

# 2

## Why Polarize?

### Advantages and Disadvantages of a Rational-Choice Analysis of Government-Opposition Relations under Hugo Chávez<sup>1</sup>

*Javier Corrales*

This chapter shows how deliberate state policies to promote polarization affected regime type in Venezuela under Hugo Chávez (1999 to the present). Venezuela has always been a favorite case for studying regime change. In the 1970s, the country 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).<sup>2</sup> In the 2000s, Venezuela emerged as a paradigmatic case of competitive authoritarianism,<sup>3</sup> in which the government upholds competitive elections and a few other liberties but also introduces a series of policies and laws that systematically disadvantage the opposition and erode checks and balances. 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, that promote or incite polarization.<sup>4</sup> 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. In this chapter, I show how this reward can come about. I illustrate how, given a certain distribution of voters, it is more rewarding for the incumbent to exaggerate rather than reconcile conflicts across the political spectrum. Under certain conditions, extremism can pay electorally.

At the same time, I also want to identify some limitations of a strictly rational-choice explanation for polarization. In looking at the behavior of the state under Chávez, it is clear that its preference for polarizing policies actually intensified even when evidence surfaced of declining electoral rewards, especially after 2007, and of 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 Venezuela. Other factors play a role, and I conclude with a brief discussion of some of these, namely, increasing homogenization of the ruling party and, more importantly, path dependence, the term used in the social sciences to describe how steps taken in the past lock actors in a hard-to-reverse trajectory.

In short, I seek 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 from representative democracy toward competitive authoritarianism—not because I think that electoral incentives is the sole explanation for this move. Rather, I offer this explanation because it strikes me as the most understudied factor that contributed to the rise in Venezuela of an odd combination of electoralism with autocracy, and progressivism with reactionary policies.

## **Polarization<sup>5</sup>**

Polarization could be defined as a situation in which two leading forces compete politically by moving increasingly in opposite directions ideologically, discursively, and policy-wise. Ideologically, the leading poles drift farther apart, with fewer areas of common ground. Discursively, the protagonists

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 adopts increasingly “disloyal” forms of behavior such as street marches, electoral boycotts, and obstructionism.<sup>6</sup> 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.

All scholars agree that Venezuela under Chávez became highly polarized, almost from the start. Yet there is no consensus on the causes. For structuralists, polarization in Venezuela stems from the refusal of old winners (mostly white elites, mostly leaders of the traditional parties) 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).<sup>7</sup> 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 the structuralist view, in moving to the left and employing aggressive language toward opponents, the state under Chávez has merely reflected an existing polarized social structure characterized by an irreconcilable conflict of interest between the haves and the have-nots, the politically included versus the excluded.<sup>8</sup> Any state has to choose sides, and the state under Chávez chose to side with the latter group, leading to policies that simply reflected pre-existing 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 resulting state simply reflected a former, 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), and ideologies (not just the right, but also groups that had fought alongside Chávez actively against the status quo).<sup>9</sup> The revolution brought disillusionment (to borrow from Carlos Blanco’s book title) and this disillusionment bred opposition.<sup>10</sup> Theoretically, the key problem is that this argument 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.<sup>11</sup> Many societies are riddled with intense conflicts and cleavages, and yet political parties may decide to interact with others cooperatively rather than combatively regardless of existing cleavages.<sup>12</sup> It is thus useful to consider the

idea that the state, or the ruling party, chooses extremist policies as an autonomous act rather than as a response to societal demand.

However, one problem with this second school of thought is that it seldom specifies the conditions under which choosing an extremist strategy breeds rewards. Polarization sometimes engenders electoral majorities for rulers, but at other times it fails to pay off. Here I intend to show the conditions under which polarization might work to the incumbent's advantage. Specifically, I will argue that the expected payoff of polarization for the state depends on the distribution of ideological preferences across the electorate: if these preferences are somewhat (albeit not necessarily significantly) skewed toward one pole of the ideological spectrum, choosing to side with that pole in an extremist fashion can end up rewarding the state electorally.

### **Polarization in Eight Steps: Government-Opposition Relations, 1999–2006**

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

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 seizure 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 a rule for electing delegates to a constituent assembly that eliminated 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 constitution<sup>13</sup> 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), and the creation of a new legislative body, the *Congresillo*, consisting of 11 members of the constituent assembly and 10 unelected appointees;
- d) the restaffing 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 created 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, as was done 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;<sup>14</sup>
  - i) the proposal to reform education by decree, aiming to increase the discretion of the office of the president to appoint teachers and change the curriculum in both public and private schools (Decree 1011, never implemented).

