

CHAPTER 3

Why Polarize?

The pros and cons of rational choice as a tool for analyzing government-opposition relations in Venezuela under Hugo Chávez¹

By Javier Corrales

This chapter seeks to show how deliberate state policies to promote polarization affected regime type in Venezuela under Hugo Chávez (1999-present). Venezuela has always been a favorite case for studying regime change. In the 1970s, Venezuela was considered a paradigmatic case of unexpected democratic consolidation. Then, it became a paradigmatic case of democratic “unraveling,” first under a two-party system (in the 1980s) and then, under party fragmentation (in the 1990s).² In the 2000s, Venezuela emerged as a paradigmatic case of “competitive authoritarianism.”³ I will argue that it is impossible to understand this evolution of regime type, especially the emergence of competitive authoritarianism, without invoking the deliberate pursuit of polarization by the state.

A few months into Chávez’s administration, Venezuela came to exhibit the highest degree of political polarization in the country since the late 1940s. To explain this polarization, I propose a (semi) game-strategic argument. Polarization under Chávez, I argue, is not so much the result of entrenched and thus inevitable socioeconomic clash between classes, as a structuralist analysis would contend, but rather, an artifact of state design. Recent work on polarization shows that often it is political elites, rather than the masses, who promote or incite

polarization.⁵ I build on this insight to show that the Chávez administration discovered early on the political payoffs of polarization and soon became its most important promoter. The onset of state-society confrontation under Chávez might not have been intentionally impelled by the state. But once polarization set in, the state realized that the gains from sustaining it exceeded the gains from abating it.

The burden of any intention-driven argument for polarization such as the one I put forward rests on showing exactly how polarization can reward incumbents more so than alternative policies. In this paper, I make that point. I illustrate how, given the distribution of voters in Venezuela in the first half of the 2000s, it was more rewarding for the incumbent to exaggerate rather than reconcile conflicts across the political spectrum.

Nevertheless, I also want to identify some limitations of a strictly rational-choice analysis. In looking at the behavior of the state under Chávez, it is clear that the state's preference on behalf of polarizing policies actually intensified even when evidence surfaced of declining electoral rewards, especially after 2007, and changes in the behavior of the opposition in the direction of greater moderation. This suggests that electoral incentives and counterpart emulation (tit-for-tat)—two key elements in any rational-choice account of polarization—are not the only feeders of radical politics in Venezuelan. Other factors play a role, and I conclude with a brief discussion of some of those other factors, namely, increasing homogenization of the ruling party, and more importantly, path dependence.

In short, this paper seeks to show both the advantages and limitations of relying on semi rational choice tools to explain the origins of one of Latin America's most memorable cases of polarization in decades, and one of the world's most renowned cases of competitive

authoritarianism. My focus will be on the electoral reasons that encouraged the state to change the regime change toward competitive authoritarianism—not because I think that electoral incentives is the sole explanation for this move, but because it strikes me as the most understudied factor and the one that can best explain the result—the odd combination of electoralism with autocracy, and progressivism with reactionary policies that is the hallmark of Venezuela under Chávez.

I. Polarization⁶

All scholars agree that Venezuela under Chávez became highly polarized. Yet there is no consensus on the origins.

Polarization could be defined as a situation in which two leading forces compete politically by moving increasingly in opposite directions: Ideologically, the leading poles become farther apart, with fewer areas of common ground. Discursively, they adopt increasingly insulting language to refer to each other. And policy-wise, they refuse to engage with each other through institutional means: state holders exclude the opposition from policy deliberations, and the opposition adopt increasingly “disloyal” forms of behavior such as street marches, electoral boycotts, and obstructionism.⁷ Two years after Chávez came to office, the political system was fully polarized to a degree seldom seen in Venezuela and rare even for Latin America.

There are two main schools of thought on the question of polarization under Chávez. For structuralists, polarization in Venezuela stems from old winners (mostly white elites, mostly leaders of the traditional parties) refusing to accept newly empowered but previously excluded

actors, mostly, the majority of Venezuelans, who happen to be non-white, poor, disconnected from traditional parties and victims of two decades of economic contraction.⁸ All scholars agree that Chávez's electoral strategy in 1998 consisted precisely in mobilizing this broad constituency of economically and politically disaffected Venezuelans, advocating a turn to the left. According to this view, in moving to the left and employing aggressive language toward opponents, the state under Chávez has merely reflected a pre-existing polarized social structure characterized an irreconcilable conflict of interest between the haves and the have-nots, the politically included versus the excluded.⁹ Any state has to choose sides, and the state under Chávez chose to side with the latter group, leading to policies that simply reflected societal polarization.

There is no question that by the time Chávez took office Venezuelan society had been accumulating tensions between economic winners and losers for two decades. However, the argument that the state simply reflects a pre-existing class-based societal polarization faces some empirical and theoretical problems. Empirically, there is evidence that by 2003 and to this day, the opposition to Chávez came to include a multitude of income levels (not just the rich), regions (not just wealthy urban neighborhoods), and ideologies (not just the right, but also groups that actively fought with Chávez actively and ideologically against the status quo). Theoretically, the key problem is that it fails to consider the idea that extreme positions in politics are often the willing choice of politicians who see political advantages in provoking rather than accommodating their opponents.¹⁰ Many societies are riddled with intense conflicts and cleavages, and yet political parties may decide to interact with other cooperatively rather combatively regardless of existing cleavages.¹¹ The second school of thought on polarization is

therefore the idea that the state, or the ruling party, deliberately attacks opponents and chooses extremist and thus polarizing policies.

One problem with this second school of thought is that it seldom specifies the conditions under which this strategy breeds results. Polarization some times rewards incumbents, engendering electoral majorities for rulers, but other times it fails to pay off. In this paper, I seek to show the conditions under which polarization might work to the incumbent's advantage. Specifically, I will argue that the expected payoff for the state of polarization depends on the distribution of ideological preferences across the electorate. In some electoral environments, polarization pays for the incumbents; in others, it doesn't. This chapter shows which electoral environments yield more payoffs to a polarizing administration than other environments.

II. Polarization in Eight Steps: Government-Opposition Relations 1999-2006

Before demonstrating the political payoffs of pursuing polarization, I begin with a radiography of polarization in Venezuela from 1999 to 2006. The object of this quick overview is to generate inductively a theoretical account of how polarization comes about. In this account, polarization occurs as a result of state-initiated policies, namely, a series of power grabs by the president. From this point forward, Venezuelan politics polarized between incumbent and opposition in a manner that, analyzed using some rational-choice tools, was fairly predictable, to a point.

1. The first step in the rise of polarization in Venezuela was a major *power grab* on the part of state-holders. A power grab consists of an expansion of control over crucial political institutions at the expense of the opposition. All transfers of powers after democratic elections involve some form of power grab by winners, but in Venezuela in 1999-2001, the power grab went far beyond what anyone had expected. The power grab occurred through formal, informal, and in some cases, unconstitutional mechanisms, all in a period of two years. It included:

- a) the president's imposition, against the recommendations by an official advisory board, of an electoral rule for electing delegates to a constituent assembly, doing away with the traditional system of proportional representation in favor of a majoritarian system;
- b) the speedy enactment of a hyper-statist, hyper-presidentialist, anti-party, pro-military constitution¹² by an assembly in which the opposition had less than five percent of seats;
- c) the abrogation of political institutions in which the opposition had a presence (the new constitution permanently abolished the Senate; the constituent assembly decreed the temporary suspension of all public authorities including the Congress but not the president); the creation of a new legislative body, the *Congresillo*, consisting of 11 members of the constituent assembly and 10 unelected appointees.
- d) the re-staffing with loyalists of the national electoral monitoring body (the CNE) and the judicial system (unconstitutional means);
- e) the cessation of subsidies to unions, together with attempts to dissolve unions;

- f) the effort to increase control over the education system (the 1011 Decree creating new state-appointed supervisors for schools) (informal means);
- g) the 2001 enabling laws, which gave the Executive full discretion to change legislature without consultations or approval on 49 different laws;
- h) the creation of Círculos Bolivarianos in April 2001, which were groups of citizens, often armed, charged with defending the revolution in local neighborhoods.¹³

