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From slender win to real challenge



Photo: AP BEYOND THE V SIGN: For Nicolás Maduro, who attributed his victory to ‘the Christ of Chávez’, the principal challenges are national unity, stability and economic recovery.

The thin victory margin for Nicolás Maduro in the presidential elections in Venezuela will now have to translate into performance and cohesion

Since 1999, when Hugo Chávez came to power, Venezuela has not had a single, dull moment. There was an election or a referendum every other year. There was even an attempted coup. Chávez’s foreign policy altered the political map of the region and consolidated his Bolivarian

Revolution. He died on March 5, 2013, of cancer, unable to recover enough to take the oath for a presidency he regained last October.

Chávez's political heir, Nicolás Maduro, has won the elections held to choose his successor, and has been declared President. With his slender majority of 50.76 per cent, (7.5 million) against 49.07 per cent (7.27 million) for the Opposition candidate Henrique Capriles, the sensation in official circles in Caracas would probably be more relief than triumph. The Opposition has never been this close to power in the last 15 years.

Maduro, hand-picked by Chávez and appointed Vice President six months earlier, and by the establishment as acting President in March, attributed his victory to "the Christ of Chávez."

Capriles, representing the Coalition for Democratic Unity (MUD) Opposition coalition, had lost 55 per cent to 44 per cent to Chávez in October. Deferring to the mythical popularity of his virtual opponent, he had appealed to "other brothers who believed in the cause of the President (Chávez) but who do not like this candidate (Maduro)..." He has demanded a recount of every ballot, claiming victory.

Chávez legacy

Chávez's legacy is difficult to overcome, or even match. He had acquired unquestioned hold over the military and the omnipotent oil establishment. He appealed to the people, mostly the poor and dispossessed, over the heads of his own officials, who were regularly shuffled in their posts. He created the United Socialist Party of Venezuela (PSUV) after the eclipse of the traditional, discredited AD and COPEI, leaving the Opposition in disarray. He won election after referendum (save one) easily, giving his detractors no basis to question his democratic legitimacy.

Any future government which does not have the backing of a significant section of Chavismo, will have to contend with numerous regimented militias and social organisations, not to mention the military, which currently stands behind Maduro. The bureaucracy has a stake in the Bolivarian Missions and other institutions funded by oil revenues. For millions converted by Chávez's political evangelism, his will be an impossible act to follow.

Other challenges include massive debt, rampant crime, inflation over 20 per cent, and 23 Bolívares to a dollar (official rate 6.3 after two recent devaluations). According to the Venezuelan daily, *Tal Cual*, Venezuela has been "on a permanent diet" for several years, importing 70 per cent of its basic food items, even coffee.

Capriles's main opponent was the entrenched electoral and logistics base of Chavismo. He accused the National Electoral Council of being "an executive arm of the government." The principal private TV station, Globovisión, a continuous critic, has been sold to a private buyer, reportedly close to the official establishment, after a recent decree denied it permission to switch from analog to digital.

Capriles also questioned Venezuela's close relationship with Cuba. Considered a cornerstone of Chávez's revolutionary edifice, it was not the only foreign focus of the Opposition. Fifteen other smaller Caribbean and Central America economies depend on discounted oil from Venezuela, under the Petrocaribe initiative launched by Chávez in 2005. Venezuela supplied fuel to a beleaguered Syrian government and has a strategic relationship with Iran. Russia and China have huge stakes in the Venezuelan economy and strategic sectors such as defence.

Within the region, there has been almost unanimous support for Venezuela. It became a full member of the five-nation Mercosur common market in 2012, and was a founding member of the eight full member left-wing Bolivarian Alliance for the Americas (ALBA). Chávez hosted the first summit of the Community of Latin American and Caribbean States (CELAC) in December 2011, which comprises all 33 nations of the region, pointedly excluding the U.S. and Canada.

Indian stakes

India's stakes in the Venezuelan hydrocarbons industry have become critical over the last decade, with two important, public sector joint ventures, growing crude oil imports (almost 10 per cent of India's total), and even the private sector poised to invest.

Maduro last visited India in August 2012. A devotee of Sai Baba, he has visited Puttaparthi more than once, along with his wife Cilia Flores, former President of the National Assembly and Attorney General of Venezuela. His personal and professional proclivities should bode well for India's relationship with a country that can help reinforce our energy security.

Maduro's capability to lead a polarised Venezuela is untested. There is little clarity on the dynamics prevailing within Chavismo. Much will depend on the performance of the government and the cohesion it can achieve in the absence of the preponderant figure of Hugo Chávez. The principal challenges of national unity, stability and economic recovery remain in the balance. The stakes for an economy that boasts the largest oil reserve in the world, but has taken on the U.S. and other established powers, are high.

The coming months and years will reveal whether Maduro has effectively donned the mantle of his mentor. We will need to look for, and adapt to, changes that may become inevitable under the new Venezuela.

(Deepak Bhojwani was India's Ambassador to Venezuela from 2003 to 2006.)