution was profoundly tied to evolution of the international system and the state of the post-Cold War world. After the



Soviet Union fell, policymakers and pundits assumed that any remaining ideological battles were thus over – Francis Fukuyama called this moment the “end of history,” while Charles Krauthammer celebrated the U.S.’s “uni-polar moment.” Representative democracy and free markets were assumed to have won “the war,” and U.S. policy went about promoting them as if they had. The countries of Latin America that met at the 1994 Summit of the Americas united behind the mantra of the “Washington Consensus” – free trade, limited government, open markets and private capital. Just by its name – “consensus” – policymakers insinuated that no alternative existed and no debate was necessary. The truth of the matter is that no consensus existed. Instead, it was an agreement between elites that sought to benefit from the proposed policies. Recognizing this difference is essential to understanding the changes that have taken place in Venezuela and other countries of the hemisphere. The politics opposing the hegemony of neoliberalism became the flagship of alternative movements whose influence has grown in the politics of the region over the past two decades. The proposals put forward by these movements are an important component for any redefinition of the alternative development models being proposed in the region and that will emerge in the future.

The so-called “consensus” missed a growing restlessness throughout the region, one that was plainly on display in Venezuela. When neo-liberal economic reforms were imposed in Venezuela in 1989, massive street demonstrations and disturbances followed, and thousands were killed when the army was called to the streets to restore order. The reforms also had the pernicious effect of increasing the number of Venezuelans living in extreme



poverty from 43.9 percent to 66.5 percent over one year. It turned out that Venezuela was not the “exception” scholars in the Western world thought it to be. Despite its oil wealth, it had much more in common with its neighbors than previously thought. Suddenly, Venezuela’s apparent stability was called into question; the idea of a “consensus” fell apart. This wasn’t surprising. As I have already mentioned, the consensus only really existed between Washington and elites in Venezuela. And as new leaders and social movements started flexing their muscles throughout the region, it became apparent that few in Latin America were happy with the consensus. To them, the debate wasn’t over and no consensus existed.

And so today we find a number of progressive governments in Latin America leading their countries down a new path. No longer are free trade and private capital the only terms of discussion; that discussion now includes poverty, social exclusion, regional integration, and sovereignty and South-South cooperation. And more than just expanding a discussion, these governments have started re-defining the role of the state in development, the role of the people in decision-making and the role of their countries in the regional and global contexts.

In Venezuela, this process began with the writing and public endorsement of a new constitution through a national referendum. The Constitution of 1999 re-defines Venezuela’s political system by endorsing participatory democracy over the traditional system of representative democracy; expanding protected rights by recognizing the vital importance of economic, social and cultural rights in democratic society; returning

control of the country's national resources to the state and establishing achieving social justice as a constitutional mandate. The 1999 Constitution seeks as much representative democracy as is needed and as much participatory democracy as is possible. It similarly re-defines the country's economic system by promoting a development model that puts ownership of natural resources back in the hands of the Venezuelan people, more equitably distributes the country's oil rents, fosters cooperatives for the national production of goods, re-distributes fallow lands for public use and balances the needs of private capital with the needs of Venezuela's people. Internationally, Venezuela's new constitution and direction put additional emphasis on working towards a multi-polar world, the right to sovereignty and self-determination, South-South cooperation and the political unity of South America.

What is remarkable and a sign of the political maturity of the Venezuelan people is that all these changes have taken place over the course of seven elections and referenda, all in peace and democracy, despite repeated efforts by internal and external forces to destabilize the inevitable process of change under way in Venezuela. These efforts have included a military coup supported by Washington against President Chavez, the sabotage of the oil industry which cost the country over \$10 billion in 60 days, and an economic stoppage led by some industrialists and business owners that sought to break the back of the Venezuelan economy. I cannot think of any other country in the region that could have resisted, or any other government that could have survived such hostility. But the Venezuelan people and their democratically elected government survived and became stronger. Venezuelans risked their lives to rescue the President from



imprisonment during the coup and brought him back to power; rescued the oil industry from the hands of the saboteurs and withstood the hardships brought about by the economic stoppage without jeopardizing the democratic order. Even more remarkable is that through all of these crises, the government led by President Chavez neither declared a state of emergency nor sought to suspend constitutional guarantees.

In practice, Venezuela's new vision for democracy and development has yielded a number of positive results. In terms of the country's political arrangement, citizens are more engaged than ever before, participating at various levels of government and exercising more control over their own affairs. In a historic change, Venezuelans can now employ the referendum to cut short the terms of elected officials or vote down laws. According to a region-wide survey by independent polling firm Latinobarometro, Venezuelans are second most likely in the region to call their country "totally democratic," and 57 percent are satisfied with their democratic system – the highest number in recent history. The economy has continued to grow – 9.6 percent in 2006, one of the highest rates in the world – and diversify, and 59 percent of Venezuelans ranked their economy as better than 12 months ago. The number of economic cooperatives has grown from 800 in 1998 to 181,000 in 2006, and more than 2 million hectares of land have been distributed to 10,000 families. Social programs have put 20,000 doctors in Venezuela's poorest neighborhoods thanks to the invaluable help from the people and government of the Republic of Cuba. Moreover, social programs have offered access to free education, subsidized foods and job training, while poverty has fallen from 40 percent in 2005 to 30 percent in 2006,



according to the World Bank. Put together, polling firm Consultores 30.11 found that 68 percent of Venezuelans feel positive about the state of the country.