It is important to highlight that these measures were less radical than some measures advocated by many chavistas and sometimes even Chávez.¹⁴ In addition, in the area of economics, the changes were probably less radical than in the realm of politics, which frustrated one of Chávez's main political ally, the PPT (Patria para Todos, glossary needed for acronyms).¹⁵ Chávez's power grab was mostly at the level of politics and political institutions. More so than any previous administration, Chávez reduced the power of organized political groups and expanded the powers on the Executive branch dramatically in two years. For the opposition, these measures meant only one thing: "the elimination of horizontal accountability".¹⁶

2. Presidential power grabs have a predictable consequence for government-opposition relations. In addition to lessening horizontal accountability, the power grabs *increase the insecurity* of the opposition. This new insecurity, in turn, had its own predictable secondary effect: it helped the opposition solve collective action problems and thus encourage *unification*. Consistent with the classic argument made by O'Donnell and Schmitter¹⁷, and reiterated more recently by rational-choice scholars,¹⁸ power grabs by state-holders increase the stakes of politics and the insecurity of those who do not control the state. Power grabs make those in the

opposition feel more precarious than how they felt shortly after losing the more recent elections. The opposition feels that they have been denied resources, institutional doors, and arenas to compete. As realists in international relations theory argue, power concentration and perceptions of threat lead to alliance formation.¹⁹ By the same token, ideologically incompatible opposition groups, feeling equally threatened by rising presidential powers, began to join forces against the state. Heightened fear revives and emboldens the opposition, which begins to consider more radical, extrainstitutional means to assert itself.²⁰ Venezuela thus experienced what Norden deems the surest way to radicalize the opposition: the state became both “combative” and “exclusionary.” This explains why Venezuela’s fragmented party system suddenly coalesced into a united front (the Coordinadora Democrática). The opposition proved capable of organizing one general strike, 19 massive marches—some of the largest ever in Venezuela—endless cacerolazos, and two massive signature-collection campaigns demanding a recall referendum, all in the space of two years.²¹ The resuscitated opposition did not agree on all tactics or even on a common leader, but its ability to act in unison had never been this clear in Venezuela’s democratic history.

3. Power grabs also have a predictable effect on incumbent forces: *soft-liners defect*, causing a significant recomposition of incumbent forces.²² Defections were seen across close advisers to the president, allied parties, cabinet members, pro-government legislatures, the military and key electoral constituencies. As early as 2000, for instance, three close friends of Chávez and leading participants of the February 1992 coup left the movement; one of them, Francisco Arias Cárdenas, ran against Chávez in the 2000 election.²³ A second one, Luis Miquilena, Chávez’s first minister of the interior and close campaign adviser, also joined the

opposition in early 2002, because he didn't want his name to be linked with a government that is "stained with blood" and which makes laws "in which no one participates."²⁴ In addition, the ruling coalition suffered the defection of one of its most important party allies, the MAS, several leading legislators (Ernesto Alvarenga, ex leader of the MVR parliamentary bloc), and smaller party, the PPT (Alí Rodríguez's party), which defected in protest of Chávez's numerous military appointments.²⁵

There were defections among cabinet ministers as well, leading to a very high degree of cabinet instability during Chávez's early years. Table 1 provides the rate at which Venezuelan presidents changed cabinet yearly. It shows that the Chávez cabinet has been the most unstable cabinet since 1958 by far, even exceeding the second Pérez administration, which had been the most embittered of all. Most of the instability occurred between 2000 and 2004. Even sectors of the military defected.²⁶ There are many reasons for high turnover rates (firings, policy change, internal struggles, etc.). But a significant factor was also voluntary cabinet departures due to ideological or policy disagreements with the president.

<TABLE 1 ABOUT HERE>

Many members of the National Assembly switched to the opposition as well. By early 2005, the share of seats in the National Assembly controlled by the ruling party coalition was 51 percent, down from 65.5 after the 2000 legislative elections.

Defections occurred not just at the level of political and military leaders, but also among Chávez's two core constituency, the previously disenchanted voter, and the very poor. The former group consisted of ardent critics of the status quo ante who also supported Chávez's

election and became dismayed by the way in which the new majority ended up replicating, rather than mending, the old majorities' proclivity towards exclusion. The latter group defecting group was the least expected. The defection of the very poor is clear from a series of public opinion polls in 2000-2003 that identify the social class of respondents (Diagram 1): Chávez's approval ratings among the very poor, initially almost overwhelmingly high, declined precipitously. Chávez's approval ratings plummeted across all income groups (A/B = upper-most income category; D = lowest income). Disapproval rates in 2003 surpassed approval rates in all income categories.

Defections of this magnitude—across leaders, professional peers (military officers), organizations and voters—were last seen in Venezuela during the second Carlos Andrés Pérez administration (1989-1993), when significant portions of his party and constituents abandoned him, producing a destabilizing “black hole”²⁸ These defections are a predictable response to deliberate pursuit of radical policies.

<DIAGRAM 1 ABOUT HERE>

4. Defections have a huge feeding-effect on polarization: they *change the balance of forces* between incumbents and the opposition. First, defections allow the opposition to obtain new allies and, more important, new reasons for hope: they feel that they have a good chance to unseat state-holders, and they feel vindicated. This is one more reason that the opposition felt so galvanized in 2001-2004. Second, defections make the incumbent feel increasingly insecure (as a result of its political shrinkage) and, more important, further inclined toward radicalization (because moderates are leaving, and the president's inner circle becomes more homogenous and

radical-dominated). In short, extremism on each side becomes *mutually reinforcing*. Once the political system splits between an inflamed and revived opposition and a shrinking and less moderate incumbent force, each side experiences a spiraling sense of political threat. The opposition observes the incumbent taking increasingly hard-core positions; the incumbents observe the opposition adopting increasingly obstructionist positions, for example, the marches and the call for resignation. Observations of reality confirm everyone's suspicions that adversaries are threatening.

5. Each pole increases its preference for engaging with each through *extrainstitutional* actions. The opposition prefers extrainstitutional because it feels emboldened by a surge in numbers and yet denied of institutional opportunities to influence policy. Thus, the Venezuelan opposition participated in the marches of 2002-03, the coups of April 2002, and the oil strike of the winter of 2002-03, while using the media to virulently attack the government. The government in turn feels that existing institutions, such as the organizations of civil society, remain in the hands of opponents and, because it is suffering defections, it worries about elections. Thus, Chávez pursued further power grabs in 2002-2003 to maintain its hold on power: the illegal firing of 20,000 oil strike workers, further attempts to politicize electoral institutions and avoid a referendum, declining inclusion of opposition in policy dialogues.

6. At some point, polarization results in *some type of showdown*—the state calls in the military to repress, the opposition decides to take up arms, or both sides work out an institutional solution. In Venezuela, the showdown took place in the form of an epic fight for a recall referendum between 2003 and 2004.²⁹ The government took great effort to prevent this plebiscite from taking place. For a government that was claiming to be so democratic, these

delays were a blatant contradiction, to say the least. But the opposition's mobilization together with international pressure compelled the state to finally agree to carry out the referendum. Each side devoted huge resources to win, but the state's spending campaign was simply unprecedented and in the end decisive, reverting the incumbent's approval ratings and allowing the president to prevail electorally.³⁰

7. Beyond this showdown, it is unclear how the opposition will respond. This is where the game-theoretic approach becomes a bit more indeterminate. Analysts have spent a lot of time explaining the government's victory in 2004. But an equally important question is why the opposition did not respond violently, when so many were convinced that the process was unfair and the outcome fraudulent. Instead, the opposition went into a peaceful retreat that has lasted until 2006. Maybe it was exhaustion, demoralization, lack of international support, internal recriminations, the sudden economic boom starting in 2003, or a combination of the above that explains this retreat. Whatever the cause, the sudden deflation of the opposition was indeterminate and cannot be explained deductively with rational choice arguments.