It is important to highlight that these measures were less radical than some proposals advocated by many Chavistas and sometimes even Chávez.<sup>15</sup> 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 allies, the PPT (*Patria para Todos*).<sup>16</sup> Chávez's power grab was mostly at the level of politics and political institutions. More than any previous administration, that of Chávez reduced the power of organized political groups and expanded the powers of the Executive branch dramatically in two years. For the opposition, these measures meant only one thing: "the elimination of horizontal accountability."<sup>17</sup>

Presidential power grabs have a predictable consequence for government-opposition relations. In addition to lessening horizontal accountability, 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 Schmitter,<sup>18</sup> and reiterated more recently by rational-choice scholars,<sup>19</sup> power grabs by state-holders increase the stakes of politics and the insecurity of those who

do not control the state. Such grabs make those in the opposition feel more precarious than how they felt shortly after losing recent elections. The opponents see 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.<sup>20</sup> Hence once ideologically incompatible opposition groups, feeling equally threatened by rising presidential powers, begin to join forces against the state. Heightened fear revives and emboldens the opposition, which begins to consider more radical, extra-institutional means to assert itself.<sup>21</sup> 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* (collective pot-banging actions) and two massive signature-collection campaigns demanding a recall referendum, all in the space of two years.<sup>22</sup> 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 so clear in Venezuela’s democratic history.

Power grabs also have a predictable effect on incumbent forces: *soft-liners defect*, causing a significant recomposition of incumbent forces.<sup>23</sup> Defections were seen among close advisers to the president, allied parties, cabinet members, pro-government legislators, 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.<sup>24</sup> 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 did not want to be linked with a government that is “stained with blood” and which makes laws “in which no one participates.”<sup>25</sup> In addition, the ruling coalition suffered the defection of one of its most important party allies, the MAS (Movimiento al Socialismo), several leading legislators (Ernesto Alvarenga, former leader of the MVR parliamentary bloc), and a smaller party, the PPT (Patria Para Todos; Alí Rodríguez’s party), which defected in protest of Chávez’s numerous military appointments.<sup>26</sup>

Defections occurred 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 one since 1958 by far, even exceeding the second Pérez administration, which had been the most embittered of

**Table 1.**  
**Ministerial Turnover Rates, Venezuela 1959–2006.**

Presidency	Total Annual Changes	Number of 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
<b>Total Rómulo Betancourt</b>	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
<b>Total Raúl Leoni</b>	32	65	0.49
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
<b>Total Rafael Caldera</b>	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
<b>Total Carlos Andrés Pérez</b>	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
<b>Total Luis Herrera Campins</b>	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
<b>Total Jaime Lusinchi</b>	55	85	0.65

**Table 1.**  
**Ministerial Turnover Rates, Venezuela 1959–2006. (continued)**

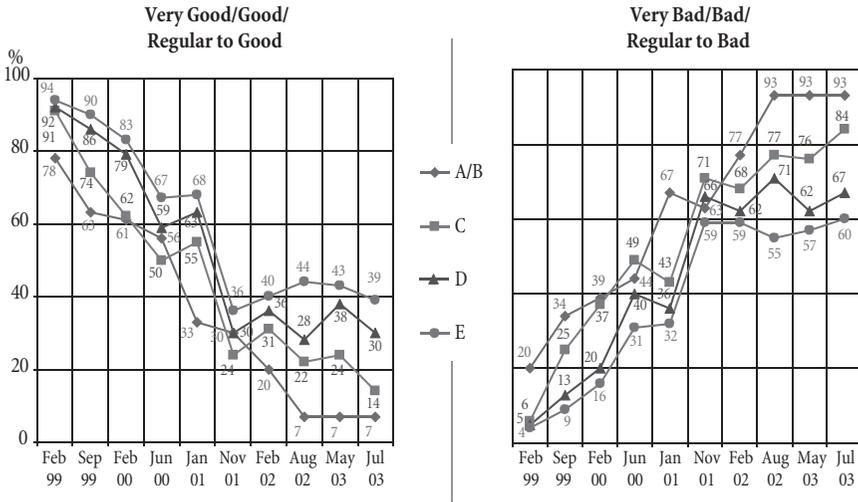
Presidency	Total Annual Changes	Number of Ministers	Rate Change
1989	33	17	1.94
1990	9	17	0.53
1991	6	17	0.35
1992	18	17	1.06
1993	24	17	1.41
<b>Total Carlos Andrés Pérez</b>	90	85	1.06
1994	36	18	2.00
1995	6	18	0.33
1996	12	18	0.67
1997	8	18	0.44
1998	12	18	0.67
<b>Total Rafael Caldera</b>	74	90	0.82
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
<b>Total Hugo R. Chávez Frías</b>	153	118	1.30

all. Most of the instability occurred between 2002 and 2004. Even sectors of the military defected.<sup>27</sup> 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.

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 constituencies: the previously disenfranchised voters, and the very poor. The former group consisted of ardent critics of the status quo ante who had supported Chávez's election and then

**Figure 1.**  
**Chávez's Approval Ratings, by Social Class ("estratos sociales"),**  
**February 1999 to July 2003.**



\*The difference between 100 percent and totals represent the "don't know/no answer" category.

