

# Venezuela



## 2016 Country Review

**COUNTRY WATCH**

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# **Chapter 1**

## **Country Overview**

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## Country Overview

### VENEZUELA

Venezuela is located in northern South America, bordering the Caribbean Sea and the North Atlantic Ocean. The area became a Spanish colony in the 1520s. In 1830 Venezuela seceded from Gran Colombia (including the present-day Colombia, Panama, and Ecuador) and became an independent republic. Much of Venezuela's 19th-century history was characterized by periods of political instability, dictatorial rule, and revolutionary turbulence, followed by a succession of dictators in the first half of the 20th century.

Venezuela's history of free and open elections since 1958, and its prohibition of military involvement in national politics earned the country a reputation as one of the more stable democracies in Latin America. However, two failed coups in 1992 broke the nation's pattern of 34 years of uncontested democracy.

Hugo Chavez became president in 1999 and sought to implement his "21st Century Socialism," which purports to alleviate social ills, while at the same time attacking capitalist globalization and existing democratic institutions. His policies have polarized domestic opinion, although he was able to consistently win the support of the majority of Venezuelans in elections. Controversial reform and deep divisions characterized his presidency. Chavez died in 2013 and was succeeded by his stalwart, Nicolas Maduro.

It should be noted that President Maduro has to be regarded as a somewhat inadequate successor to Chavez -- embracing most of the late Venezuelan leader's autocratic tendencies but lacking all of Chavez' charisma and charm. That perception was illustrated in the public's support with survey data from the reliable Datanalist polling group showing Maduro sporting dismal approval ratings of only 22 percent. With the price of oil at significant lows, and with oil revenue needed to support the Chavez-era social programs, there was little hope that support for Maduro would be easily revived.

Venezuela is a major oil producer, and its economy has been highly dependent on the petroleum sector. The economic policies characterized by expansion of the state-led development model, price and exchange rate controls, and the ongoing nationalization drive, will make Venezuela a challenging place for investment.

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## Key Data

Key Data	
<b>Region:</b>	South America
<b>Population:</b>	29275460
<b>Climate:</b>	Tropical; hot, humid; more moderate in the highlands
<b>Languages:</b>	Spanish (official)
<b>Currency:</b>	1 bolivar (Bs) = 100 centimos
<b>Holiday:</b>	Independence Day is 5 July (1811), Bolivar Day is 24 July, Mov. Precursor de la Independencia is 19 April
<b>Area Total:</b>	912050
<b>Area Land:</b>	882050
<b>Coast Line:</b>	2800

## Venezuela

### Country Map





## South America

### Regional Map





# **Chapter 2**

## **Political Overview**

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## History

Venezuela was originally inhabited by the Caribs and the Arawaks, who resided in the regions extending from the South American mainland to the Caribbean archipelago. The indigenous peoples ranged from agriculturists to less advanced groups living on islands offshore.

Christopher Columbus first spotted Venezuela while on his third voyage, when he landed on the Caribbean island of Trinidad, across the Gulf of Paria from the Venezuelan coast. The year was 1498. Columbus visited Venezuela on the mainland a few days later and declared the area a Spanish colony.

The first permanent Spanish settlement in South America, Nuevo Toledo, was established in Venezuela in 1522. Venezuela, however, was a relatively neglected colony in the 1500s and 1600s, as the Spaniards focused on extracting gold from other areas of their empire in the Americas.

The extraction of pearls from coastal oyster beds was exhausted by 1520, and the Spaniards began conducting slave raids in Venezuela to supply the enormous demand for labor in Panama and the Caribbean islands. This resulted in intense hatred among the region's indigenous peoples and over a century of low-intensity warfare. The warfare, in conjunction with the Spaniard's neglect of the colony and the absence of a unified indigenous population, led to the prolonged nature of the Spanish conquest of Venezuela.

In 1717, the Spanish crown established the Viceroyalty of New Granada, made up of the present-day states of Venezuela, Colombia, Panama and Ecuador. Venezuela gained more importance in the Spanish Empire in the late 18<sup>th</sup> century when the economy picked up based on the export of cocoa.

Also toward the end of the 18<sup>th</sup> century, Venezuelans began to grow restless under colonial control, and in 1810 Venezuela became the first American colony to formally declare its independence. After several unsuccessful uprisings, the country achieved independence from Spain in 1821, under the leadership of its most famous son and national hero, Simon Bolivar. Bolivar played the leading role in the independence movements of Colombia, Ecuador, Peru and Bolivia, as well.

In 1821, Venezuela, along with present-day Colombia, Panama and Ecuador, became part of the

Republic of Gran Colombia until 1830, when it separated and became a sovereign country.

Much of Venezuela's 19<sup>th</sup> century history was characterized by periods of political instability, dictatorial rule and revolutionary turbulence. With the cocoa export economy in ruins after the independence movement, a transition was made to coffee exportation.

The first half of the 20<sup>th</sup> century was marked by periods of authoritarianism, including the dictatorship of Juan Vicente Gómez from 1908 to 1935 and that of Gen. Marcos Perez Jimenez from 1950 to 1958. The Venezuelan economy shifted from a primarily agricultural orientation to one centered on petroleum production and export after World War I.

After the overthrow of Gen. Marcos Perez Jimenez in 1958, Venezuela tried to institute a representational and democratically elected form of government. The country enjoyed an unbroken tradition of civilian democratic rule marked by the military's withdrawal from direct involvement in national politics.

*Note on History: In certain entries, open source content from the State Department Background Notes and Country Guides have been used. A full listing of sources is available in the Bibliography.*

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## Political Conditions

### Introduction

Venezuela's history of free and open elections since 1958, and its prohibition of military involvement in national politics earned the country a reputation as one of the more stable democracies in Latin America.

The two main political parties, Democratic Action, or AD and the Christian Democratic Party, also called COPEI, maintained control of most governmental positions on both the federal and state levels from 1958 to 1998, and for the majority of that period, they alternated control of the presidency. Venezuela's political system during that time was characterized as what political scientists call a "partyocracy." That is, the influence of the AD and COPEI parties penetrated almost all aspects of communal life, from federal to state to community level organizations. For example, even organizations such as school boards and boy scouts were usually affiliated with

either the AD or COPEI Party.

Venezuela is one of the world's major producers of petroleum. It was a founding member of the Organization of Petroleum Exporting Countries, along with a number of Middle Eastern oil producers and African countries. The large revenues produced by oil sales enabled the AD and COPEI administrations to develop ambitious programs in agriculture, health, education, and industrial diversification, especially after the petroleum industry was nationalized in 1976. Both AD and COPEI were committed to developing coherent economic and social reforms, and, as such, oil revenues served as a link that united the different factions within and between the two parties.

In the mid-1980s, oil prices dropped. In a struggle to maintain foreign investment in the country, then-president Jaime Lusinchi paid the interest on Venezuela's US\$32 billion foreign debt. Although foreign bankers praised Lusinchi for his political courage, they declined to reward him with new loans to his government. An economic crisis ensued, and the government was forced to devalue the currency. Inflation and unemployment soared, and popular discontent with the political system became visible.

Even as Carlos Andres Perez of the AD Party was sworn in to the presidency in 1989 with overwhelming popular support, food riots hit Caracas and public opinion polls showed that many Venezuelans were dissatisfied with the political system and felt that they had little impact on their leaders and the way that policies were drafted and implemented. When Perez imposed an economic austerity program similar to Lusinchi's, Venezuela plunged into a state of political turbulence.

## **The 1990s**

In 1992, two failed coup d'etats broke the nation's pattern of 34 years of uncontested democracy, and the potential for political volatility in Venezuela was revealed. Both coup attempts failed because senior military commanders remained loyal to civilian authorities and suppressed the rebels.

In 1993, the Venezuelan Congress impeached President Perez on corruption charges for the misuse of funds, and new elections were held. The results of the 1993 elections reflected that an opening of the political system had begun to occur. Rafael Caldera won the presidency on a coalition "Convergence" ticket, marking the first time since democracy was re-established in 1958 in which the presidency had gone to a candidate not affiliated with either the AD party or the COPEI.

Also significant in the 1993 elections was the fact that half the members of the Chamber of Deputies were directly elected. This reform resulted in a Congress comprised of five main political forces of roughly equal size, in contrast to the AD- and COPEI-dominated the political system of

the recent past. On the local level, a decentralization of power from the national government to state and municipal authorities had begun to occur in 1989, when the direct election of governors, state legislators, mayors and city council members was implemented and set for election every three years. Until that year, the president had appointed state governors.

The Caldera administration's primary concerns were economic problems, particularly a financial crisis in 1994. By 1996, it introduced a new economic plan, the "Agenda Venezuela" to liberalize Venezuela's economy and promote economic growth.