8. Equally indeterminate is the state's behavior following this showdown. In Venezuela, another unexpected development was the state's decision to carry out further power grabs following the 2004 referendum. Why would a winner in a political struggle, in this case, the incumbent, pursue radicalization rather than reconciliation.³¹ Prior to 2004, one possible explanation for persistent polarization is that the opposition also turned hard line. But after the 2004 referendum, the opposition became increasingly tame, in part demoralized by its stunning defeat. The new president of Fedecámaras, for instance, José Luis Betancourt, announced his willingness to accept the government's economic policy. The opposition accepted to participate

in the 2006 presidential elections and was not involved in a single act of violence or disruptive strike. And yet, rather than engage in a process of reconciliation, as some victors do, the incumbents in Venezuela responded to their 2004 electoral victory by escalating extremist political decisions that further scared the opposition. The government drafted a new military doctrine to prepare the country against “an asymmetrical war,” embarked on the creation of 2 million urban reservists to help in the “maintenance of internal order,” expanded the presence of Cuban technical advisers from 20,000 to 50,000, surprisingly announced—abroad, in Porto Alegre—that he and his governments were “socialist” (no more emphasis on participatory democracy), reformed the criminal code to ban *cacerolazos* (pot-bangings) and acts of disrespect against public officials, turned more aggressive in prosecuting citizens of the opposition who participated in the April 2002 march and targeted more than 800 private properties for expropriation in 2005. Furthermore, between 2005 and 2006, the government activated the largest job discrimination and welfare discrimination in the history of Venezuela, using electoral lists (Lista Tascón and Lista Maisanta), which included how people voted in the referendum, for deciding who garnered state employment and benefit collection.³² All these acts were polemical, to say the least, and highly threatening to opponents.

II. Why polarize?

If my argument that Venezuela’s polarization in 2001-06 was intentionally driven by the state is correct, I must be able to show motive. This can be done by looking at electoral payoffs, and whether pursuing radicalization can ever be electorally rewarding. This electoral payoff

from radicalization can be demonstrated by examining the electoral consequences that different strategies—moderation and radicalization—on the political loyalties of different voting blocs across the ideological spectrum.

Moderation and radicalization have different impacts on voters depending on their position in the ideological spectrum. Let us assume that a leftist government decides to pursue moderate policies such as establishing a cooperative relation with the U.S. and the opposition, as well as promoting pro-business policies, the so-called shift to the center in policy. This would have the following impact: the center-left applauds and becomes supportive, but the extreme-left becomes disappointed. The extreme right, never happy with a center-left government, remains unimpressed. The complications occur within the center-right, which probably splits into three groups: one small portion supports the government (the result of pro-incumbent pull in presidential politics); a second portion becomes ambivalent, not exactly sure how to respond (swing voters, or what in Venezuela are called the “*ni/ní*”); and a third group simply joins the opposition.

If a leftist government instead decides to radicalize, for example, by pursuing a heavy dose of statism, issuing decrees, increasing nationalizations and expropriations, or inviting 20,000 plus Cuban advisors to come in, which in Latin America is a clear marker of radical preferences, the consequences across the political spectrum are different. First, the extreme-left becomes loyal. Second, the extreme right panics and becomes even more extremely disloyal. This in turn has an impact on both the center left and the center right.³³ The center left splits, with the majority moving further to the left (in shock at the rise of a radical right) and a minority

staying in an ambivalent position, repulsed by the extreme position of each camp. The center right suffers a similar split.

<TABLE 2 ABOUT HERE>

For the sake of the analysis, Table 2 stipulates a series of hypothetical rules based on the previous analysis. In a nutshell, state policies of moderation splits the center-right three ways (support, ambivalence and defection), and policies of radicalization split both the center-left (two thirds turns supportive; one third turns ambivalent) and splits the center-right in a mirror image (one third turns ambivalent; two-thirds turn to the extreme right).

If one applies these hypothetical rules to different political settings, the political payoffs of moderation and radicalization become easy to see. Loyalties to either the government or the opposition will vary the more asymmetrical the ideological distribution of voters. Table 3 provides political settings with various degrees of asymmetry, that is, in terms of proportion of left to right, and proportion of extreme left to center left. The table also provides the number of supporting, ambivalent and opposing forces that given each setting, would result from moderation versus radicalization.

The first setting consists of a political spectrum in which moderate voters dominate. This setting reflects the median voter assumption, namely, that most voters are concentrated in the middle of the spectrum. Table 3 lists two possible cases under this context: extreme forces constitute tiny minorities (Case A), and extreme forces constitute larger minorities (Case B). Applying the rules from Table 2 to Case A shows that a strategy of moderation is unambiguously optimal for the incumbent: it maximizes the number of supporters (relative to a policy of radicalization) and minimizes the number of opponents. For Case B, moderation is less optimal

but still appealing: while moderation increases slightly the number of opponents, it significantly increases the number of supporters relative to a policy of radicalization.

<TABLE 3 ABOUT HERE>

As the size of the left increases relative to the right, and with it, the proportion of the extreme left, the political payoffs reverse completely. Rows C and D show political settings in which the median voter assumption has been altered by increasing the overall size of the left relative to the right by 20 points. In case C, the moderate left is stronger relative to the extreme left; in case D, the reverse is true. In both cases, a strategy of polarization is more appealing for the incumbent: it always produces more supporters than opponents. Although in case C radicalization reduces the number of supporters relative to moderation, it is still an appealing strategy because it diminishes significantly the number of defectors.

The final set of cases relaxes the median voter assumption further: the left is far larger than the right (65 to 35). In these circumstances, polarization is even more preferable: it increases the number of supporters relative to defectors by a significant degree.

An important observation from Table 2 is that it is not necessary for a majority of the electorate to be extreme left for a leftist government to derive political payoffs from radicalizing. Even in situations where the extreme left represents a small 20 percent of the electorate (Case C), a leftist-government can profit from radicalization, provided the left in general is larger than the right.

In another paper I provide evidence that Venezuela in the early 2000s probably found itself somewhere among cases C, D, E: the left, and in particular the extreme left, were strong relative to the right, albeit not majoritarian.³⁴ Under these conditions, radicalization can be politically rewarding for a leftist incumbent. Radicalization is thus more supply-side than demand-side driven. It is preferred by the incumbent due to its political advantages, rather than demanded by a majority sentiment in the electorate.

III. Tangible and Intangible rewards

Political reward does not mean absence of risk. While pursuing radicalization can increase the number of supporters and reduce the number of opponents, which is optimal for incumbents, it yields a new type of risk: the size of ambivalent groups increases. These are voters who are undecided about which pole to support. By definition, ambivalent groups have unfixed loyalties. As Table 3, case C shows, choosing radicalization over moderation leads to a huge increase in these ambivalent groups. Ambivalent voters can be risky for the government. Insofar as their loyalties remain in flux, ambivalent groups can at any point gravitate toward the opposition. The safest strategy for any government is to find a way to court these groups, or least prevent them from ever siding with the opposition.

Most polls provide evidence that the expectation derived from Table 3 took place in Venezuela: ambivalent groups increased soon after Chávez began to radicalize. By July 2001, one reputable poll was already beginning to classify some Venezuelan voters as “repented chavistas”.³⁵ The size of repented chavistas swelled from 8.9 percent in February 2001 to 14.7

percent in July 2001 and 32.8 percent in December 2001.³⁶ By June 2002, these repented chavistas turned into “light chavistas,” “light anti-chavistas,” and “hard anti-chavistas,” confirming the hypothesis that radicalization yields incumbent defections. By mid 2002, the government found itself confronting the largest amount of opposition since coming to office.

The key point is simply that even in situations of polarization, the size of the swing group is nontrivial and likely to grow. They are far more important than in situations of moderation. And in cases C and D, ambivalent groups can turn to the other side, thereby imperiling the government. Thus, even radical leftist governments pursuing polarization, and thus maximizing supporters, need to develop strategies to deal with ambivalent groups.

What has the Chávez administration done to address ambivalent groups?³⁷ This is where the three other pillars of chavismo in office come into place: clientelism, impunity, and job discrimination. These practices exist in all regimes. But in Venezuela under Chávez, they assumed two key characteristics: they became 1) very central to the regime, and 2) very targeted toward the *ni/ni* groups.