Note: A/B = Uppermost income levels; E = lowest income levels.

Source: Datanálisis (2003).

became dismayed by the way in which the new majority ended up replicating, rather than mending, the old majorities' proclivity toward exclusion. The latter 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 (Figure 1): Chávez's approval ratings among the very poor, initially overwhelmingly high, declined precipitously. Indeed, his approval ratings plummeted across all income groups (A/B = uppermost income category; D = lowest income). By 2003, disapproval rates surpassed approval rates in all income categories.

Defections of this magnitude—among leaders, professional peers (military officers), organizations, and voters—were rare in Venezuela. They were last seen, perhaps to a lesser degree, during the second Carlos Andrés Pérez administration (1989–1993), when significant portions of his party and constituents abandoned him, producing a political "black hole" that ended up destabilizing the political system.<sup>28</sup> Such defections are a predictable response to the deliberate pursuit of radical policies.

Defections have a huge feeding effect on polarization: they *change the balance of forces* between the incumbent 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 may 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 power holder'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 in this case, the marches and the call for resignation. Observations of reality confirm everyone's suspicions that adversaries are threatening.

Each pole increases its preference for engaging with the other through *extra-institutional* means. The opposition, for instance, prefers an extra-institutional turn because it feels emboldened by a surge in numbers and yet denied institutional opportunities to influence policy. Thus, the Venezuelan opposition organized massive marches (2002–03), supported the coups of April 2002, and collaborated with the oil strike of the winter of 2002–03, while using the media to virulently attack the government. The government in turn observes 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 his hold on power: the illegal firing of 20,000 oil strikers, further attempts to politicize electoral institutions and avoid a referendum, and declining inclusion of opposition in policy dialogues.

At some point, polarization results in *some type of showdown*—the state calls in the military to repress its opponents; the opposition decides to take up arms; or both sides work out an institutional solution. In Venezuela, the showdown took the form of an epic fight for a recall referendum between 2003 and 2004.<sup>29</sup> The government made a great effort to prevent this electoral process from taking place. For a government that was claiming to be thoroughly democratic, these delays were a blatant contradiction of its own ideology, to say the least. But the opposition's mobilization together with international pressure finally compelled the state to 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, reversing the incumbent's approval ratings and allowing the president to prevail electorally.<sup>30</sup>

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. 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.

Equally indeterminate was the state's behavior following this showdown; namely, its 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?<sup>31</sup> Prior to 2004, one possible explanation for persistent polarization is that the opposition had 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 agreed 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 incumbent in Venezuela responded to its 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 two 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 the president and his governments were "socialist" (no more emphasis on participatory democracy); reformed the criminal code to ban *cacerolazos* 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 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 benefits.<sup>32</sup> All these acts were highly threatening to opponents, to say the least, and not exactly easy to explain as a tit-for-tat response to the opposition since the opposition was actually in retreat.

### Why Polarize?

If my argument that Venezuela's polarization from 2001 through 2006 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 determining whether the pursuit of radicalization can ever be electorally rewarding. Electoral payoff from radicalization can be demonstrated by examining the electoral consequences of different strategies—moderation and radicalization—on the political loyalties of voting blocs across the ideological spectrum.

The effect of moderation and radicalization on voters depends on the voters' 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 United States and the opposition, as well as promoting pro-business policies, the so-called shift to the center in policy.<sup>33</sup> 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. 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/ni*, or neither/nor); and a third group may decide to join 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. The extreme left cheers. 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.<sup>34</sup> The center left splits, with the majority moving further to the left (in shock at the rise of a far right) and a minority staying in an ambivalent position, repulsed by the extreme position of each camp. The center right suffers a similar split.

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 split the center right three ways (support, ambivalence, and defection), and policies of radicalization split both the center left (two-thirds turns sup-

**Table 2.**  
**Moderation or Radicalization:**  
**Hypothetical Consequences across the Ideological Spectrum.**

Leftist Government Policies	Voters			
	Extreme Left	Center Left	Center Right	Extreme Right
Moderation	Defects	Support	Splits: $\frac{1}{3}$ support; $\frac{1}{3}$ ambivalent; $\frac{1}{3}$ defect	Defects
Radicalization	Supports	Splits: $\frac{2}{3}$ support; $\frac{1}{3}$ ambivalent	Splits: $\frac{1}{4}$ ambivalent; $\frac{3}{4}$ defects	Defects (Turns Extremist)

portive; one-third turns ambivalent) and split the center right (one-fourth turns ambivalent; three-fourths turn to the extreme right).

If one applies these hypothetical rules to different political settings, the political payoffs of moderation and radicalization on voters 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 the number of opponents slightly, it significantly increases the number of supporters relative to a policy of radicalization.