Meanwhile, the economic and financial crisis in 1994 led to restrictions on some civil liberties, which culminated in the temporary suspension of rights. President Caldera gave the police the power to detain people and enter homes without warrants, and to seize property without compensation. When Congress voted to restore civil liberties in July 1994, the president signed a decree suspending them again. He then challenged Congress to put the matter to a national referendum, and congressional leaders agreed to uphold the president's decree. Full civil liberties were restored in July 1995, except in some border areas, where civil liberties were not restored until the next presidential term.

Low voter turnout in the 1995 regional and municipal elections is believed to be a direct reflection of Venezuela's continued economic difficulties. Less than 40 percent of all eligible voters turned out for the elections, and less than 30 percent at the capital voted. From a total of 22 state governorships, the AD obtained only one, while the COPEI won 11. Pre-electoral opinion polls showed that President Caldera, with an approval rating of only 11 percent, remained the country's most credible politician.

## **Hugo Chavez Comes to Power**

In the elections held on Dec. 6, 1998, the presidency again shifted. The main candidates included Henrique Salas Romer of Project Venezuela, a conservative pro-business candidate; Irene Saez, a former international beauty queen turned mayor of the municipality of Chacao; and Hugo Chavez Frias of Fifth Republic Movement, a populist leader and former military officer. Significantly, Chavez had been one of the instigators of the coup attempts against former president Perez's government in February 1992. His campaign called for constitutional change, a crackdown on corruption, and far-reaching reforms, including an increase in workers' salaries.

With these three candidates as the front-runners of the election, the two main parties were faced with a clear confrontation. Ultimately, the election results showed Hugo Chavez Frias to be the winner. His election was associated with deep popular dissatisfaction with the traditional parties, income disparities and the country's economic difficulties. Chavez took office on Feb. 2, 1999.

At the parliamentary level, the Patriotic Pole—a coalition made up of the Movement Toward Socialism Party and Chavez' Fifth Republic Movement—acquired most of the seats in the lower chamber, and AD garnered the highest number of seats in the upper chamber. Because a wide variety of groups and parties gained representation, a number of alliances were formed, while group fragmentation also occurred.

The Chavez administration announced that its focus would be on establishing a plan for governmental transition, as well as developing a budget strategy to combat the deficit and inflation and to maintain macroeconomic equilibrium. In his first year of office, Chavez concentrated almost entirely on the former of his goals: the transformation of the Venezuelan political system through what he called a "peaceful revolution" to eliminate deeply entrenched corruption.

One of Chavez's first political moves was to propose a rewriting of Venezuela's constitution. On April 25, 1999, a referendum was held to ratify the public's approval of Chavez's proposal. The referendum results were in favor of such changes, showing popular support for his administration as a whole. On July 25, 1999, elections were held to elect the members of the National Constituent Assembly, also known as ANC. Candidates of the Patriotic Pole coalition won 119 of the 131 seats, so that 90 percent of the constituent assembly was made up of supporters of the president. The ANC was allotted a six-month term to rewrite the constitution.

Upon the sweeping victory of Patriotic Pole coalition in the ANC elections, both the COPEI and AD parties underwent a break-up. National and regional leaders of the parties collectively resigned in the week following the elections, citing as their reason the need to step away so that the parties could undergo internal restructuring and renovation.

### **Rewriting the Constitution**

Soon after its formation on Aug. 3, 1999, the ANC began to expand its powers beyond those of rewriting the constitution. Following Chavez's demand on Aug. 5 for the ANC to declare a national emergency of the executive, legislative, and judicial branches of state, the assembly declared a "judicial emergency," giving itself the authority to fire judges and reorganize the judicial system. Supreme Court President Cecilia Sosa and Magistrate Anibal Rueda resigned in protest against the ANC's actions. The ANC appointed Chavez supporters to the 20 judge's seats.

Later that month, the ANC issued a "legislative emergency" decree, prohibiting the National Congress from convening as a full body and from passing laws. Conflict in the streets ensued when legislators tried to reconvene after a summer recess, and governmental security forces and pro-Chavez demonstrators kept them out. Less than one week later, the ANC ruled to assume all legislative functions.



Throughout the first year of his presidency, Chavez maintained a publicly affable relationship with Cuban president, Fidel Castro. For this he was criticized both internationally and by the conservative voices in Venezuela. The opposition interpreted the good rapport between the two leaders as an indication that Chavez's vision for Venezuela was one based on the Cuban model of government.

A referendum was held on Dec. 15, 1999, to determine whether the proposed new constitution written by the ANC would be implemented. The constitution was approved by over 70 percent of voters, and it was put into force on Dec. 30, 1999. President Chavez praised the Venezuelan people on their vote, declaring in speeches that the rights of man are better protected in Venezuela under the new constitution than anywhere else in the world.

The new Venezuelan Constitution is composed of nine chapters and 350 articles. Major innovations include the change of the name of the Republic of Venezuela to the Bolivarian Republic of Venezuela, the elimination of the Senate and its replacement by a single-chambered National Assembly, and the creation of the position of vice president or prime minister. Additionally, the constitution fuses the military into a single force under a unified command, gives soldiers the right to vote, and calls for their "active participation in national development," as opposed to their former, "apolitical, obedient and non-deliberative" role. The constitution extends the presidential term from five to six years, and grants the president the possibility of immediate reelection. Citizen participation is expanded by the creation of the Citizen's Power, a body that consists of the general attorney office, the general comptroller office, and the new figure, defender of the people. The constitution institutionalizes the referendum as an instrument for matters of special national transcendence, and the president is allotted the power to dissolve Congress in situations of crisis, or when congressmen reject the candidates appointed to the vice presidency more than twice.

On the day that the constitutional referendum was held, the government dissolved Congress and the Supreme Court, and legislative functions were assumed by the ANC until the end of its term on Feb. 1, 2000. An election was scheduled for May or June of 2000 to select the members of the National Assembly, the governors of the 23 states, city mayors and the president of the Republic. Still hugely popular, Chavez planned to strengthen his mandate by having the presidency contested once again in the 2000 elections.

## **Political Controversy**

In the week following the constitutional referendum, Venezuela suffered the cataclysmic effects of torrential downpours. The horrendous flooding and mudslides that occurred, mostly concentrated around the capital city of Caracas, have been deemed the country's worst natural disaster of the 20th century. They left 25,000 to 50,000 people either dead or missing, and over 200,000 people homeless. Venezuela received emergency aid from many countries and many international and

multi-lateral organizations. Monetary losses from the direct and indirect damages totaled US\$3.237 billion, some 3.3 percent of Venezuela's GDP.

In the midst of the natural disaster, chaos ensued and widespread looting, rape, kidnapping and murder occurred. Human rights groups made allegations a few weeks later that military officials patrolling the scene had implemented an unofficial policy of "shoot-to-kill." On Jan. 22, 2000, State Security Police Chief Jesus Urdaneta Hernandez resigned from his position after disputing with the Interior and Foreign Ministers, who admitted that human rights violations might, indeed, have occurred during the December rescue missions. The government vehemently denied these allegations, but Chavez later ordered an investigation. The allegations were a potentially enormous political upset for Chavez, since a commitment to human rights has been a primary part of his rhetoric throughout his presidency.

Also during the chaos of the flooding, while Venezuelans were consumed with the disaster and distracted from politics, the ANC embarked on a series of nominations and decrees.

First, the assembly made a spree of nominations of officials to public bodies, many of them former military officers and all of them supporters of Chavez. The positions filled in early January 2000 ranged from the Supreme Court to the Central Bank, and included the electoral authorities, the comptroller-general, the state prosecutor and the national ombudsman. On Jan. 23, 2000, Chavez named Isaias Rodriguez, the first vice president of the ANC, as Venezuela's vice president.

On Jan. 10, 2000, the ANC proposed to decree a "union emergency" and hold elections for Venezuela's largest union, the Venezuelan Workers' Confederation, also called the CTV, which it accused of being corrupt and dominated by the country's traditional political parties. The CTV rejected the proposal, stating that the assembly's intervention in the union would violate all international accords on the right to unionize. The union appealed the case to the International Labor Organization, or ILO, of which Venezuela is a member, and the ILO ruled in the CTV's favor.

Yet another controversial ruling was made on Jan. 26, 2000, when the ANC approved the military's reinstatement of soldiers and officers who participated in the failed 1992 coup attempts.

The ANC came to the end of its term and was dismissed on Jan. 30, 2000. A 21-member mini-Congress called the National Legislative Commission, or CNL, was formed to handle the duties of the legislature until the elections, which were later scheduled for May 28, 2000. The appointment of the mini-Congress occurred with little to no consultation and was greatly criticized by the opposition as unconstitutional.

On the labor front, a number of strikes were in the making in February from the petroleum industry, basic and secondary education, and the public health services. The strikes were to be held

to protest the continued low salaries in the country.