Clientelism refers to the distribution of material benefits from a strong political actor (in this case, the state) to a less powerful actor (in this case, ordinary citizens and small civil society organizations). In the context of a radical-leftist government, clientelism is likely to work mostly among the less ideological sectors of the population: the extreme left does not need clientelism to support a radical-leftist government, the extreme right will not be swayed by it either. In the context of polarization, clientelism works mostly to court the less ideologized voters.

The other strategy that Chávez has deployed is corruption.³⁸ In contrast to clientelism, corruption entails passing benefits from strong actors, in this case, the state, to other strong

actors, such as the military or business groups. Like clientelism, corruption is a strategy designed for the non-ideologized groups. Because strong actors can act as major veto groups, not just of policy but also of the administration tenure in office, it is important for governments in unstable political settings to deploy significant resources to deal with powerful actors.

To explain the explosion of corruption under Chávez, it is perhaps not necessary to invoke the rise of ambivalent groups in need of being coopted. Invoking the oil boom and the lack of accountability that characterized the regime is enough to provide an explanation for rising corruption. What the rise of ambivalent groups help to explain is the main destination of the corruption under Chávez. In situations of radicalization, the opposition is so galvanized that it is vital to have a mechanism for coopting elites (military and business groups), as a potential shield against possible coups. Chávez began to offer corruption and impunity to the military almost since the first day in office and he started offering corruption and impunity to cooperative business groups in 2003, when state revenues began to swell. The final strategy deployed by the Chávez administration to deal with ambivalent groups is job discrimination. The Chávez administration, in no uncertain terms, has repeated that the largest benefits of his administration (government jobs, government contracts, and government subsidies) are earmarked exclusively for supporters, which the government in 2006 called the “*rojo, rojos*.” Matching names in the Maisanta List with household surveys, Rodríguez et al. find that voters who were identified as Chavez opponents experienced a 5 percent drop in earnings and a 1.5 percentage point drop in employment rates after the voter list was released.³⁹ In addition, the government does all it can to publicize the notion that it knows who signed the recall referendum petition (via the famous Lista Tascón and Lista Maisanta).⁴⁰ The Chávez administration thus likes to portray itself as a

watchful government that rewards supporters and punishes opponents through exclusion from clientelism, corruption and government jobs. This is meant to convey that there are large gains from staying loyal and large losses from dissenting. Again, this is a strategy that affects mostly the non-ideologized, ambivalent groups.

In sum, the chavista coalition changed enormously by 2005. Back in 1999, the movement offered a progressive ideology that promised to free Venezuela of the stranglehold of the old parties and repeated economic crises. This agenda was pro-change, but not radical. It attracted the vast majorities. Since then, the agenda has turned radical. This attracted the loyalty of the extreme left, but it also created polarization, and with it, two poles, but also a large group of ambivalent groups. To keep this ambivalent group from completely defecting, the administration has relied on clientelism, impunity, and job discrimination. These latter strategies allowed the government to target ambivalent groups and thus increase the number of supporters beyond that which the extreme left bloc provides.

Consequently, the coalition of leaders and voters who support Chávez in the 2006 election was different from what it was in the beginning. It was revolutionary, but also, conservative. Chávez's supporters no longer included extreme left and the losers in Venezuela, but new and old winners: welfare recipients, actors with ties to the state, and those who profit from corruption. Although these winners came from different income groups (welfare recipients are mostly poor, state employees come from the low middle classes, and corrupt folks are wealthier), they share the same electoral objective — to preserve their gains. These gains are access to social programs, state jobs and contracts, and impunity. What unites these groups is a fear that the opposition will take away their gains.

We can now understand why the Chávez administration relies on radicalism *and* intense clientelism/impunity/intimidation. The former maximizes the number of supporters relative to defectors, due to the large albeit not majoritarian status of the extreme left, but it also increases the number of ambivalent groups. The latter policies target ambivalent groups. Combined, both sets of policies give rise to an electoral winning coalitions that, paradoxically, include an odd combination: committed revolutionaries and less-ideologized, state-dependent actors, many of whom are social elites. In addition, the government seeks to encourage the abstention of opponents (by never entirely offering guarantees that the vote is secret and safe). The aim is to win elections by more than a small minority.

IV. Power grabs after 2006: The RCTV Case, the Constitutional Reform, and the 2008 Elections

After 2006, the government pursued its radicalization drive further. The three most important examples were: the May 2007 decision not to renew the operating license of Radio Caracas Televisión (RCTV), the proposal to reform the constitution, and the decision to blacklist opposition candidates for the 2008 elections for governors and mayors. Yet, this time around, there was no substantial electoral payoff. This section discusses each of these policies of radicalization, and then, why there was no electoral payoff this time around.

A. The RCTV case

RCTV was the most widely viewed TV network in the country, covering 90 percent of the territory with 35-40 percent of audience share, consisting mostly of poorer and uneducated

sectors. Its programming focused mostly on comedy and soap operas. In December 2006, Chávez announced that he would not renew RCTV's license. The government never tried to conceal its political bias: its argument for shutting down RCTV was that the station "supported" the 2002 coup and since then had been broadcasting critical stories about the government. RCTV responded that the license was not due to expire in 2007 and that these were unfair, unproven allegations, and thus unfounded grounds for shutting down a media company in a democracy.

Venezuela's ambassador to the U.S. called the suspension a "simple regulatory matter."⁴¹ Yet, the suspension of RCTV's license represented one of the most serious attack against the media, and thus, freedom of expression, in the entire Western Hemisphere since the transition to democracy in Latin America began in the early 1980s, arguably as serious as Fujimori's decision to take over Channel 12 in 1997. The Chávez government acted without trying any RCTV authorities to prove guilt, consulting the public through a referendum, or discussing the issue with the National Assembly.

During the five-month period between the date that the decision was announced and the date in which it was finally carried out, almost every major opposition group and well renowned international NGOs condemned the government's plan. As the decision date approached, with the government showing no sign of remorse, a series of massive protests by university students enveloped various cities, prompting the government to use tear gas, rubber bullets, and water cannons.

Hinterlaces, a polling firm that accurately predicted Chávez's victory in December 2006, revealed that more than 74 percent of the population disapproved the RCTV decision, which

plunged Chávez's approval ratings to 31 percent, the lowest since 2002.⁴² Condemnation from abroad was also harsh: The socialist Spanish government, the European Parliament, the French Socialist party, the Brazilian and Chilean senates, the Costa Rican congress, Human Rights Watch, and Reporters without Borders, and Amnesty International, among other international NGOs, strongly condemned Chávez. Not since 2004, did Chávez face such a massive form of domestic and international condemnation. Chávez responded by calling his critics "saboteurs" and "lackeys of imperialism,"⁴³ telling them "*qué se vayan al carajo*," a more vulgar way of saying that they can go to hell, threatening to unleash "Jacobin revolutionary violence" against them,⁴⁴ and traveling to Cuba on June 13.

B. The Constitutional Reform Case

The 2007 proposal to reform the constitution constituted an even more serious attempt to enlarge presidential powers than ever in Venezuela since 1958. This proposal was concocted through extremely undemocratic channels. The president designated a small, secretive group of advisers to draft the proposed changes, without much input from anyone else in Venezuela, not even close political allies. The resulting proposal—a 44-page single-space document—constituted the most radical blank check on presidential powers in the democratic history of Latin America. Here are some highlights:

1. The president's term in office is extended from 6 to 7 year.
2. Indefinite reelection is allowed for the president but not for any other elected office.

3. Presidentially-appointed “consejos comunales” receive constitutional ranking as the key government units at the local level, thereby bypassing and possibly replacing local and regional elected offices. Chávez spoke of creating 600,000 new such consejos.⁴⁵ No mention was made as to whether members to these consejos would be elected democratically or not.

4. The “missions” obtain constitutional ranking. Because these programs are under the complete jurisdiction of the president, assigning them constitutional ranking would undermine the authority of local and regional offices (all elected bodies) to provide social services.

5. Private monopolies are penalized, but state monopolies (on strategic sectors of the economy) are expanded. The state would obtain the right to expropriate private property without prior judicial authorization.

6. The reforms sought to eliminate article 115 which stipulates that all persons have the “right to...enjoy and use freely (“disponer”) their property (“bienes”),” thereby abolishing the right to private property.

7. External funding of political groups would have been banned (while simultaneously allowing the state to finance the ruling party).