**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
<b>Center Forces Dominate</b>							
<b>A. Extremists are weak minority</b>	10	40	40	10			
Moderation					53.3	13.3	33.3
Radicalization					36.7	23.3	40.0
<b>B. Extremists are strong minority</b>	15	35	30	20			
Moderation					45.0	10	46.7
Radicalization					38.3	19.2	42.5
<b>Left Is Stronger than Right (60/40)</b>							
<b>C. CL Stronger than EL</b>	20	40	30	10			
Moderation					50.0	10	43.3
Radicalization					46.7	20.8	32.5
<b>D. EL as Strong as CL</b>	30	30	25	15			
Moderation					38.3	8.3	55.0
Radicalization					50.0	16.3	33.8
<b>Left Is Dominant (65/35)</b>							
<b>E. CL is stronger</b>	30	35	25	10			
Moderation					43.3	8.3	51.7
Radicalization					53.3	17.9	28.8
<b>F. EL is dominant</b>	35	30	25	10			
Moderation					38.3	8.3	55.0
Radicalization					55.0	16.3	28.8

Notes:

EL = Extreme left; CL = Center-left; CR = Center-right; ER = Extreme right.

To determine percentage of supporters, ambivalent groups, and defectors, the rules in Table 2 were applied to the values in the "Hypothetical Voter Distribution" Column.

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: the number of supporters relative to defectors increases by a significant degree.

An important observation from Table 3 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 taking an extreme left position. Even in situations where the extreme left represents just 20 percent of the electorate (Case C), a leftist government can profit from radicalization, provided the left in general is slightly larger than the right.

In another work 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.<sup>35</sup> 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 because of its political advantages, rather than demanded by a majority of the electorate.

### **Tangible and Intangible Rewards**

Political reward does not mean absence of risk. While the move to 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 no fixed loyalties or even desire to vote. As case C in Table 3 shows, choosing radicalization over moderation can lead to a huge increase in these ambivalent groups. Ambivalent voters can be risky for the government. Insofar as their loyalties remain in flux, such independents can at any point turn toward the opposition. The safest strategy for any government is to find a way to court these groups, or at least prevent them from ever siding with the opposition.

Most polls provide evidence that the expectation derived from Table 3 became reality 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 “repentant Chavistas.”<sup>36</sup> The size of this group swelled from 8.9 percent in February 2001 to 14.7 percent in July 2001 and 32.8 percent in December 2001.<sup>37</sup> By June 2002, these repentant 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 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. These voters are far more important at that time 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?<sup>38</sup> This is where the three other pillars of Chavismo in office come into place: clientelism, impunity for those who engage in corruption, and job discrimination. These practices exist in all regimes. But in Venezuela under Chávez, they assumed two key characteristics: First, they became central to the regime.<sup>39</sup> Second, they were specifically 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 such incentives to support a radical leftist government, the extreme right will not be swayed by them either. In the context of polarization, clientelism works mostly to court the less ideology-driven voters.

Another strategy that Chávez has deployed is corruption and impunity for those friends of the government engaged in corruption.<sup>40</sup> 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's tenure in office, it is important for governments in unstable political settings to deploy significant resources to deal with these 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 co-opted. The oil boom and the lack of accountability that characterized the regime are enough to provide an explanation for rising corruption. What the rise of ambivalent groups helps to explain is the main destination of the corruption under Chávez. In situations of radicalization, the opposition is so galvanized that it is vital for the ruling group to have a mechanism for co-opting other elites (military and business groups) as a 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 administration has repeatedly stated, in no uncertain terms, 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, rojitos* (red, very red ones). Matching names in the Maisanta List with household surveys, Rodríguez et al. find that voters who were identified as Chávez opponents experienced a 5 percent drop in earnings and a 1.5 percentage point drop in employment rates after the voter list was released.<sup>41</sup> 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).<sup>42</sup> 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 image means 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-ideological, 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 from the stranglehold of the old parties and frequent 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 the two poles also a large group of ambivalent voters.<sup>43</sup> To keep this ambivalent group from completely defecting, the administration has relied on clientelism, impunity, and job discrimination. These 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 supported Chávez in the 2006 election was different from those who supported him in the beginning. It was revolutionary, but also conservative. Chávez's supporters no longer included the 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 lower-middle class, 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 their gains away.

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 such groups. Combined, both sets of policies give rise to electoral winning coalitions that, paradoxically, include the odd combination of committed revolutionaries and less ideological, 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.

### **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 these steps did not provide any substantial electoral payoff.<sup>44</sup> This section discusses each of these policies of radicalization and why there was no electoral payoff this time around.

#### *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 poor 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 allegations were unfair, unproven, and thus unfounded grounds for shutting down a media company in a democracy.