Also in February 2000, Chavez began to receive negative feedback from some of his allies. Specifically, his military comrades from the 1992 coup attempts publicly alerted him that they felt that he was straying from the anti-corruption movement that had gained him popular support. The officers charged the high civilian officials in Chavez's government with enriching themselves illicitly through their public offices.

In March 2000, a different group of former officers who had opposed the 1992 coup attempt set up an outfit called the Institutional Military Front, which they claimed represented a silent majority of active military officers who could not speak out legally. Their complaints against Chavez lay in his politicization of the military, which they said was threatening its unity. Having by then placed many military commanders in government positions, Chavez had in fact begun to describe his administration as a "civil-military" government.

### **Economic and Social Challenges**

Venezuela's economy was depressed throughout 1999 and 2000. The internal debt skyrocketed in 1999, and capital flight from the country reached US\$4.6 billion. The GDP dropped 7.2 percent in 1999, and April 2000 estimates placed the unemployment rate somewhere between 15.5 to 20 percent, up significantly from the first half of 1999. Venezuela desperately needed to attract investors, yet businesspeople and international financial institutions were very dissatisfied with the lack of definition of the Chavez administration's economic policies. An entire year after taking office, Chavez produced a "general outline" of his government's far-from-traditional economic program, which alluded to plans to expand government purchases of national products in order to stimulate production and create more jobs. Still, experts indicated that government's economic policies remained unclear.

The Chavez administration stayed afloat during Venezuela's economic depression thanks to high oil prices in 1999 that brought in a healthy supply of revenues to the government. The government announced plans to increase exports to the United States and to boost its oil production by almost two times in the coming decade, with private investors expected to provide over half of the US\$53 billion in funds.

Crime was on the rise in urban centers in 1999 and 2000, especially in the capital city of Caracas. Venezuela ranked sixth place in the world in 1999 for the number of deaths by violence. In April 2000, the country was experiencing an average of 11 homicides per day, in addition to numerous armed robberies and rapes. The Chavez government implemented a nationwide crackdown on crime in April, whereby it began to unify the approximately 200 different municipal and regional police forces throughout the country, putting them under a single administration in Caracas.

## The Road to the 2000 Elections

On March 14, 2000, Francisco Arias Cardenas, Chavez's friend, comrade in the 1992 coup attempt, and long-time political ally, resigned from his governorship of the state of Zulia and, by surprise, announced his candidacy for the Venezuelan presidency. Arias was one of the people who had accused Chavez of corruption, ineffectiveness, and abuse of power a month earlier. The other two candidates in the race were independents Claudio Fermin and Alberto Solano.

In the days and weeks following the announcement of Arias' candidacy, it became clear that he would be a much more threatening opponent to Chavez than previously had been expected. Arias quickly gained the support of his power base in the state of Zulia, as well as that of traditional Chavez opponents and those more newly dissatisfied with the president. Unlike Chavez, Arias professed that as president, he would cultivate better relations with the United States, promote private-sector investment, and move away from the populist distribution of oil "rents." He would have fewer military officers in government positions and lessen the power of the executive by reducing the presidential term of office to either two consecutive four-year terms or one six-year term with no immediate reelection. With these stances, he wooed the business sector.

As the campaign unwound, accusations of corruption directed at both Chavez and Arias penetrated Venezuela's political scene. There was much talk among public officials and political and civil organizations about the lack of guarantees for a fair election. Then, on May 25, 2000, 72 hours before the polls were scheduled to open, the Supreme Court decided to delay the "super-elections" due to technical errors found in the automated voting system and unclear information on candidates. The postponement was seen as an embarrassment for Venezuelan democracy.

The "super-elections" were finally held on Sunday, July 31, 2000. Chavez took the presidential victory with 59 percent of the vote, to Arias' 38 percent. 43.39 percent of the voters abstained. Chavez's Patriotic Pole alliance won 60 percent of the seats in the National Assembly, but not the two-thirds needed to obtain the majority. The alliance also won 14 of the 23 governorships, beating out nine incumbents of the opposition.

Arias accepted the results of the elections, but stated that he thought that electoral fraud had occurred. In the days following the announcement of the results, a number of mayors and governors of the opposition submitted claims of fraud to the National Electoral Commission and demanded a manual-recount of the votes. At least one protest by opposition supporters was disbursed by tear gas. The Organization of American States and other international observers deemed the elections fair and free.

## **Political Landscape as Chavez Began His Second Term**

With the overall victory of Chavez and his Patriotic Pole alliance in the 2000 "super-elections," the president's plan for a series of sweeping political reforms was complete. By focusing almost entirely on the transformation of the political scene up to that point in his presidency, Chavez had neglected the economy, however. Now that he had accomplished his professed task of establishing firm political and legal footing, the president was obliged to address Venezuela's serious economic and social problems, chiefly skyrocketing unemployment rates, crime, poor living conditions and economic recession.

On Aug. 1, 2000, Energy and Mine Minister Ali Rodriguez announced that \$70 billion would be invested in the next 10 years for the development of the economy. Much of that money was to be allocated to a major gas pipeline project and power generation firms.

On Aug. 2, 2000, President Chavez announced a series of initiatives also aimed at spurring the economy. First, he said that he intended to invest oil revenue into sectors that have remained unproductive thus far. With such investment, he claimed other non-oil sectors would become more competitive, thus diversifying the economy and decreasing Venezuela's dependency on oil. The Chavez administration hoped to attract more foreign investment to the tourism, health, education, environment and small-business sectors.

In mid-August 2000, President Chavez went on a nine-day tour of ten member nations of the Organization of Petroleum Exporting Countries in order to invite the countries' leaders to attend an OPEC summit in Caracas on Sept. 27 and 28, 2000. Chavez had been appointed president of OPEC on March 30, 2000. His aim was to increase the bloc's unity and to strengthen Venezuela's leadership role in the organization. Chavez urged member nations to resist international pressure to lower their oil prices, and declared the "fair price" for oil to be \$22 to \$28 per barrel. During his tour, the president made the dramatic move of being the first foreign head of state to visit Iraq since the Gulf War.

By the time of the OPEC summit in September, the price of oil had quadrupled since Chavez first took office, and Venezuela was pulled out of its recession. Social spending increased drastically in 2000 with the rise in oil profits. Those who opposed him believe that he was repeating some of the mistakes of Venezuela's recent past, when economic dependency on oil led to economic crisis when oil prices dropped.

Unemployment continued to prevail in late 2000, and President Chavez experienced his first serious political defeat in October, when the newly rejuvenated Venezuelan Workers' Confederation, or CTV, carried out a successful strike. Chavez was forced to concede all of the union's demands for higher wages. Soon thereafter, teachers and public employees threatened strikes.

On Dec. 3, 2000, a referendum was held in conjunction with local elections, and a single, pro-government workers confederation was adopted. The union leaders of the CTV announced that they would step aside, but only in order to facilitate reinvigoration within the labor movement. Labor groups such as the International Labor Organization and the International Confederation of Free Trade Unions condemned the referendum as a violation of workers' rights, and threatened sanctions. Two members of the National Electoral Council resigned in October 2000 in protest of the referendum.

Although the referendum was approved, only one in four of the electorate turned out to vote, and of those, approximately one-third opted to cast votes in the local elections only. The fact that so few voters supported the referendum was a political defeat for Chavez, whose power to mobilize the populace seemed to be declining. It suggested that Venezuelans were unenthusiastic about the constant voting of the new "participatory democracy." Chavez's popularity seemed to remain intact, however, given that the MVR won 40 percent of the seats in the local elections.

In mid-November 2000, President Chavez signed an "enabling law" passed by the legislature authorizing him to legislate by decree in matters ranging across the economy, crime and "the organization of the state."

Vice President Isaías Rodríguez announced his resignation for Dec. 26, 2000, due to his ambitions to be nominated to the post of attorney general or to participate in the judiciary branch of government.

## **Discontent**

In January 2001, teachers unions, associations of private schools and the Catholic Church engaged in a series of protests. The government had drafted of a plan called the National Education Project, reportedly designed to guarantee the "irreversibility" of the Bolivarian Revolution. The project, also known as PEN, included measures such as new teacher trainings, flexible curriculums, a deconstruction of the school system's bureaucratic administration, and new facilities, but the groups opposing it claimed that it was, in reality, a fairly blatant manifestation of the government's agenda to indoctrinate youth in a way similar to that implemented in Cuba's education system. PEN organizer Carlos Lanz was, in fact, a former guerrilla leader in Venezuela and a self-proclaimed Marxist.

With military-oriented primary education programs already in place since Chavez's assumption of the presidency, the new constitution now required schools to teach "Bolivarian" principles and secondary students to receive "pre-military" instruction. In addition, Cuba had proposed an agreement in which it would provide Venezuela with educational materials and teacher trainers in



exchange for oil, and the education ministry was reportedly endorsing new textbooks that reflected the government's version of history.