8. The reforms expanded the number of vice presidents, all of whom would be designated without legislative approval.

9. The constitution would assign a domestic enemy for the armed forces (the oligarquías) as well as an external enemy (imperialism).

10. The education sector was called to promote a socialist state, thereby undermining the notion of freedom of education.

11. Presidential powers during states of siege would expand (due process would be eliminated; no limits to the duration of states of siege were stipulated; the right to the presumption of innocence would be abolished), thereby violating key rights enshrined in the United Nations Committee for Human Rights and the Inter-American Court for Human Rights.⁴⁶

12. Voters had the right to vote for the reforms, but no mechanism was established to introduce amendments or to vote item by item.

The Constitutional reform, together with the RCTV affair, generated the same effects as previous power grabs (unification of the opposition, defections from the government, showdown in the streets). The most important defections were: 1) the departure of one of Chávez's allied parties (Podemos), 2) the open criticism of Chávez's former wife (Marisabel Rodríguez, herself a pro-Chávez member of the 1999 constituent assembly) and 3) the virulent criticism of a former Defense Minister (Raúl Isaiás Baduel), who openly campaigned against the constitutional reform, calling it a form of coup.

Despite these similarities, there was one difference: in 2007, radicalization did not payoff electorally for the government. The government lost the December 2007 referendum to change the constitution. Although the margin of defeat was small (1.4 percent), these results were nonetheless historical because they were the first electoral defeat for the government. More dramatically, the election revealed a worrisome electoral trend for the government: rising abstentionism among its ranks. The pro-chavista vote was 3 million shorter than in 2006. Graph 1 compares the results of the 2007 constitutional reform referendum with the 2006 presidential elections state by state. The difference between the pro-Chávez vote in 2006 and the YES vote in 2007 in some cases was as large as 40 percent. In contrast, the opposition gained

votes in 17 of 24 states; elsewhere, it lost very little, seldom more than 10 percent. More than de-alignment (switching sides), these figures suggest massive voter abstentionism (and thus, possible defection) among chavistas.

<GRAPH 1 ABOUT HERE>

C. The 2008 Election for Governors and Mayors

The trend in the direction of increasing state radicalism continued after 2007, also with negative consequences for the government. The next arena was the 2008 elections for governors and mayors. The government intensified its bellicose discourse toward the opposition, calling them “disgusting traitors”, “criminals”, “*pitiyankis*”, “escuálidos,” lackeys of imperialism”), but actually went beyond mere name-calling. It also introduced a famous list of citizens who were disqualified from running from office.

This list was drafted by the comptroller general Clodosbaldo Russián in February of 2008. It included the names of around 400 Venezuelan citizens who were declared disqualified to vote. Eventually, the list was reduced to 270 people. The reason given by the government was that these people faced accusation of corruption. Without trials, the government nevertheless denied the right to run for office. Among the names on this list were two of the most prominent opposition candidates, Leopoldo López and Enrique Mendoza.

The opposition did not fall into the trap of repeating the extremist positions of 2001-04. Instead of declaring an electoral boycott, the opposition reiterated its intention to participate.

Instead of demanding that the government step down, the opposition campaigned against the poor public administration, promising solutions to municipal problems like crime, trash collection, and the deterioration of infrastructure. The government wanted the elections to be a referendum on Chávez (who was popular), but the opposition was able to mold the elections into a referendum on municipal issues. Furthermore, the opposition avoided the problem of fragmentation. Achieving greater unity for a regional election was not a trivial feat. Initially, there were more than 80 official registered parties nationwide. In Caracas alone, 48 parties identified themselves as anti-*chavistas*. Yet, the opposition produced “united candidates” (one candidate supported by all of the opposition parties) in 17 of the 22 states.⁴⁷

The opposition’s avoidance of extremist and disloyal positions proved fruitful. Almost 45 percent of the Venezuelan electoral population ended up in the hands of the opposition, including two of the most important mayorships (Caracas, Maracaibo) and three of the most populous and economically diverse states (Maracaibo, Carabobo and Miranda). The opposition had not achieved such an important electoral advancement ever.

V. Explaining polarization in 2007-2009

State-led extremism in 2007-2009 had different consequences than in the 2001-2004 period: it did not prove as electorally rewarding for the government. This raises two questions. First, why did extremism stop paying off electorally? Second, why did the government persevere with extremism despite declining payoffs?

Regarding the first question, the rational choice analysis in the first part of the paper offers two possible hypotheses. One is that the ideological distribution of voters in Venezuela

may have changed since 2006, returning perhaps to a more symmetrical distribution (a rise of the center). Another way of stating this point is that after a certain point of leftward movement by the government, radicalization stops generating gains if the electorate does not shift ideologically in tandem with the state. The second reason might be that policies to target the *ni ni* groups began to falter. There is evidence on behalf of both explanations.

A. Exhausting the supply of radicals

The more a state pursues radical politics (while the opposition descends in its response), one can hypothesize that the size of incumbent support should shrink as well. This is possibly what happened in 2006-09. The government pursued more radical policies, but the opposition shied away from the destabilizing acts of 2002-03 (no more call for military coups, massive protests, recall referenda, electoral boycotts). In this context, the size of government supporters shrinks. Perhaps, the most critical mistake made by the government was to interpret the 2006 presidential election as a mandate for more radicalism. No doubt, some *chavista* voters longed for more radicalism. But the government may have overestimated the size of this bloc. One possible indicator of the real size of the radicals by 2007 is the number of Venezuelans still hoping for Chávez to press ahead with the defeated constitutional reforms. An early 2008 poll revealed that this bloc represents 28 percent of respondents.⁴⁹ This is evidence that the size of radicals is diminishing, which is what one would expect the more the government turns to more extremist positions.

B. Exhaustion of social policies

The second possible reason is exhaustion of state policies to mobilize supporters and ni ni voters. Despite record-levels of economic growth in 2003-2007, serious microeconomic strains surfaced in 2007, followed by serious macroeconomic strains in 2009. This economic turnaround hurt incumbent support. Most of it was the result of these ill-advised policies.

1. Discouraging private sector investment, which yielded persistent unemployment

Chávez has implemented the most anti-business policies in Latin America. Venezuela ranks at number 172 of 178 countries worldwide in terms of “ease of doing business,” a World Bank ranking of degrees to which countries are pro-business; no other Latin American country scores lower.⁵⁰ In 2007, Venezuela actually experienced capital flight, which is rare for a country experiencing such a growth boom but predictable for a country with such an anti-business climate. By discouraging private sector investment, the government fuels unemployment, since it is fighting unemployment with only one engine—the public sector, while encouraging through another policy—anti-business policies. Thus, despite the dramatic expansion in public sector jobs (almost 60 percent expansion since 2003), which has actually helped to reduce in half the unemployment rate since 1999, private sector job creation is lagging seriously, with a mere 13 percent growth, leaving the economy with a serious shortfall in employment of approximately 8.7 percent.⁵¹

2. Fiscal profligacy, which yields inflation.

Government spending has jumped from approximately 19 percent of GNP in 1999 to almost 30 percent in 2007. The result of this spending spree is that Venezuela, despite implementing one of the broadest systems of price controls in the Americas, began to experience the highest inflation rates in the world, which combined with stubborn unemployment, is a recipe for poverty expansion.

3. Price controls → Consumer good shortages.

Venezuela is also suffering from an economic problem that is familiar to any Economics 101 student. Price controls, especially in the context of inflation, produce supply constraints that lead to consumer good shortages. Stated simply, producers are unwilling to produce if the costs of production exceed profit projections. Inflation pushes costs up; price controls push revenues down. The result is production shortfalls. A study of 60 groceries store in October 2007 revealed that three basic products (powder milk, sugar, and beef) were unavailable in more in than 40 percent of grocers (“grave” scarcity); six products (black beans, chicken, white cheese, sardines, oatmeal) were missing in 21 to 40 percent of grocers.⁵² Even though some ministers are aware of this problem of “*desabastecimiento*”, Chávez refuses to lift price controlsl, arguing that lifting controls is “too capitalist” a solution.