Venezuela's ambassador to the United States called the suspension a "simple regulatory matter."<sup>45</sup> Yet the suspension of RCTV's license represented one of the most serious attacks 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 Peru's President Fujimori's decision to take over Channel 12 in 1997. The Chávez government acted without offering any proof of guilt of RCTV authorities, 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 renowned international NGOs condemned the government's plan. As the decision date approached, with the government showing no sign of yielding, 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.<sup>46</sup> 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, Reporters without Borders and Amnesty International, among other international NGOs, strongly condemned Chávez. Not since 2004 did Chávez face such massive domestic and international condemnation. The president responded by calling his critics "saboteurs" and "lackeys of imperialism,"<sup>47</sup> 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,<sup>48</sup> and traveling to Cuba on June 13.

### *The Constitutional Reform Case*

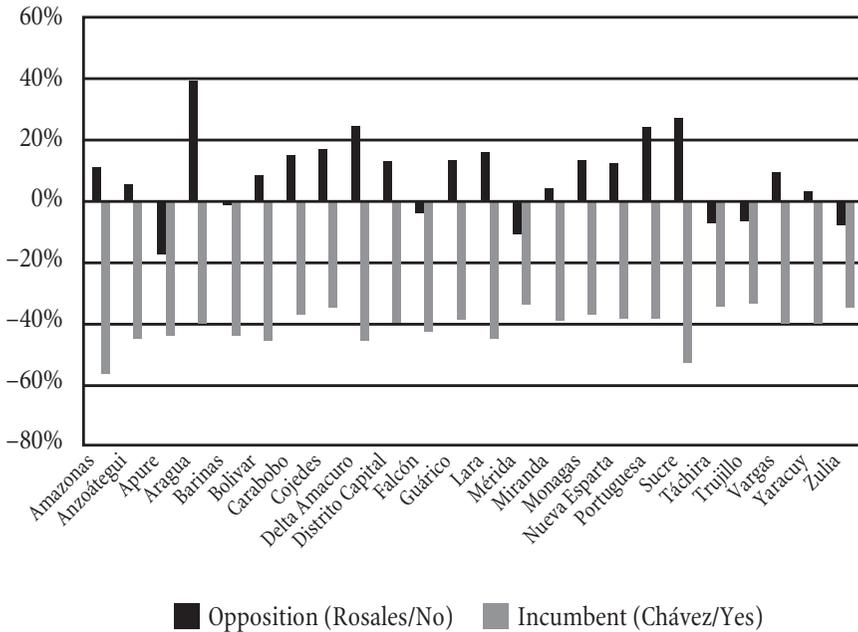
The 2007 proposal to reform the constitution constituted an even more serious attempt to enlarge presidential powers than ever took place in Venezuela since 1958. This proposal was brought up through extremely undemocratic channels. The president designated a small, secretive group of advisers to draft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

- a) The president's term in office is extended from 6 to 7 years.
- b) Indefinite reelection is allowed for the president but not for any other elected office.
- c) Presidentially appointed *consejos comunales* receive constitutional ranking as key government units at the local level, thereby bypassing and possibly replacing elected offices at sub-national levels. Chávez spoke of creating 600,000 such *consejos*.<sup>49</sup> No mention was made as to whether members to these *consejos* would be elected democratically.

- d) The Missions, the government's famous social programs funded directly by the Executive branch with almost no scrutiny or accountability, 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 (elected bodies) to provide social services.
- e) 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.
- f) 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.
- g) External funding of political groups would be banned (while simultaneously allowing the state to finance the ruling party).
- h) The reforms expanded the number of vice presidents, all of whom would be designated without legislative approval.
- i) The new constitution assigned a domestic enemy for the armed forces (the *oligarquías*) as well as an external enemy (imperialism), in violation of the democratic principle against declaring one group of citizens enemies of the state without a trial.
- j) The education sector was called to promote a socialist state, thereby undermining the notion of freedom of education.
- k) 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.<sup>50</sup>
- l) 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: the departure of one of Chávez's allied parties (Podemos); the open criticism by Chávez's first wife (Marisabel Rodríguez, herself a pro-Chávez member of the 1999 Constituent Assembly); and the virulent criticism of a former Defense Minister (Raúl Isaías Baduel), who openly campaigned against the constitutional reform, calling it a form of coup.

**Figure 2.**  
**Change in Support between the 2006 Elections**  
**and the 2007 Referendum, by State.**



Source: CNE.

Despite these similarities, there was one difference: in 2007, radicalization did not pay off 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 regime: rising abstentionism among its ranks. The pro-Chavista vote was 3 million short of the one in 2006. Figure 2 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 abstention (and thus, possible defection) among Chavistas.

### *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 contest was the 2008 elections for governors and mayors. The government intensified its bellicose discourse against the opposition, calling them “disgusting traitors,” “criminals,” “*pitiyankis*,” “*escuálidos*,” and “lackeys of imperialism,” but actually went beyond mere name-calling. It also introduced a list of citizens who were disqualified from running for office.