The campaign of demonstrations against the government's initiatives was launched when the government issued a decree that created a new division of senior school inspectors appointed by the education minister with the power to dismiss existing school employees. The teachers' unions claimed that this and other measures were government schemes to accumulate political control within schools. The teachers' federation asked the Supreme Court to rule on the constitutionality of the decree for senior school inspectors, and while it seemed likely that the federation would have to appeal to international organizations on the ruling, on their side was the fact that in practice, Chavez's administration was fairly incompetent at enforcing its own laws.

Also in January 2001, discontent with the military's role in Chavez's government came to the forefront once again. Early that month, several army commanders were anonymously sent pairs of women's underwear in the mail along with notes that challenged their manhood because of their failure to overthrow President Chavez. After weeks of investigation, military intelligence investigators pinpointed Pablo Aure as a key member of the group that sent the mailings, and the law professor and columnist received a summons to come before a military court. Aure refused on the ground that Chavez's new constitution prohibited civilians from being subject to military trials, but intelligence officers soon arrested him and incarcerated him at their headquarters. Involved in these actions was defense minister General Ismael Hurtado. While several civilian government officials announced disapproval for the army's actions, President Chavez made no comment on the army's blatant violation of the constitution. It was widely assumed that dissident military officers were responsible for the mailing of the packages.

In February 2001, President Chavez dismissed Ismael Hurtado from the defense ministry and moved civilian Jose Vicente to that position from his former post as foreign minister. In response to Hurtado's dismissal, a large group of approximately 160 generals and admirals held a meeting to show their support for him, and under the pressure of this display, Chavez gave Hurtado the post of infrastructure minister. Shortly thereafter, in order to further placate the generals, the president moved General Luis Enrique Chacon from his position as deputy defense minister to that of chief of the armed forces. These events, and the fact that the cabinet reshuffling placed many people in posts to which they were not suited, suggested that Chavez's control over the armed forces was not great. Moreover, his band of allies not as wide as it had previously seemed.

In March 2001, the murder of a rural landowner in an incident allegedly involving squatters brought the issue of land reform into the political spotlight. From the time of his instatement, Chavez swore to abolish the ownership of enormous estates of land, called "latifundio," and redistribute the land among the twelve percent of the Venezuelan population that lived in non-urban areas. Despite Chavez's threats to limit the size of farms and challenge possibly counterfeit land titles, after two years in office, his administration had failed to produce a final land rights bill.

Inspired by President Chavez's promises, groups of landless peasants throughout the country began invading farms and squatting on the lands. While justified in their crusade, these groups lacked organization and were often manipulated by local government officials and developers. With the agricultural season about to commence, many farmers were reluctant to invest because they feared that the government's failure to come up with firm measures for rural development would provoke further violence.

In speeches, Chavez declared his infuriation with corruption in the government and with the MVR's leaders. In May 2001, the president announced plans to re-launch the military-civilian group that was responsible under his leadership for the 1992 coup attempt. He invited two radical left-wing veterans to be his co-leaders of the reestablished Revolutionary Bolivarian Movement.

In general, the president's popularity had declined as of mid-2001. Although he remained secure in the fact that the opposition was weak, the price of oil was falling and economic recession prevailed in Venezuela, much to Chavez's political detriment. Chavez's Bolivarian Revolution, with all of its political changes, had done little to interfere with the market economy, but had not done much to promote it, either.

## **Political Uprising**

On April 11, 2002, about 11 people were killed and 88 were injured as outside the Venezuelan government's headquarters as several thousand protestors and union workers called for the resignation of President Hugo Chavez. Most of the violence came when snipers on the presidential palace shot at the crowd, and when indiscriminate shots were fired on the ground as well. Television journalists managed to capture images of the gunmen on the ground, whom the police claimed were "Chavistas" -- militant Chavez supporters -- firing at unidentified targets. Others, however, that the media had failed to capture shooters on the ground who presumably, were not aligned with the president.

The protest was originally sparked by a two-day strike rally, launched by the workers of the country's state-owned oil company, PDVSA, following the firing of the oil company's senior management by Chavez. Other interest groups, such as the Venezuelan Confederation of Workers (CVT), political opposition members, as well as business leaders, joined the rally, as a result of their collective frustration with Venezuela's serious economic problems, and Chavez' failure to deal with them effectively. Thousands of Chavez supporters also took to the streets to display support for the president.

Amidst the protests and mass demonstrations throughout the day, rumors raged across the country that Chavez had been detained by the military and his resignation was imminent. Meanwhile, key members of the military, as well as a number of politicians denounced the Chavez government,



stating it had taken the country on a path away from democracy and freedom. They also decried the Chavez government for negotiating with Colombian terrorists, turning the country into a Castro-like communist state, and they warned that Chavez was charting a course toward political and economic tyranny. Despite their calls for the resignation of Chavez, however, the military high command asserted support for the Chavez government, while Chavez himself stated that he was in complete control of the country during a nationally televised address.

Nevertheless, hours later, reports surfaced that Chavez had, indeed, surrendered to three military generals at the Miraflores presidential palace. The presidential family left the capital city of Caracas by airplane earlier. Chavez was reported to have been taken from the presidential palace to the Fort Tiuna military barracks where he was being held. It was believed that Chavez would remain under arrest at Fort Tiuna until a more appropriate site could be found. His ultimate destination at the time was unknown, although much speculation suggested that he would fly to Cuba and live in exile with his friend and ally, Cuban President Fidel Castro.

A group of generals informed a local Venezuelan television station that their actions compelling Chavez to surrender power had been motivated by their long-term dissatisfaction with the Chavez regime, in conjunction with the violence and bloodshed at the rally. They went on to note that their pressure on Chavez for surrender did not constitute a coup d'etat, but rather, the military's action was aimed at facilitating a peaceful transition of government.

Venezuelan business leader Pedro Carmona, who led the opposition against ousted Chavez, also announced he would head a transitional government to run the country. Carmona stated that the interim government -- called the Advisory Council -- would take office and he also promised swift elections, although no specific date was offered. The Venezuelan Army Commander Gen. Efraim Vasquez Velasco announced that the other members of the new government would be named within the next several hours. The general also reported that the country was calm, the capital of Caracas was under the control of the city police force, and the military would deal with any outbreaks of violence or unrest.

In the aftermath of these events, the international community called for a return to full democracy, the state-owned oil company's strike had ended, and the police searched for the Chavista gunmen. Interestingly, a statement from Chavez' daughter was offered contradicting the claim that Chavez resigned as the President of Venezuela. She was emphatic in her claim that her father did not resign or surrender, and instead, he had been forced out in a de facto military coup d'etat.

Three days later, Chavez returned to power. In the interim, various Latin American countries refused to recognize the legitimacy of the Carmona government and the Venezuelan Attorney General declared that the self-declared new government of Carmona was unconstitutional. Worker unions and groups that had originally backed Carmona also withdrew their support. Chavez, reinstated in the Miraflores presidential palace, promised to be more responsive to the Venezuelan

public, in the wake of the violent mass demonstrations that led to his being ousted from power for three days. It was unknown how his return to power would affect national oil production, as well as the price of oil internationally. (Note: Venezuela has enjoyed the distinction of being one of the world's largest producers of oil.)

### **Acts of Opposition and the Consolidation of Power**

In May 2002, Pedro Carmona, the Venezuelan businessman who briefly claimed to be president following the failed coup d'etat, was allowed to travel to Colombia, where he was granted political asylum. Carmona was under house arrest following the failed coup d'etat, and was accused of both rebellion and usurping the presidency. In the face of these grave charges, Carmona took refuge in the Caracas residence of the Colombian ambassador. President Chavez referred to him as a "fugitive from justice," however, he made no move to prevent Carmona from traveling to Colombia, since the government of that country had granted him asylum. Meanwhile, Carlos Molina Tamayo, took refuge in the residence of a Salvadoran diplomat and requested asylum.

In October 2002, Chavez seemingly escaped an assassination attempt as he was returning from a trip to Europe. Reportedly, security forces were able to foil a plot to shoot down his plane because sources friendly to the Chavez administration called the aircraft and advised the crew not to land at Maiqueti a. Although the assassins escaped, a diary, a mobile phone containing the numbers and names of possible plotters, a Swedish-made AT4 bazooka typically used by Venezuela's army, and a map showing the flight path of the presidential plane, were retrieved. Meanwhile, opposition groups called a 12-hour general strike to demand either the resignation of Chavez or early elections. Chavez dismissed the notion of the strike by saying that it was already over before it even began.

In November 2002, under orders from President Hugo Chavez, the Venezuelan army was deployed around the capital city of Caracas, effectively neutering the authority of the city's police force. According to Chavez, governmental and military control of the city was imposed in the wake of demonstrations a week before when two people were killed. Chavez noted it was clear that the police was unable to maintain law and order. The governmental and military takeover of Caracas was viewed by the city's mayor as an internal coup d'etat and most opposition groups stated that the measure was unconstitutional. As well, hundreds of demonstrators protested the takeover. These efforts, however, resulted in the military's use of tear gas and rubber bullets to disperse protesting crowds.