4. Diminishing returns and leakage on social investments.

Chávez's "Missions," which were a crucial state policy to court non-ideologized voters, began to show signs of inefficacy by 2007. The most serious studies of the Missions's impact reveal that: a) poverty reduction is considerably smaller than what is expected given the level of spending, b) education and health achievements are no less impressive than Venezuela's historical trend since the 1960s, and c) income inequality has actually expanded.⁵³ Furthermore, there is plenty of corruption and politically minded spending.⁵⁴ In 2007, with diminishing returns and dearth of new initiatives,⁵⁵ together with inattention to crime—currently, the top-priority issue for most Venezuelans⁵⁶—housing shortages, collapsing hospitals, decaying schools, and decrepit infrastructure, the government's pro-poor image might have eroded.

In short, the explanation for Chávez's 2007-08 electoral setback involves: 1) poorer microeconomic conditions than in 2004-06, which depressed the chavista vote; 2) the president's tenure was not in question, which encouraged abstention and defections among chavistas; 3) few new social initiatives; and 4) fewer signs that the government is aggressively tackling corruption, crime, and other social problems. This became a period therefore of additional power grabs with declining new "carrots" to coopt ambivalent groups. It was also a period in which the opposition became less rather than more radical, in direct contrast with the state's behavior, which turned more rather than less radical. This means that Venezuela's electorate came closer to approximating the prediction for case D in Table 3 (a pro-Incumbent vote of approximately 49 percent).

D. Limits of Rational Choice

The trickier question is: why did the government persist on a radicalization course despite signs of decreasing electoral returns after 2007? Here we reach the limits of the rational-choice argument laid out thus far.

One hypothesis that we can rule out is that persistent radicalism was a response to opposition behavior. The most notable change in Venezuelan politics between 2001-05 and 2006-09 was that the opposition actually moderated its most extreme behavior.

A better explanation is that not enough time elapsed between 2007 and 2008 (or not enough concluding evidence surfaced) to persuade the government that the electoral payoff of radicalism had peaked. After all, the government's losses in 2008 were still not that costly and in the 2009 referendum to extend term limits for all elected officers.

An even more persuasive explanation is path dependence. After so many years on a radical course, the government had acquired by 2008 plenty of institutional reasons to stay the course. One such reason was greater homogenization of the ruling coalition. By 2007, the moderate members of the ruling party were mostly gone, either as a result of defections or political defeats. Thus, internal pressures against radicalization had eased. Another reason is sunk costs. By 2007, the state had invested so much effort in defending radical positions that announcing an abrupt change of policy toward moderation would have been too inconsistent a policy switch. Yet a third possible reason was institutional capacity. By 2008, the government had acquired enough institutional capacity to continue to push for radical policies (further state interventions and expropriations, increasing capacity to exclude detractors and silence the press) even if the electoral support for these policies were waning. In other words, the utility of

electoral rewards declined as the institutional capacity of the government to move forward with radical policies increased.

These last set of points are consistent with a path-dependence argument. The idea is that the chosen course (radicalization) generated feedback mechanisms that by 2007 were encouraging continuity. Path dependence thus trumped the potential power of political learning (acknowledging the declining electoral returns of radicalism) and strategic interaction (strict imitation of opposition's behavior) in determining the behavior of the government after 2007.

Though I have no way of demonstrating it, my sense is that among the possible hypotheses for Chávez's continued radicalization beyond 2007, the least powerful is probably ideological conviction—the notion that Chávez has a strong ideological taste for radicalism anyway. To me, this is a less powerful explanatory variable, not because it weighs little, but because it does not vary enough to explain the intensification of radicalism over the years. The argument could be made that Chávez had an affinity for radical, polarizing politics since his inception into politics. In the 1990s, there is plenty of evidence suggesting that Chávez had such a preference (coup participation, aggressive discourse against politicians, close ties with Cuba starting the moment he was released from jail in 1994). The issue is why did Chávez contain those preferences, or kept them unrevealed, between 1998-2001 and begin to exhibit them increasingly more openly thereafter. My argument suggests that this incremental disclosure occurred because Chávez needed to first discover the electoral payoffs of radicalism and polarization (circa 2001) and acquire policy tools to deal with the risks of radicalism (social policies for the the ni nis, circa 2003).

In short, the persistence of radicalism after 2007 no doubt depends on ideological conviction (probably always present). But more fundamentally, it reflects the policy's acquired momentum (path dependence), which made this preference sustainable at least until clearer signs of disaster surface. By 2009, there were signs of declining electoral payoffs, but the decline was still not that severe to induce a major corrective action.

VI. Conclusion

This chapter provided an explanation for two salient aspects of revolutionary politics under Chávez. First, why did the regime become a leftist competitive-authoritarian regime, that is, why did the state increase radical and confrontational policies while still maintaining elections? The chapter argued that radicalization under Chávez became the state's preferred strategy based on its potential electoral payoffs. Polarization is not always electorally beneficial, but when one of the ideological blocs (extreme left or right) in the electorate is somewhat large, though not necessarily majoritarian, polarization can be electorally rewarding for incumbents. In these contexts, radicalism in office can produce more supporters than detractors, which is the reason for its appeal for incumbents. It is also the reason that Chávez has preserved and conducted so many electoral contests.

Radicalism in Venezuela no doubt has other sources. Scholars, for instance, have identified myriad explanations, ranging from ideological and formational factors (Hugo Chávez's own values), socioeconomic factors (the persistence of poverty and the need for strong distributionist policies); the status of domestic institutions (the collapse of parties and other

institutions capable of posing checks on the Executive branch); international political economy (Venezuela's dependence on a commodity experiencing a price boom, which freed the state from the need to heed market forces); and international politics in general (the foreign policy of the United States under George W. Bush boom, which gave Chávez reasons or excuses to turn radical). My point has been to emphasize an alternative explanation that is less frequently acknowledged: the idea that polarization can be electorally rewarding and therefore seductive for the state. Even in the absence of all the other sources of radicalism stressed by the literature, incumbents can discover that radicalization can help them win elections. Even more worrisome, my paper sought to show that it doesn't take much for polarization to be this rewarding. All that is necessary is that the distribution of voters be slightly skewed in the direction of one of the poles. Societies need not be all that divided or pre-polarized for the state to benefit electorally from policies that accentuate polarization.

A second aspect of Venezuela's revolution that this paper sought to explain was the combination of radical policies with non-revolutionary, almost-reactionary policies: clientelism, impunity and intimidation. I argued that these latter policies were aimed at preventing ambivalent groups from defecting. Polarization even in contexts where it can prove electorally beneficial also carries a huge risk: the opposition overcomes barriers to collective action and can turn potent. Furthermore, the size of ambivalent groups increases, repulsed by the extremism of each side. These ambivalent groups can determine elections, so deploying alternative policies to coopt these groups is indispensable for incumbents.

A third objective of this paper was to show some of the limitations of a strictly game-theoretic approach to the study of polarization. There is no question that the dynamics of

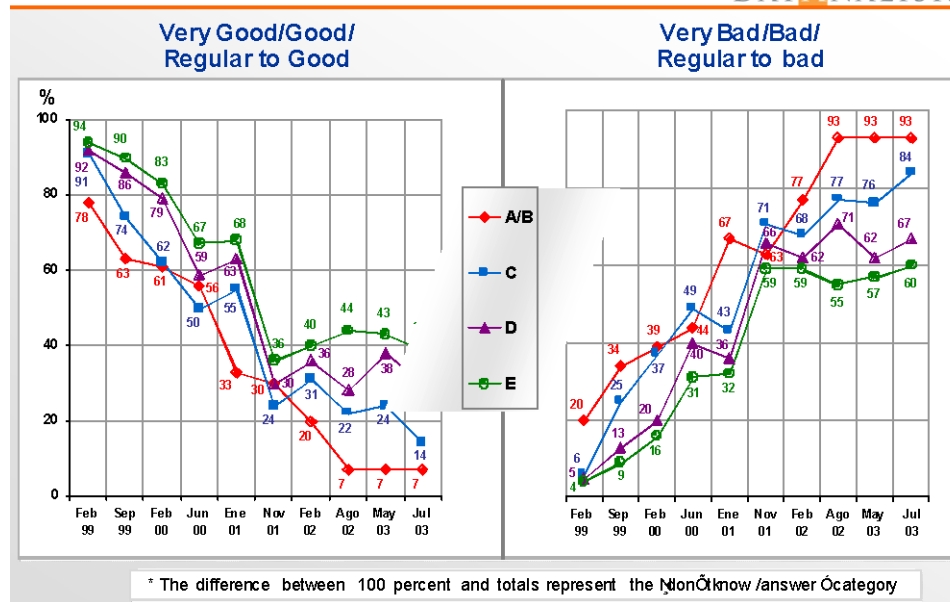
polarization in Venezuela at first followed a predictable path that can be traced through a simple rational-choice analysis. However, the next iterations of this game were less predictable. A rational-choice informed explanation sufficiently explained the rise of the opposition, the defection of softliners, and the escalation of extremism following major power grabs, but it cannot easily explain why the incumbent opts for power grabs when it enjoys sufficient powers and the opposition calms down. Understanding the 2007-09 power grabs require supplementing the analysis with an understanding of path dependence (internal homogenization, sunk costs, acquired institutional capacity, etc.).