This list was drafted by the comptroller general Clodosbaldo Russián in February of 2008. It included the names of approximately 400 Venezuelan citizens who were declared disqualified to run. Eventually, the list was reduced to 270 people. The reason given by the government was that these people faced accusations of corruption. Without trials, the government nevertheless denied them 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 2001–2004. 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 remained 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 “unity candidates” (one candidate supported by all of the opposition parties) in 17 of the 22 states.<sup>51</sup>

The opposition’s avoidance of extremist and disloyal positions proved fruitful. Almost 45 percent of the Venezuelan electoral population ended up in the ranks 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 never before achieved such an important electoral advance.

### *Explaining Polarization in 2007–2009*

State-led extremism in 2007–2009 had different consequences than it had 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 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.

### *Exhausting the Supply of Radicals*

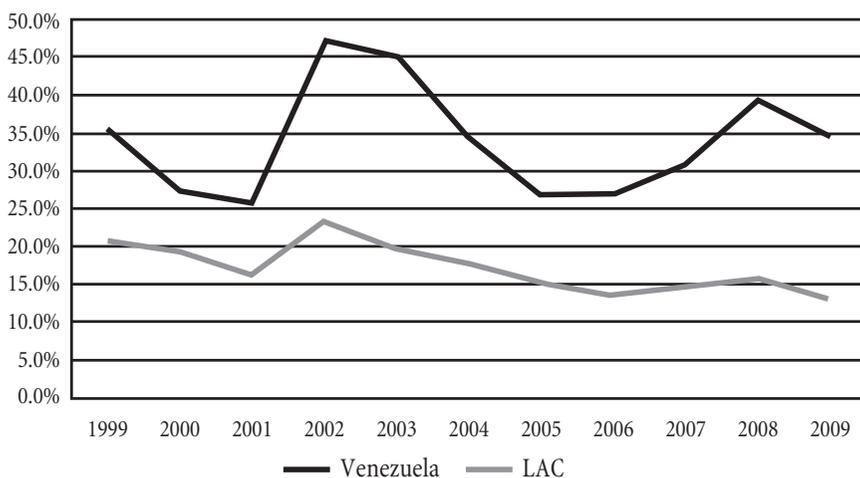
The more a state pursues radical politics (while the opposition de-escalates in its response), the more the size of incumbent support is likely to shrink. This is possibly what happened in 2006–2009. The government pursued more radical policies, but the opposition shied away from the destabilizing acts of 2002–03 (no more call for military coups, massive protests, recall referenda, electoral boycotts). In this context of deradicalized opposition/radicalizing government, the size of government supporters, especially the center-left, 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.<sup>52</sup> This is evidence that the number of radicals is diminishing, which is what one would expect the more the government turns to more extremist positions.

### *Exhaustion of Social Policies*

The second possible reason for the 2008 defeat 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 2008. This economic turnaround hurt incumbent support. Most of it was the result of the state's ill-advised policies.<sup>53</sup>

The government's position of discouraging private-sector investment yielded persistent unemployment. Chávez has implemented the most anti-business policies in Latin America. Venezuela ranks at number 172 of 178

**Figure 3.**  
**Misery Index (Inflation and Unemployment Rates):**  
**Venezuela and LAC (Latin America and the Caribbean).**



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.<sup>54</sup> In 2007, Venezuela actually experienced capital flight, which is rare for a country in the midst of a growth boom but predictable for a country with such an anti-business climate. By discouraging private investment, the government fuels unemployment. It then tries to fight unemployment with only one engine—the public sector. Thus, despite the dramatic expansion in public-sector jobs (almost 60 percent expansion since 2003), which 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.<sup>55</sup>

Another mistaken policy is that of fiscal profligacy, which yields inflation. Government spending 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 (see Figure 3).

Venezuela is also suffering from consumer good shortages, the explanation for which would be quite easy to understand for any Economics 101

student. Price controls, especially in the context of inflation, produce supply constraints that lead to 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 grocery stores in October 2007 revealed that three basic products (powdered milk, sugar, and beef) were unavailable in more in than 40 percent of the stores (“grave” scarcity); five products (black beans, chicken, white cheese, sardines, oatmeal) were missing in 21 to 40 percent of stores.<sup>56</sup> Even though some ministers are aware of this problem of *desabastecimiento* (lack of supply), Chávez refuses to lift price controls, arguing that lifting controls is “too capitalist” a solution.

Chávez’s Missions, which were a crucial state policy to court independent voters, began to show signs of inefficacy by 2007. One of the most serious studies of the Missions’ impact reveal that poverty reduction is considerably smaller than what is expected given the level of spending; education and health achievements are no more impressive than those expected from Venezuela’s historical trend since the 1960s; and income inequality has actually expanded.<sup>57</sup> Furthermore, there is plenty of corruption and politically directed spending.<sup>58</sup> In 2007, with diminishing returns and dearth of new initiatives,<sup>59</sup> together with inattention to crime—currently, the top-priority issue for most Venezuelans<sup>60</sup>—as well as housing shortages, collapsing hospitals, decaying schools, and decrepit infrastructure, the government’s image as champion of the poor might have eroded.