In December 2002, opposition parties, labor federations and trade union representatives in Venezuela carried out their fourth national strike in less than a year. The strike was aimed at removing President Hugo Chavez from office. Opponents accused Chavez of being an authoritarian leader without sensible economic management strategies.

The real impact of the strike was in the oil industry, where a reported 90 percent of professional employees supported the work stoppage. Oil revenues account for half of Venezuela's revenue and make up a substantial 80 percent of the country's exports. The strike in this sector terribly weakened productivity and eventually had a devastating effect on the Venezuelan economy. By December 2002, reports suggested that productivity had declined as much as 90 percent. With such devastation to the Venezuelan economy, military personnel were positioned at fuel distribution centers. Also, with no apparent resolution in sight, Chavez ordered oil industry employees back to work, threatening the loss of jobs and even criminal charges, if employees failed to comply.

As the strike continued, the climate of political tension escalated into full-blown political crisis. In response to clashes between Chavez supporters and opposition demonstrators, Chavez ordered the national guard to prevent a repeat of the violence that followed an April strike, which ultimately resulted in a short-lived coup d'etat. Nevertheless, the violent clashes continued to mount. Indeed, police and military forces fired tear gas and rubber bullets at anti-government demonstrators; also several people were killed and two policemen were wounded in clashes.

While most people generally agreed that Chavez had not been a good steward of the economy, Chavez supporters asserted that he was the only voice of the "people." In this way, the dividing line surrounding the crisis could be understood as being between (1) white collar workers, most notably in the energy industry, and (2) the impoverished masses. As such, some analysts have suggested that the Venezuelan crisis could be viewed in "white" versus "brown" terms.

Meanwhile, neighboring countries offered assistance to Chavez. First, neighboring countries offered Chavez support, both politically as well as in the form of oil supplies. Second, they had preliminary discussions regarding the development of a Latin OPEC, which would include Venezuela, Brazil, Trinidad and Tobago, Ecuador and Colombia.

Finally, after eight weeks of ongoing chaos, the opposition in Venezuela ended its strike activities. The end of the strike in Venezuela coincided with the commencement of talks with the six-country "Group of Friends" in an attempt to end the country's political crisis. After a failure to resolve the Venezuelan crisis by the Organization of American States, new talks were scheduled between the Venezuelan government, opposition and other peace brokers, in an attempt to bring the chaos to an end.

### **Attempts to Broker Peace and Stability**

The "Group of Friends," which was made up of the United States, Portugal, Spain, Mexico, Brazil, and Chile, was presented with a peace proposal from former United States President and Nobel Peace Prize Winner, Jimmy Carter. Carter's proposal was positively received by Venezuela's

embattled President Hugo Chavez, as well as United States Secretary of State Colin Powell. It was hoped that backing from the "Group of Friends" for the plan would bring resolution to fruition.

The Carter plan offered two possibilities:

(1) A constitutional amendment providing for early elections would be voted upon; a majority of votes in favor of constitutional change would sanction early elections (constitutionally, Chavez was elected to serve in office until 2007);

or

(2) In August, halfway through Chavez's term in office, there would be a binding referendum on the president's mandate, as provided for in the current constitution (according to the constitution, the earliest date for a referendum would be midway through his office in August 2003).

Either option would preserve the constitutionality and legitimacy of Venezuela's government and its democratic underpinning.

Although the "Group of Friends," other international bodies, and even President Chavez, expressed support for the Carter plan, it was clear that there was very little trust between the Venezuelan government and the Venezuelan opposition. As such, resolution on the basis of the Carter plan appeared rather dubious in late January 2003. In fact, talks with the "Group of Friends" came after another day of violence in Caracas, the nation's capital city. In that round of violence, yet another person was killed and a dozen injured when a suspected bomb exploded at a pro-government rally.

Meanwhile, the government was handed a symbolic victory in mid-January 2003 when the Supreme Court postponed an early referendum scheduled for Feb. 2, 2003. As well, oil sector data suggests that oil exports had increased 62 percent in the past week. Although not up to the usual standards of exporting up to three million barrels a day, the rate of almost 700,000 barrels per day was a marked improvement and boded well for the Venezuelan economy.

### **Continuing Political Challenges**

In late February 2003, a judge placed the head of Venezuela's employers' association, Carlos Fernandez, under house arrest until his trial for rebellion and inciting criminal acts. The third charge of treason was dismissed by the court. Although Fernandez denied the charges and declared that he was the victim of political persecution, Venezuelan President Hugo Chavez described him as "a terrorist and a coup plotter." Chavez blamed Fernandez for playing a part in the two-month long strike discussed here (see above). Fernandez was faced with a possible 20-year jail term. Another strike leader, Carlos Ortega, who was head of the Venezuelan Workers Confederation, refused to

emerge from hiding.

In May 2003, a day after an accord was brokered between the government of Venezuela and its opponents, violence erupted at a rally in the capital city of Caracas. Supporters of Venezuela's President Hugo Chavez, as well as members of the opposition group, Red Flag, were present at the demonstration. Both factions blamed one another for the violence which left one person dead and 15 people injured. The protest was organized by the Red Flag group and dubbed "the conquest of western Caracas;" however, it was also attended by Chavez supporters who earlier warned against holding such a rally.

In June 2003, violence flared again in the streets of Caracas as battles raged between supporters and opponents of President Hugo Chavez. Altercations with police forces also ensued. The opposition organized a rally in one of the poorer areas of Caracas, typically a stronghold of Chavez, to show that the Venezuelan leader was losing popular support.

### **Brokering A Peaceful Resolution**

In an attempt intended to broker a peaceful resolution to the otherwise contentious situation in Venezuela, an accord was developed following six months of negotiations. It was brokered by the Secretary General of the Organization of American States (OAS).

The agreement would compel President Chavez to participate in a referendum on his rule halfway through the presidential term (in August), in accordance with the constitution (see item #2 of the Carter Plan noted above). Opponents of the government had to accrue signatures from 20 percent of the electorate in order to hold the referendum, and there would have to be some sort of National Electoral Commission established to verify the referendum petition.

Until the possible referendum date, both government supporters and opponents were expected to end the violence, disarm the civilian population and respect Venezuela's democracy.

### **The Road to the Referendum**

As 2003 drew to a close, Venezuelans were in the process of signing petitions aimed at compelling the aforementioned referendum on the leadership of President Hugo Chavez. Although there were reports of some violence in the northeastern part of the country, and the chief election official claimed some obstructionism on the part of the military, most observers reported that the petition-signing process had proceeded smoothly. Indeed, Cesar Gaviria, the head of the Organization of American States (OAS), noted that 97 percent of the signature collection centers had not encountered any issues. In addition to the OAS, the Carter Center, founded by United States

President Jimmy Carter, was also present in Venezuela to oversee the signature collection process.

For his part, President Hugo Chavez charged that some businesses forced employees to sign the petition, while several persons had signed their names repeatedly. The Venezuelan President also criticized his opponents for what he termed "mega-fraud" in seeking a referendum on his presidency. His opponents, however, accused Chavez of mismanaging the economy and political authoritarianism.

Opposition forces were given four days to collect 2.5 million signatures, as a prerequisite to a referendum on the presidency. According to the constitution of Venezuela, a president may be challenged after having served the first three years of a six-year term.

In the fall of 2003, the petition signed by three million Venezuelans calling for a referendum on Chavez' presidency was rejected by the National Election Council. The reason cited for the rejection of the petition was the fact that the signatures had been collected several months prior to the half-way point of Chavez' term in office.

By May 2004, at the close of a three-day process in which it was being determined whether or not opposition forces had the requisite number of signatures on a petition [to trigger a referendum on the presidency], Chavez said he would accept a recall referendum on his term in office. President Chavez' comments were made following a meeting with international observers, including former United States President Jimmy Carter.

According to the Venezuelan constitution, 2.5 million supporting signatures on a recall petition were necessary. Although the signatures had been gathered several months earlier, as noted just above, the petition had been under dispute by electoral authorities. The conflict resulted in violent demonstrations in the capital city of Caracas in February 2004. Verification of the signatures on the petition had to take place before a referendum could be called.

After the process of verifying the signatures was completed, a provisional date was set for the referendum in August 2004. It was also declared that if the referendum was delayed until after August 19 and the vote did not favor Chavez, the vice president would assume the presidency, thus precluding the need for new elections. Such an outcome could hardly be viewed as a victory for opposition forces. Nevertheless, the referendum was held in mid-August ahead of the August 19 cut-off date.

### **The August 2004 Referendum**

Having survived an apparent coup d'etat a few years prior, Chavez again showed his political strength in surviving the referendum on his leadership. In fact, the Venezuelan president claimed



victory with 58 percent of votes cast. Following the announcement of the referendum result, Chavez urged the opposition to gracefully accept the outcome and work toward national reconciliation.