No doubt, polarization is not always state-driven. For instance, polarization in the Venezuela in the 1990s was also the result of declining oil income, which split the political actors on the question of whom should absorb the costs of austerity. During the 1990s, then, polarization was less the result of a deliberate strategy on the part of the state (to make political gains) but rather the result of a power struggle between state and society over declining resources: the state wanted to save; economic agents wanted to retain and expand rents. In these contexts, the state does not benefit politically from polarization; quite the contrary, it is hurt by it. That is why most major efforts at reform were abandoned—they generated so much state-society conflict that the state (under all administrations since Lusinchi) sooner or later ceased to insist on making economic adjustments.

Studying polarization thus requires a broad approach that combines a) structuralism, which is well qualified to explain the distribution of resources, b) historic-institutionalism, which is well qualified to explain the availability of opportunities and allies available to state and societal actors, 3) some constructivism, which is well qualified to explain ideologies, and 4)

some rational choice, which is well qualified to explain the incentives to adopt or drop behaviors.

On their own, none of these approaches can explain the totality of polarization, even if for different periods and contexts, one of these variables might be more powerful than the others.

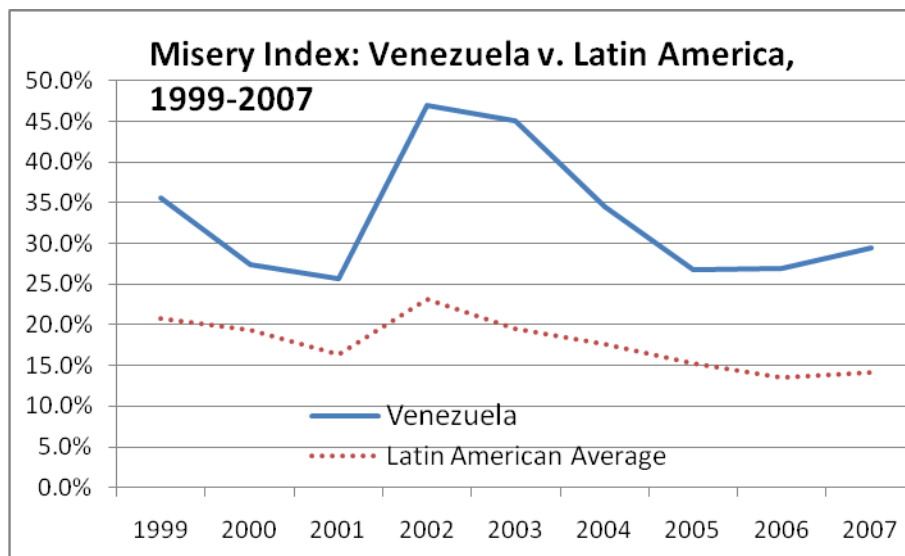


© 2003 Datanálisis

Notes: A/B = Upper-most income levels; E = lowest income levels.

Source: Datanálisis (2003).

Diagram 1: Chávez's approval ratings, by social class ("estratos sociales"), February 1999 to July 2003.



Graph 2: Misery Index (Inflation & Unemployment rates)

Table 1: Turnover Rates, Venezuela 1959-2006

Presidency	Total Annual Changes	No. Ministers	Rate Change
1959	13	13	1.00
1960	6	13	0.46
1961	6	13	0.46
1962	3	13	0.23
1963	0	13	0.00
Total Rómulo			
Betancourt	28	65	0.43
1964	17	13	1.31
1965	1	13	0.08
1966	3	13	0.23
1967	6	13	0.46
1968	5	13	0.38
Total Raúl Leoni			
1969	19	13	1.46
1970	3	13	0.23
1971	7	13	0.54

1972	4	13	0.31
1973	1	13	0.08
Total Rafael Caldera	34	65	0.52
1974	18	14	1.29
1975	7	14	0.50
1976	4	14	0.29
1977	17	18	0.94
1978	2	18	0.11
Tol. Carlos Andrés			
Pérez	48	78	0.62
1979	24	18	1.33
1980	1	18	0.06
1981	8	18	0.44
1982	9	18	0.50
1983	4	18	0.22
Tol. Luis Herrera			
Campins	46	90	0.51
1984	23	17	1.35
1985	7	17	0.41
1986	8	17	0.47
1987	7	17	0.41
1988	10	17	0.59

Total Jaime Lusinchi		55	85	0.65
1989		33	17	1.94
1990		9	17	0.53
1991		6	17	0.35
1992		18	17	1.06
1993		24	17	1.41
Tol. Carlos Andrés				
Pérez		90	85	1.06
1994		36	18	2.00
1995		6	18	0.33
1996		12	18	0.67
1997		8	18	0.44
1998		12	18	0.67
Total Rafael Caldera		74	90	0.82
1999		33	14	2.36
2000		28	16	1.75
2001		11	18	0.61
2002		26	19	1.37
2003		9	20	0.45
2004		19	25	0.76
2005		12	27	0.44
2006		15	27	0.56

Tol. Hugo R. Chávez

Frías

153

118

1.30

Table 2: Moderation or Radicalization: Hypothetical Consequences Across the Political Spectrum

Leftist Government Policies	Voters			
	Extreme Left	Center Left	Center Right	Extreme Right
Moderation	Defect	Support	Splits: 1/3 support; 1/3 ambivalent; 1/3 defect	Defects
Radicalization	Support	Splits: 2/3 support; 1/3 ambivalent	Splits: 1/4 ambivalent; 3/4 defects	Defects (Turns Extremist)

Table 3: Impact of moderation and radicalization on voters' political loyalties toward incumbents

	Hypothetical Voter Distribution Across Political Spectrum				Outcomes: Political Loyalties		
	EL	CL	CR	ER	Supportive	Ambivalent	Defectors
<i>CENTER FORCES DOMINATE</i>							
A. Extremists are weak minority	10	40	40	10			
Moderation					53.2	13.2	33.2
Radicalization					36.4	23.2	40
B. Extremists are strong minority	15	35	30	20			
Moderation					44.9	9.9	46.55
Radicalization					38.1	19.05	42.5
<i>LEFT IS STRONGER THAN RIGHT (60/40)</i>							
C. Center-L Stronger than Extreme-L	20	40	30	10			
Moderation					49.9	9.9	43.2

Radicalization					46.4	20.7	32.5
D. Extreme-L as Strong as Center-L	30	30	25	15			
Moderation					38.25	8.25	54.9
Radicalization					49.8	16.15	33.75
<i>LEFT IS DOMINANT (65/35)</i>							
E. Moderate Left is stronger	30	35	25	10			
Moderation					43.25	8.25	51.55
Radicalization					53.1	17.8	28.75
F. Extreme Left is dominant	35	30	25	10			
Moderation					38.25	8.25	54.9
Radicalization					54.8	16.15	28.75
Notes:							
EL = Extreme left; CL = Center-left; CR = Center-right; ER = Extreme right							
Grey: Government's strategy that maximizes supporters relative to opponents							
To determine supporters, ambivalent groups and defectors, the rules in Table 7 were applied to the values in the "Hypothetical Voter Distribution" Column.							