In short, the explanation for Chávez’s 2007–08 electoral setback involves poorer microeconomic conditions than in 2004–2006, which depressed the Chavista vote; the president’s tenure was not in question, which encouraged abstention and defections among Chavistas; few new social initiatives were launched; and there were fewer signs that the government was aggressively tackling corruption, crime, and other social problems. This became a period therefore of additional power grabs with fewer new “carrots” to co-opt 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 meant that Venezuela’s electorate came closer to approximating the prediction for case D in Table 3 (a pro-incumbent vote of approximately 49 percent).

### *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 can be ruled out is that persistent radicalism was a response to opposition behavior. The most notable change in Venezuelan politics between 2001–2005 and 2006–2009 was that the opposition actually moderated its 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 did not affect 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, by 2008 the government had acquired plenty of institutional reasons and means 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. Moreover, the state had already 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 (state interventions and expropriations, excluding detractors and silencing the press) even if electoral support for these policies was 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 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 the 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. 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 he entered the political scene. 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 and 2001, and began to exhibit them increasingly more openly thereafter. My argument suggests that Chávez needed first to discover the electoral payoffs of radicalism and polarization (circa 2001) and acquire the policy tools to deal with the risks of radicalism (social policies for 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 severe enough to induce a major corrective action.

## 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? I argued that radicalization under Chávez became the state's preferred strategy given its potential electoral payoffs. Polarization is not always electorally beneficial, but when one of the ideological blocs (left or right) in the electorate is somewhat large, polarization can be electorally rewarding, even if those in the extreme factions within the electorate are minoritarian. 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, 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, politicians may discover that radicalization can help them win elections. Even more worrisome, it does not 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 already polarized for the state to benefit electorally from policies that accentuate polarization.

A second aspect of Venezuela's revolution that I sought to explain was the combination of radical policies with non-revolutionary, almost reactionary policies: clientelism, impunity, and intimidation. I argued that these 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 may overcome barriers to collective action and 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 co-opt these groups is indispensable for incumbents.

A third objective of this chapter 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 trend were less predictable. A rational-choice informed explanation sufficiently construed the rise of the opposition, the defection of soft-liners, and the escalation of extremism following major power grabs, but it did not easily clarify why the incumbent opts for power grabs when it enjoys sufficient powers and the opposition calms down. Understanding the 2007–2009 power grabs requires supplementing the analysis with an understanding of path dependence (internal homogenization, sunk costs, acquired institutional capacity, etc.).

Obviously, polarization is not always state-driven. For instance, polarization in Venezuela in the 1990s was also the result of declining oil income, which split the political actors on the question of who 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 achieve 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 such 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, c) some constructivism, which is well qualified to explain ideologies, and d) some rational choice, which is well qualified to explain the incentives to adopt or drop behaviors. Singly, 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.

## Endnotes

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. Thanks also to Daniel Mogollón for his research assistance.
2. Coppedge, *Strong Parties and Lame Ducks*. Corrales, *Presidents without Parties*. Monaldi et al., *Political Institutions, Policymaking Process, and Policy Outcomes in Venezuela*. McCoy and Myers, eds., *The Unraveling of Representative Democracy in Venezuela*. Dietz and Myers, “From Thaw to Deluge.”
3. Levitsky and Way, “The Rise of Competitive Authoritarianism.” Levitsky and Way, *Competitive Authoritarianism: Hybrid Regimes after the Cold War*. Corrales, “Hugo Boss.” Corrales and Penfold, *Dragon in the Tropics: Hugo Chávez and the Political Economy of Revolution in Venezuela*.
4. See Cohen, *Radicals, Reformers, and Reactionaries*, and Bermeo, *Ordinary People in Extraordinary Times*.
5. This section draws from Corrales, “In Search of a Theory of Polarization.”
6. For polarization in general, see Alford and Hibbing, “The Origins of Politics: An Evolutionary Theory of Political Behavior.” For polarization in Latin America, see Norden, “Party Relations and Democracy in Latin America.”
7. Gott, *In the Shadow of the Liberator*. See also Roberts, “Social Polarization and the Populist Resurgence in Venezuela.” López-Maya and Lander, “The Struggle for Hegemony in Venezuela.” This perspective is less apparent in the López-Maya and Lander chapter in this volume. See also Ellner, “Introduction: The Search for Explanations” and Wilpert, *Changing Venezuela by Taking Power*.
8. For a non-Marxist version of this argument, see Easterly, *The Elusive Quest for Growth*.
9. Lupu, “Who Votes for *Chavismo*? Class Voting in Hugo Chávez’s Venezuela,” 7–32.
10. Blanco, *Revolución y desilusión. La Venezuela de Hugo Chávez*.
11. See Cohen, *Radicals, Reformers, and Reactionaries*; Weyland, “Clarifying a Contested Concept”; and Bermeo, *Ordinary People in Extraordinary Times*.