For its part, however, opposition leaders claimed the referendum had been subject to irregularities. Indeed, opposition leader Henry Ramos Allup referred to the referendum result as a "gross manipulation."

Former United States President Jimmy Carter, who had acted as an observer to the referendum, said that such claims appeared to be without merit. Nonetheless, in cooperation with the Organization of American States, Carter announced there would be an audit of the referendum results for the purpose of alleviating any fears about the veracity of the outcome. The audit was to be administered by the Venezuelan electoral authorities; it was also to be observed by international monitors. Even though the referendum results were eventually validated and certified, opponents of Chavez continued to characterize the vote as fraudulent, even accusing the officials on the electoral board of being biased in favor of the president.

In the end, although the opposition had hoped that the outcome of the referendum would end in his removal from office, that vote served instead to ratify President Chavez's grip on power.

## **Imbrolio with Colombia**

In early 2005, Venezuelans demonstrated in the streets of the capital city of Caracas to reaffirm the country's sovereignty and to protest Colombia's alleged encroachment into its territory. The demonstration was the latest development in a growing diplomatic crisis.

The imbroglio between the two countries was spurred by the arrest of a leading member of the leftist rebel group FARC. Venezuela charged that the arrest allegedly took place in its territory and as such, there was a violation of its sovereign space. In this regard, Venezuelan President Hugo Chavez demanded an apology from Colombian President Alvaro Uribe. For its part, however, Colombia denied that the incident took place in Venezuelan territory and no apology from Colombia was forthcoming. Venezuela thusly recalled its ambassador from Colombia in order to register its displeasure with the situation.

While Venezuelan President Hugo Chavez must deal with accusations that he has been sympathetic to Colombia's leftist rebels, Colombian President Alvaro Uribe must contend with the revelation that his government allegedly paid Venezuelan police for assistance in the arrest of the FARC rebel member.

The diplomatic crisis between Venezuela and Colombia eventually came to an end after six weeks

of bilateral tension. Rapprochement was reached when Colombia submitted a statement stating that such incidences would not be repeated.

## **Relations with the United States**

In the backdrop of this tense situation has been the fact that the United States seems determined to isolate left-leaning Venezuela. Indeed, United States Secretary of State-designate Condoleezza Rice described the Venezuelan government as being a "negative influence" on the western hemisphere.

In April 2005, Secretary Rice called for the sale of arms to Venezuela to be monitored. An unidentified Venezuelan official responded by noting that her statement was an untoward intrusion of Venezuelan sovereignty.

For his part, Venezuelan President Hugo Chavez has described the Bush administration in the United States as having imperialist inclinations. He has also claimed periodically that the United States has plotted to oust him. Moreover, he has threatened to stop selling oil to the United States if that country's interference intensifies.

In July 2005, Venezuelan prosecutors convened an investigation into the activities of the United States Drug Enforcement Administration (DEA). By August 2005, Venezuelan President Hugo Chavez had accused the DEA of using its agents for purposes of spying. The Venezuela leader said, "The DEA was using the fight against drug trafficking as a mask, to support drug trafficking, to carry out intelligence in Venezuela against the government." In response, Chavez said that Venezuela would discontinue its agreement to work with the DEA to deal with narcotics trafficking. However, he said that Venezuela would continue to work with other international groups on the matter.

In August 2005, already-strained relations between Venezuela and the United States were further damaged when religious evangelist, Pat Robertson, called for the assassination of President Hugo Chavez on his religious television broadcast of the "700 Club." Robertson, a Christian fundamentalist and strong supporter of the Bush administration, said, "We have the ability to take him out, and I think the time has come that we exercise that ability."

The United States Department of State distanced itself from Robertson's call for the death of the Venezuelan leader by characterizing his comments as "inappropriate." The department also noted that Robertson's words did not reflect the policy of the United States. Donald Rumsfeld, the Defense Secretary of the United States said that Robertson's words were that of a private citizen. United States President George W. Bush offered no comment.



Of course, critics of the Bush administration charged that even though Robertson might be a private citizen, he was one with a public forum, and one known to be a close ally of the American president. As such, they said that a clear response from the administration was necessitated at a time when bilateral relations had suffered. In fact, these sentiments were echoed by the Venezuelan government as well. In an address, Bernardo Alvarez, Venezuela's Ambassador to the United States said, "Mr Robertson has been one of this president's staunchest allies. His statement demands the strongest condemnation by the White House."

Only days prior to the conflagration involving Robertson, a Republican Senator of the United States and the Chairman of the Senate Judiciary Committee, Arlen Specter, sent a letter to the Department of Defense requesting improved relations with Venezuela, for the purpose of working cooperatively to deal with narcotics trafficking. The Venezuelan government had ceased cooperation with the United States DEA on this issue a month earlier. In his letter, Specter noted, "It may well be helpful to, at least, have a moratorium on adverse comments on Venezuela."

Robertson's remarks served only to reinforce the perception by the Venezuelan government that it has been the target of an ongoing campaign of political aggression by Washington, and that it was intended to destabilize the country and ultimately remove Chavez from office.

In response, Chavez' government said it was exploring all possible legal options available. For his part, President Chavez said that he did not "even know who that person is" when he was informed about Robertson's remarks. But Venezuelan Vice President Jose Vicente Rangel framed Robertson's words as a "criminal statement" and challenged Washington's response saying it would put United States anti-terrorism policy to the test. In this regard Rangel said, "It's huge hypocrisy to maintain this discourse against terrorism and at the same time, in the heart of that country there are entirely terrorist statements like those."

As the fiasco continued to dominate the media, Robertson responded first by saying that his remarks were taken out of context. He also claimed he had never called for the actual assassination of Chavez but simply his ousting from office. Presumably confronted with the record clearly stating that he had indeed used the word assassination in his remarks about Chavez, he subsequently apologized.

The lack of response from the United States White House, however, prompted the Venezuelan government to say that it was still going to seek legal recourse. On Aug. 29, 2005, Venezuelan President Hugo Chavez said that if Washington failed to take legal measures against Robertson's "terrorist" proposal (i.e. calling for the assassination of a head of state), then he would take the case to the United Nations and the Organization of American States. Chavez also said Venezuela would not rule out calling for Robertson's extradition to Venezuela to face charges.

A day later, however, the Venezuelan leader took a different approach and said that he would

welcome improved bilateral ties with the United States. Standing with American civil rights leader, Rev. Jesse Jackson, Chavez said he sought to improve relations between the two countries and offered inexpensive heating fuel -- at a 40 percent discount -- to impoverished United States residents in anticipation of winter. Chavez also offered food, potable water, fuel, and humanitarian aid to the devastated Gulf Coast residents in the aftermath of Hurricane Katrina. After being asked by Jackson to resume work with the DEA on narcotics trafficking, Chavez said he would consider it. For his part, Jackson said the political rhetoric had to stop and noted there was no evidence that Venezuela was a "destabilizing force" in the hemisphere, as suggested by the Bush administration. Earlier, Jackson, a religious pastor himself, condemned Pat Robertson's words.

On Sept. 16, 2005, Chavez addressed the United Nations General Assembly. In that address, the Venezuelan leader condemned the neo-imperialism, militarism and unbridled capitalism of the Bush administration in the United States. He also assailed the United States government for failing to protect the impoverished citizens of New Orleans from the aftermath of Hurricane Katrina. As well, he accused the United States of taking a contradictory stance on terrorism by failing to condemn the aforementioned calls by Robertson, for Chavez' own assassination. On this issue, Chavez said, "The only place where a person can ask for another head of state to be assassinated is the United States, which is what happened recently with the Reverend Pat Robertson, a very close friend of the White House. He publicly asked for my assassination and he's still walking the streets."

After going past the five-minute limit placed on speakers, he was asked to quickly finish his statement. In response, he turned to Jan Eliasson of Sweden, the president of the General Assembly, and said, "I think the president of the United States spoke for twenty minutes here yesterday. I would ask your indulgence to let me finish my statement." At the end of his address, he was given the loudest applause of any world leader addressing the summit. Some observers said that his words apparently captured the collective global resentment toward the policies of the United States under the Bush administration. Others explained Chavez' popularity at the summit by noting that United Nations members tend to rally around certain members when they are faced with attacks. For example, when conservative lawmakers in the United States called for the resignation of general Secretary Kofi Annan, Annan was given a standing ovation as a gesture of support. When United States President Bill Clinton was facing attacks by the Republican opposition over the scandal involving Monica Lewinsky, he also received a standing ovation from the General Assembly.

In November 2005, President Chavez led a massive anti-Bush rally in Argentina at the summit of the Organization of American states. There, Chavez was a frequent critic of the Bush administration's policies and found a receptive audience among the massive crowds. On the agenda at the summit was the matter of the Free Trade of the Americas. The hemispheric free trade deal met with resistance from several countries, including economic power-houses such as Brazil, Venezuela and Argentina, but it was backed by the United States and supported by Mexico.