¹ I am grateful to Manuel Hidalgo, Merilee Grindle, Chappell Lawson, Miriam Kornblith, Steve Levitsky, Patricia Márquez, Francisco Monaldi, Michael Penfold, Francisco Rodríguez, Kurt Weyland, several anonymous reviewers, and the editors for their comments. Thank you also to Daniel Mogollón for his research assistance.

² Michael Coppedge, *Strong Parties and Lame Ducks*. Javier Corrales, *Presidents without Parties*. Francisco Monaldi, et al., *Political Institutions, Policymaking Process, and Policy Outcomes in Venezuela*. Jennifer McCoy and David J. Myers, eds., *The Unraveling of Representative Democracy in Venezuela*. Henry A. Dietz and David J. Myers, "From Thaw to Deluge".

³ Steven Levitsky and Lucan Way, "The Rise of Competitive Authoritarianism". Javier Corrales, "Hugo Boss".

⁵ See Youssef Cohen, *Radicals, Reformers, and Reactionaries*, and Nancy Bermeo, *Ordinary People in Extraordinary Times*.

⁶ This section draws from Javier Corrales, "In Search of a Theory of Polarization," *European Review of Latin American and Caribbean Studies* Vol. 79, (2005): 105-108.

⁷ For polarization in general, see John R. Alford and John Hibbing, "The Origins of Politics: An Evolutionary Theory of Political Behavior." *Perspectives on Politics* 2, 4 (2004): 707-711. For polarization in Latin America, see Deborah Norden, "Party Relations and Democracy in Latin America." *Party Politics* 4,3 (1998): 432-434.

⁸ Richard Gott, *In the Shadow of the Liberator*. See also Kenneth Roberts, "Social Polarization and the Populist Resurgence in Venezuela". Margarita López-Maya and Luis E. Lander, "The Struggle for Hegemony in Venezuela". This perspective is less apparent in López Maya, "Harvard Presentation," 2007. WHAT DO DO ABOUT THIS LAST REFERENCE? Steve Ellner, "Introduction: The Search for Explanations." In Steve Ellner and Daniel Hellinger, eds., *Venezuelan Politics in the Chávez Era: Class, Polarization, and Conflict*, ed. Steve Ellner and Daniel Hellinger, Boulder, CO: Lynne Rienner Publishers, 2003, pp. 7-25. Gregory Wilpert, *Changing Venezuela: The History and Policies of the Chavez Government* Verso, 2007.

⁹ For a non-Marxist version of this argument, see William Easterly, *The Ellusive Quest for Growth*.

¹⁰ See Cohen, *Radicals, Reformers, and Reactionaries*; Kurt Weyland, "Clarifying a Contested Concept"; and Bermeo, *Ordinary People in Extraordinary Times*.

¹¹ Arend Lijphart, *Democracy in Plural Societies: A Comparative Exploration*. New Haven, CT: Yale University Press, 1977. Giovanni Sartori. 1976. *Parties and Party Systems: A Framework for Analysis*. Cambridge University Press.

¹² The 1999 constitution is pro-military because it grants the military new rights (the right to vote) and lessens legislative control of promotions.

¹³ Kirk Hawkins, "Populism in Venezuela". See also Kirk A. Hawkins and David Hansen, "Dependent Civil Society"

¹⁴ Steve Ellner, "The Radical Potential of Chavismo".

¹⁵ See Ellner, "The Radical Potential of Chavismo" and Hawkins, "Populism in Venezuela."

¹⁶ Michael Coppedge, "Venezuela: Popular Sovereignty versus Liberal Democracy," 177.

-
- ¹⁷ Guillermo O'Donnell and Phillippe Schmitter, *Transitions from Authoritarian Rule*.
- ¹⁸ Barry R. Weingast, "Constructing Self-Enforcing Democracy in Spain".
- ¹⁹ Stephen Walt, *The Origins of Alliances*.
- ²⁰ See Deborah Norden, "Party Relations and Democracy in Latin America,"
- ²¹ Rosa Amelia González de Pacheco, "Encuestas, cacerolazos, y marchas".
- ²² For a discussion of the divisions within chavismo between soft- and hard-liners, see Steve Ellner *Rethinking Venezuelan Politics: Class, Conflict and the Chávez Phenomenon* (Boulder, CO: Lynne Rienner, 2008).
- ²³ Ellner, "The Radical Potential of Chavismo," 13.
- ²⁴ *El Nacional*, April 12, 2002. By 2005, Arias Cárdenas returned to the chavismo camp whereas Miquilena became increasingly critical of Chávez.
- ²⁵ Nikolas Kozloff, *Hugo Chávez*, 85-86.
- ²⁶ Kurt Weyland, "Will Chávez Lose His Luster?"
- ²⁸ Javier Corrales, *Presidents without Parties* (Penn State University Press, 2002).
- ²⁹ Miriam Kornblith, "Elections versus Democracy".
- ³⁰ Javier Corrales and Michael Penfold, "Venezuela: Crowding Out the Opposition".
- ³¹ I thank Chappell Lawson for raising this question.
- ³² Ana Julia Jatar, *Apartheid del siglo XXI*.
- ³³ See Cohen, *Radicals, Reformers, and Reactionaries*.
- ³⁴ Javier Corrales, "Explaining Chavismo".
- ³⁵ José Antonio Gil Yepes, "Public Opinion, Political Socialization, and Regime Stabilization".
- ³⁶ Gil Yepes, op cit.
- ³⁷ This section draws from Javier Corrales and Michael Penfold, "Venezuela: Crowding-Out the Opposition."
- ³⁸ Gustavo Coronel, "Corruption, Mismanagement, and Abuse of Power in Hugo Chávez's Venezuela." Washington, DC, The Cato Institute, 2006. On the most serious corruption scandal ever to surface, "Fall of the Boligarchs: Banking in Venezuela," *The Economist*, December 10, 2009.
- ³⁹ Francisco Rodríguez, Chang-Tai Hsieh, Edward Miguel and Daniel Ortega, "The Price of Political Opposition: Evidence from Venezuela's Maisanta" (mimeo 2009).
- ⁴⁰ Miriam Kornblith, "Venezuela: de la democracia representativa al socialismo del siglo XXI".
- ⁴¹ Bernardo Alvarez, "Letter to The Honorable Nancy Pelosi, Speaker of the House, U.S. House of Representatives, Washington, D.C., May 30, 2007".
- ⁴² *Latinnews*, June 15, 2007.
- ⁴³ Latin American Regional Report, Andean Group, June 2007.

⁴⁴ José de Córdoba, *Wall Street Journal*, June 8, 2007.

⁴⁵ Chris Carlson, "What is Venezuela's Constitutional Reform Really About?"

⁴⁶ Human Rights Watch, "Venezuela: Proposed Amendments Threaten Basic Rights." Retrieved December 13, 2007, November 29, 2007 from <http://hrw.org/doc/?t=americas&c=venezu>.

⁴⁷ For more on the oppositions's change of strategy, see Javier Corrales, "Polarización y oposición en Venezuela: ¿Existe evidencia de aprendizaje político?" en Manuel Hidalgo, ed., *Revolución en Venezuela* (forthcoming).

⁴⁹ Varianzas de opinión, "Resultados Estudio de Opinión" Venezuela, Caracas, 2008.

⁵⁰ World Bank, "Doing Business 2008," from www.doingbusiness.org.

⁵¹ Veneconomía, "Daily Report," Veneconomía, Caracas, April 30, 2008.

⁵² Datanálisis, "Monitoreo exploratorio del mercado de productos con precios regulados por el Estado," Datanálisis, Caracas, 2007.

⁵³ Francisco Rodríguez, "An Empty Revolution: The Unfulfilled Promises of Hugo Chávez".

⁵⁴ Gustavo Coronel, *Corruption, Mismanagement, and Abuse of Power in Hugo Chávez's Venezuela*; and Michael Penfold-Becerra, "Clientelism and Social Funds: Empirical Evidence from Chávez's Misiones Programs".

⁵⁵ Luis Pedro España, "Programas Sociales y Condiciones de Vida en Venezuela 1999-2007".

⁵⁶ Keller y Asociados, "Estudio de la opinión pública nacional: 1er trimestre 2008".