12. Lijphart, *Democracy in Plural Societies: A Comparative Exploration*. Sartori, *Parties and Party Systems: A Framework for Analysis*.
13. The 1999 constitution is pro-military because it grants the military new rights (the right to vote) and lessens legislative control of promotions.
14. Hawkins, "Populism in Venezuela." See also Hawkins and Hansen, "Dependent Civil Society."
15. Ellner, "The Radical Potential of Chavismo."
16. Ibid., and Hawkins, "Populism in Venezuela."
17. Coppedge, "Venezuela: Popular Sovereignty versus Liberal Democracy," 177.
18. O'Donnell and Schmitter, *Transitions from Authoritarian Rule*.
19. Weingast, "Constructing Self-Enforcing Democracy in Spain."
20. Walt, *The Origins of Alliances*.
21. See Norden, "Party Relations and Democracy in Latin America."
22. González de Pacheco, "Encuestas, cacerolazos, y marchas."
23. For a discussion of the divisions within Chavismo between soft- and hard-liners, see Ellner, *Rethinking Venezuelan Politics: Class, Conflict and the Chávez Phenomenon*.
24. Ellner, "The Radical Potential of Chavismo," 13.
25. *El Nacional*, April 12, 2002. By 2005, Arias Cárdenas returned to the Chavismo camp whereas Miquilena became increasingly critical of Chávez.
26. Kozloff, *Hugo Chávez*, 85–86.
27. Weyland, "Will Chávez Lose His Luster?"
28. Corrales, *Presidents without Parties*.
29. Kornblith, "Elections versus Democracy."
30. Corrales and Penfold, "Venezuela: Crowding Out the Opposition."
31. I thank Chappell Lawson for raising this question.
32. Jatar, *Apartheid del siglo XXI*.
33. For examples of these moderate leftist policies, see Weyland, Madrid, and Hunter, eds., *Leftist Governments in Latin America: Successes and Shortcomings*.
34. See Cohen, *Radicals, Reformers, and Reactionaries*.
35. Corrales, "Explaining Chavismo."
36. Gil Yepes, "Public Opinion, Political Socialization, and Regime Stabilization."
37. Ibid.
38. This section draws from Corrales and Penfold, "Venezuela: Crowding out the Opposition."
39. See Corrales and Penfold, *Dragon in the Tropics*.
40. Coronel, "Corruption, Mismanagement, and Abuse of Power in Hugo Chávez's Venezuela." On the most serious corruption scandal ever to surface, see "Fall of the Boligarchs: Banking in Venezuela," *The Economist*, December 10, 2009.
41. Rodríguez, Chang-Tai Hsieh, Miguel, and Ortega, "The Price of Political Opposition: Evidence from Venezuela's Maisanta" (mimeo 2009).
42. Kornblith, "Venezuela: de la democracia representativa al socialismo del siglo XXI."

43. See Corrales and Penfold, *Dragon in the Tropics*.
44. See Corrales, "Venezuela: A Setback for Chávez," *Journal of Democracy*, January 2011.
45. Alvarez, "Letter to The Honorable Nancy Pelosi, Speaker of the House, U.S. House of Representatives, Washington, D.C., May 30, 2007."
46. *Latinnews*, June 15, 2007.
47. Latin American Regional Report, Andean Group, June 2007.
48. De Córdoba, "A Bid to Ease Chávez's Power Grip," *Wall Street Journal*, June 8, 2007.
49. Carlson, "What Is Venezuela's Constitutional Reform Really About?"
50. Human Rights Watch, "Venezuela: Proposed Amendments Threaten Basic Rights." Retrieved November 29 and December 13, 2007, from <http://hrw.org/doc/?t=americas&c=venezu>.
51. For more on the opposition's change of strategy, see Corrales, "Polarización y oposición en Venezuela: ¿Existe evidencia de aprendizaje político?"
52. Varianzas de opinión, "Resultados Estudio de Opinión."
53. For more, see chapter 3 in Corrales and Penfold, *Dragon in the Tropics*.
54. World Bank, "Doing Business 2008," accessed from [www.doingbusiness.org](http://www.doingbusiness.org).
55. Veneconomía, "Daily Report."
56. Datanálisis, "Monitoreo exploratorio del mercado de productos con precios regulados por el Estado."
57. Rodríguez, "An Empty Revolution: The Unfulfilled Promises of Hugo Chávez."
58. Coronel, *Corruption, Mismanagement, and Abuse of Power in Hugo Chávez's Venezuela*; and Penfold-Becerra, "Clientelism and Social Funds: Empirical Evidence from Chávez's Misiones Programs."
59. España, "Programas Sociales y Condiciones de Vida en Venezuela 1999–2007."
60. Keller y Asociados, "Estudio de la opinión pública nacional: 1er trimestre 2008."