Relations between Mexico and Venezuela deteriorated in the aftermath of the Organization of American states summit in Argentina. The diplomatic imbroglio was sparked by the aforementioned United States-backed effort to launch the Free Trade of the Americas and Mexico's support therein. Venezuelan President Hugo Chavez claimed that Mexican President Vicente Fox had violated normal protocol by trying to force agreement on the contentious free trade deal, even when it was not on the agenda. While giving an address to business people and political supporters in the Venezuelan capital city of Caracas after the summit, Chavez said: "How sad that the president of a people like the Mexicans lets himself become the puppy dog of the empire." By "empire" he was referring to the United States. The Mexican government responded to the characterization by demanding an apology, and noted that the Venezuelan leader's words struck at "the dignity of the Mexican people." Foreign ministers from both two countries met to discuss the dispute but no resolution was immediately forthcoming.

### **The Case of Posada Carriles**

In the spring of 2005, the case of Luis Posada Carriles emerged and quickly embroiled Venezuela, Cuba and the United States. Luis Posada Carriles, along with Guillermo Novo Sampoll, Orlando Bosch and Gaspar Jiménez Escobedo founded the Coordination of United Revolutionary Organizations (CORU), which was believed to have been involved in terrorist activities aimed at ousting Cuban President Fidel Castro from power. Born in Cuba, Posada Carriles became a naturalized citizen of Venezuela and has been linked with several bloody political plots.

The case came to the fore after the Cuban-born militant and possible assassin, Luis Posada Carriles, was detained and held in the United States for charges of illegally entering the country across the Mexican border. Soon thereafter, Posada Carriles requested political asylum in the United States. In May 2005, Venezuela called for Posada Carriles to be extradited from the United States after the Venezuelan Supreme Court approved an extradition request for him. The United States Department of State Assistant Secretary responsible for Western Hemisphere Affairs, Roger Noriega, argued that Posada Carriles may not actually have been in the United States and that the charges against him "may be a completely manufactured issue." But two weeks later, the Miami Herald conducted an interview with Posada in South Florida, making clear that he was indeed on American soil. Later it was revealed that Posada Carriles was eventually arrested while trying to get out of the country, and was being held in Texas by the United States Department of Homeland Security.

The Venezuelan government wanted Carriles to stand trial for the bombing of an Air Cubana airliner traveling from Barbados to Cuba in 1976, which left all 76 people on board dead. But the United States said that it would not deport Carriles to a third country, which might very well hand him over to President Fidel Castro in Cuba. In response, President Hugo Chavez assured the

United States authorities that he would not hand Carriles over to Castro. Still, he warned that if the United States continued its path of intransigence on the matter, diplomatic ties between Caracas and Washington D.C. would have to be reconsidered.

There have been several claims made that the United States' reluctance to move against Posada Carriles was motivated by its policy toward Cuba, in conjunction with the government's own clandestine relationship with the man. Indeed, the National Security Archive, a non-governmental organization, was reported to have housed a significant collection of declassified documents pertaining to Posada Carriles' relationship with the United States. Among the documents was a 1965 FBI memorandum that discusses his early years, as well as a 1966 FBI document outlining Posada's relationship with the United States. That particular document suggested that Posada Carriles was a recipient of monthly payments from the United States Central Intelligence Agency (CIA) during the 1960s, and was being considered to lead a military alliance against Fidel Castro's government.

By the close of May 2005, United States officials had rejected Venezuela's request to detain and extradite Carriles. The United States Department of State was holding Posada Carriles on suspected immigration violations; it said there was insufficient evidence to arrest and extradite him in accordance with Venezuela's wishes.

In response to the decision by the United States, tens of thousands of Venezuelans demonstrated in the streets of the capital city of Caracas. The protest rally was largely peaceful with demonstrators dancing in the streets, blowing whistles and shouting anti-American slogans. Many Venezuelans believe the United States' position is rife with double standards, and some accuse United President George W. Bush of hypocrisy for allowing a possible terrorist into its jurisdiction even while he wages a "war on terror." Throughout, demonstrations were also going on in Cuba with Cubans at home calling for Posada Carriles to face justice.

The case of Posada Carriles has contributed to the devolution of already-strained relations between Venezuela and the United States. The diplomatic imbroglio over Posada Carriles has not helped the situation. In fact, a new problem emerged to exacerbate the situation when the United States canceled the tourist visa of Venezuelan Supreme Court President, Omar Mora. In response, Venezuela warned that it would halt visits by American officials. The United States said that an administrative error precipitated the cancellation of Omar Mora's visa. It also noted that the cancellation was not political and that the Venezuelan Supreme Court President could re-apply for a new visa. The Venezuelan government, however, was not assuaged. Venezuelan Vice-President Jose Vicente Rangel characterized the incident as a "slight to Venezuela's dignity." Other Venezuelan officials, including Omar Mora himself, suggested that the cancellation of the visa was linked to Venezuela's calls on the United States to extradite Luis Posada Carriles.

Posada Carriles' immigration hearing was set for June 13th, 2005. There, he renewed his request

for political asylum in the United States, and also requested that he be transferred from Texas to custody in Florida, where his family and attorneys were based. On June 21, 2005, the judge refuses Posada Carriles' request to be transferred to Florida and set a date for an immigration hearing before a Homeland Security judge in Texas. In that regard, Posada Carriles was expected to face a Homeland Security judge in the United States on August 29, 2005. Following that hearing, the Department of Homeland Security judge ruled that he could not be deported due to a possible threat of torture in Venezuela, if was, indeed, sent back to there.

It was reported in the Cuban media that on March 22, 2006, United States Immigration and Customs Enforcement (ICE) decided that Posada Carriles would continue to be detained because he continued "to present a danger to the community and a flight risk." The ICE also acknowledged that he had "a history of engaging in criminal activity, associating with individuals involved in criminal activity, and participating in violent acts that indicate a disregard for the safety of the general public." It was the first major admission on the part of the United States government regarding the potential criminal activities of Posada Carriles. Nevertheless, on April 27, 2006, the New York Times reported that Posada Carriles has applied to become a United States citizen.

### **Other Developments on the Domestic Scene in 2005**

Meanwhile, the domestic scene in Venezuela, political changes were afoot in the first part of 2005. Notably, two leading Venezuelan opposition figures announced that they would join forces to form a new political group in May 2005. Claudio Fermin, the former mayor of the capital city of Caracas, and activist Carlos Melo, claimed their newly established Popular Assembly was intended to "rescue political discourse" in Venezuela, and it would be aimed at opposing both President Hugo Chavez as well as the existing anti-Chavez opposition.

By August 2005, hundreds of people participated in a demonstration in the capital city. The demonstrators marched in the streets of Caracas hoping to draw public attention to their demands for electoral reform ahead of parliamentary elections scheduled for December 2005. Chanting anti-Chavez slogans and carrying Venezuelan flags, they also called for the officials of the National Election Council to be replaced. One banner was seen emblazoned with the words, "We need a New National Elections Council, Now!"

As the demonstrators closed in on the city center, clashes broke out with pro-Chavez contingents. Violent altercations resulted in injuries to several people as rocks and bottles were thrown from both sides, and as tear gas filled the area. Media reports suggested that it was the worst violence in months. Indeed, Venezuela has enjoyed a state of relative calm since Chavez won the August 2004 referendum on his leadership, as discussed above. Despite the voting audit, which was carried out to ensure the veracity of the referendum outcome, anti-Chavez groups charged that the certification of the result was tainted because, according to their claims, officials on the country's

election board were supporters of President Chavez. In fact, this latest demonstration was organized to press home this claim. For its part, the National Election Council dismissed that accusation, characterizing it as unfounded.

In Venezuela's legislative elections held in early December 2005, President Hugo Chavez' ruling party, the Fifth Republic Movement (FRM), in conjunction with various allies, appeared to have claimed an overwhelming victory. Early election results suggested that Chavez' party and its allies had swept all the 167 seats at stake. The massive win by Chavez and his allies was helped, to some degree, by the election boycott staged by the country's five main opposition parties. Still, Chavez criticized the decision by the opposition to boycott the election and charged the opposition with trying to lead the country "down a violent path."

An election official said that barely 25 percent of Venezuela's eligible voters had participated at the polls. Jorge Rodriguez, the president of the National Electoral Council (NEC), said that the low turnout was not because of the boycott, but an unfortunate consequence of "torrential rains" that made it difficult for voters to get to polling stations. Still, some members of the opposition claimed that low voter turnout undermined the legitimacy of the election results and, as such, they would go to court to try to get them invalidated. Other opposition leaders dismissed court action as pointless, saying the courts simply obey the head of state. Still others, including the group Sumate, said the government also controlled the election council, intimating that the election results were not to be trusted and accusing it of widespread fraud. For its part, the head of the National Elections Council said "the voting went ahead with absolute normality".