Internationally, Venezuela has promoted – by constitutional mandate – the political integration of Latin America, creating a number of regional oil initiatives (PetroCaribe, for example, offers special financing for oil purchases to the countries of the Caribbean) while participating in the creation of a Bank of the South and a regional television broadcaster, *Telesur*, which will soon begin broadcasting in Europe. We are also promoting the broadcast of *Telesur* to the Spanish speaking community in the U.S. Venezuela has also offered aid to various countries and pushed the creation of a regional development fund. Similarly, Venezuela has expanded its ties with the Global South, increasing the number of embassies in Africa from 8 in 2005 to 18 for 2007 and cementing political, economic and social exchanges with India, China and the countries of the Middle East. Venezuela's active foreign policy has also included a close relationship with the people of the U.S. In 2006-2007, Venezuela delivered discounted heating oil to close to 500,000 families in 16 states and in 173 Native American tribes, while sending an additional shipment of 2.5 million barrels of gasoline after the disaster of Hurricane Katrina. The horrific aftermath of Katrina shows that the problem of poverty and exclusion is a problem that affects us all.

Generally speaking, the administration of President George W. Bush has looked upon Venezuela's new direction with disdain, skepticism and concern. Why? Because these goals have clashed with Washington's

insistence on free trade as the only means to development, representative and elite-based democracy as the only viable political organization of society and the use of preventive war and transformational diplomacy as its main diplomatic tools. Also, the horrific attacks of September 11, 2001 brought back many of the policies and personalities of the Cold War, harking the return of a hegemonic and paternalistic pattern of interacting with the hemisphere that dates back to the Monroe Doctrine of 1823. This has brought a loss of confidence and a deterioration of the image of the U.S. in the region. The U.S. continued attempts to dictate to other countries the actions they should take, the path of development they should follow and its mantra that you are “either with us or against us” has put it at odds with countries in the region and around the world. For example, initiatives for the “promotion of democracy” seem to be a component of its preventive war and transformational diplomacy strategy that assumes a universal definition of democracy. In Venezuela, these initiatives have often benefited organizations of civil society that have taken anti-democratic actions against the government of President Chavez.

Washington’s support for the coup that overthrew President Chavez from power in April 2002, along with its policies in the Middle East, has made many in Latin America skeptical about the true intentions of the U.S. It was only recently that President Bush started speaking of the importance of achieving social justice in the hemisphere, and even then it was seen more as a means to isolate Venezuela than a true recognition of a new and different Latin America. Venezuela would like to believe that this new proposal for change in U.S. vision and policies for the region are indeed sincere. However, the proposal to designate barely \$1.67 billion for assistance to the region next



year makes us skeptical. After all, this is approximately the amount the U.S. currently spends weekly in the war in Iraq. Moreover, there is skepticism about the double discourse and dual morality with which the U.S. administration deals with sensitive topics such as terrorism. The United States continues to ignore its legal obligation to extradite the terrorist Luis Posada Carriles to Venezuela for 73 counts of first degree murder in relation to the downing of the Cubana de Aviación passenger plane in 1973. Venezuela asked for his extradition in May of 2005. Rather than extradite or prosecute him, the United States may soon release him. He has a bail hearing in El Paso, Texas today (April 3) at 1 PM Texas time, where he is being tried not for murder or terrorism—but for lying to the Immigration Service. Venezuela believes terrorists ought to be prosecuted, not protected. The U.S. war on terrorism cannot be premised on a double standard. Meanwhile, the U.S. has placed unilateral sanctions on Venezuela for what it considers to be my country's lack of cooperation in the fight against terrorism, accusing Venezuela of providing safe heaven to the FARC of Colombia. This despite repeated statements from Bogota that praise Venezuela's efforts in that country's fight against terror and my country's effort to support the peace process in Colombia. For Washington, standards on such sensitive matters seem to change depending of whether you are a friend of the administration or not.

Venezuela's new direction is not a threat to the interests of the U.S., but it is a challenge to its hegemonic vision of the world and the hemisphere.

The presidential election of December 3, 2006 marked another step in Venezuela's democratic revolution. With 75 percent turnout, some 63 percent of the Venezuelan people re-elected Hugo Chavez as their president.

After seven years in power, President Chavez achieved what can be considered a remarkable political victory anywhere in the world: he obtained 1.7 million more votes than he did when he was first elected in 1998. With a renewed mandate from the Venezuelan people, President Chavez and his government are deepening and expanding a model of democracy and development that places emphasis on social justice, participatory democracy, regional integration and multi-polarity. Other countries are similarly pursuing such paths according to their means, the wishes of their people and their particular historical circumstances. What these new governments represent is a renewed debate over how democracy and development are to occur, what role the state and the people are to play, what role natural resources should play in the development of their nations, and how those processes will shape the international system, particularly relations among nations in our hemisphere. All nations of this hemisphere, and the structures that were created after World War II to manage the Inter-American system, face the challenge of adapting to these new realities. We, in Venezuela, are committed to the promotion of social justice and to addressing the historical frustration that have afflicted so many of our people that were historically excluded from the development processes. We are also committed to promoting a hemisphere where relations among nations are based on mutual respect, cooperation, solidarity and integration. In Venezuela, we are not proposing anything against the U.S. What we propose is in favor of the countries in Latin America. This must be understood as such. For Venezuela, our time is surely not the “end of history”. It’s only the beginning.

Thank you.