Meanwhile, the United States made note of the low voter turnout and also expressed a lack of confidence in the fairness of the election. The United States stopped short of condemning the election results, saying instead it would wait to see the reports from international monitors.

Regardless of the actual reason for the low level of participation, the election results strongly consolidated Chavez' political power and augmented his political agenda, which he has called the "Bolivarian revolution" in memory of Latin American nationalist hero Simon Bolivar. The victory at the legislative elections also effectively paved the way for constitutional changes that will allow him to stand for another term in office. In this regard, the Speaker of the National Assembly, Nicolas Maduro, said that a new draft of the 1999 constitution would be written in 2006 and would be submitted to a referendum in 2007.

## **Developments in 2006**

At a pilgrimage to honor the Virgin Mary in January 2006, the most senior Catholic clergyman in Venezuela, Cardinal Rosalio Castillo Lara, told worshippers that the country had "lost its democratic course and presents the semblance of a dictatorship." In response, Venezuelan



President Hugo Chavez described the Cardinal's words as "a provocation" and demanded a full apology. He also characterized the incident as "shameful for the Catholic Church" and warned the church to stay out of political affairs. Chavez also demanded an explanation from the Pope's representative in Caracas but said that the response offered by the Vatican's ambassador was not satisfactory.

In early February 2006, President Hugo Chavez announced that he intended to purchase more weaponry for Venezuela in order to protect his country from potential invasion by hostile powers. Chavez noted that the 100,000 Kalashnikov assault rifles already on order from Russia were insufficient to meet this need. He also asserted that Venezuela would require a million armed men and women to protect the country.

Chavez' words came after already-bad bilateral relations with the United States sunk to a new low after both countries expelled one another's diplomats after Caracas accused Washington D.C. of spying. Venezuela also warned that if Washington severed diplomatic ties with Caracas, it would respond by closing all Venezuelan refineries in the United States, effectively disrupting oil supplies, and potential leading to further price increases.

In a related development, Spain rebuffed pressure from the United States to refrain from selling 12 military aircraft to Venezuela using American technology. Spain said that it would go ahead with the deal using European technology instead.

At the country's 200th anniversary celebration in March 2006, Venezuelan President Hugo Chavez officially revealed the country's new flag to the public. Venezuelans were able to see the new flag as it was flown during a large military parade and eventually hoisted by the president himself. Changes to the design were approved by parliament in early 2006 and included the addition of an eighth star and a shift in direction faced by the white horse on the national coat of arms. Some observers attributed the eighth star as being representative of the province of Guyana, while others interpreted it as a testament to 19th Century independence leader and hero, Simon Bolivar. The shift in the horse from facing right to facing left was quickly interpreted as being filled with political symbolism.

Even as Chavez and his supporters celebrated the 200th anniversary of Venezuela and the unveiling of the new national emblems, about 1,000 opposition members demonstrated against the new flag in the streets of Caracas. Condemning the new flag, they questioned its constitutionality noting that there had been no real consultation prior to making the changes. Expressing outrage, opposition spokesperson Oscar Perez said, "Venezuelans have two flags - one of totalitarianism, autocracy and communism... and one of democrats."

In order to manage costs, changes to emblems emblazoned on public buildings, stamps, coins and passports will be made in a gradual fashion over a period of five years.

On April 7, 2006, a convoy carrying United States Ambassador William Brownfield was pelted with tomatoes and eggs in the Venezuelan capital city of Caracas. Reports also stated that individuals on motorcycles chased Brownfield's car. Police escorting the convoy did not intervene. It was believed that supporters of President Hugo Chavez may have been responsible.

In July 2006, Venezuela joined Mercosur -- the South American trade bloc that already included Brazil, Argentina, Uruguay and Paraguay. Venezuelan President Hugo Chavez characterized the move as "historic." Meanwhile, observers were split on their assessments of the prospects for the newly-enlarged Mercosur. While some Venezuelans wondered if some business enterprises would be hurt by rivals within the bloc, others were hoping that it would herald more of an open-market shift. Meanwhile, still other observers wondered about the political and economic implications of Chavez' influence within Mercosur.

August 1, 2006 marked the start of the presidential election campaign in Venezuela. Months ahead of elections scheduled for December 2006, President Hugo Chavez was enjoying approval ratings as high as 60 percent while potential rivals polled at around five percent. The Venezuelan opposition has been wracked by a lack of cohesion and a dearth of new policy proposals. One of few possible candidates likely to pose a genuine challenge to Chavez has been the populist, Benjamin Rausseo. Known as "the Count of Guacharo," Rausseo's "rags to riches" personal story, as well as his career as a stand-up comic, were believed to hold some attraction for voters looking for an alternative to Chavez. Meanwhile, for his part, Chavez was looking to win re-election. Should he be successful in this bid, it would ensure a third consecutive term in office.

In September 2006, Chavez addressed the United Nations General Assembly. In his speech he assailed the "imperialist" and hegemonic power of the United States, quoting famed American linguist Noam Chomsky in so doing. His reference to Chomsky apparently sparked renewed interest in the famed linguist's writings and philosophical stances. He also jokingly referred to United States President Bush, who had earlier addressed the assembly, as "the devil." The Bush administration characterized Chavez' statements before the United Nations as "unstatesmanlike." But in an interview with Time magazine, Chavez noted that Bush had also used vitriolic language against him. To this end, Chavez said, "Bush has called me worse things — tyrant, populist dictator, drug trafficker, to name a few. I'm not attacking Bush; I'm simply counter-attacking." The scenario highlighted continued poor bilateral relations between the two respective administrations and was expected to negatively impact Venezuela's bid for a non-permanent seat on the United Nations Security Council.

The situation was not helped by the fact that only days later, Venezuelan Foreign Minister Nicolas Maduro was detained at New York's John F. Kennedy airport for 90 minutes. Maduro was in the United States to attend the aforementioned United Nations General Assembly meeting but was stopped as he was trying to leave the country. According to various reports, after being detained,



Maduro was questioned about his role in an attempted coup d'etat led by Chavez in 1992 by regular airport security. Diplomatic security then entered the fray, presumably to resolve the matter.

According to Maduro, however, the situation was not a simple one and entailed treatment disallowed under international law. Indeed, Maduro asserted that he was both strip-searched and subjected to verbal abuse. In remarks to the media, Maduro said, "We were detained during an hour and a half, threatened by police with being beaten. We hold the United States government responsible." Venezuelan President Chavez observed that Maduro's detention was a provocation of sorts. Officially, Venezuela responded to the incident by filing a formal complaint to both United States authorities and the United Nations.

For its part, United States authorities denied that Maduro had been detained, saying instead that he had simply been asked to comply with a second security screening. However, the United States Department of State later acknowledged the incident and subsequently issued an apology to the Venezuelan foreign minister. A spokesperson for the State Department said, "The state department regrets this incident. The United States government apologized to Foreign Minister Maduro and the Venezuelan government." Regardless, the apology did not alleviate the tensions between the two countries, with Foreign Minister Maduro saying that it was not enough.

By November 2006, Venezuela's bid to attain a non-permanent seat on the United Nations Security Council ended in failure when, after successive rounds of voting, it could not muster enough votes to outright eliminate Guatemala. Of course, Guatemala was in exactly the same position as well. The result was a blow to both Venezuela and Guatemala -- and by extension, the United States, which had strongly backed Guatemala against Venezuela. Consequently, the countries of the Western Hemisphere reconvened to submit a consensus candidate, and chose Panama. The choice of Panama, which was endorsed by the majority of countries in the region, was intended to symbolize the nexus of the various regions of the Americas.

## **Election of 2006**

Venezuelan voters went to the polls on December 3, 2006 to vote in the country's presidential election. Turnout was reported to be 62 percent. Observers reported long lines of people waiting to vote outside polling stations. Among the international observers were hundreds of monitors from the European Union (EU) and the Organization of American States (OAS). As well, supporters of the main candidates monitored the activities at polling stations; they were expected to participate in a post-election audit of ballot boxes. Also stationed at the polling stations were army reservists -- reportedly on hand to ensure that there was no tampering with the electronic voting machines. Representatives from the OAS described the election as "massive and fair." Although there were reports of irregularities at some polling stations, a member of the opposition

acknowledged that such incidences were addressed in a satisfactory manner by election authorities.

Leading up to the election, left-wing incumbent President Hugo Chavez campaigned on the basis of the performance of his ongoing programs and policies. Chavez urged people to give him another term in office so he could complete his socialist Bolivarian Revolution, which he claimed to have started. To that end, Chavez touted the manner in which he had used the country's vast oil wealth to help the poorest segments of the population through social programs. In the developing world, frequent criticisms have been levied against traditional market economics, based on the view that impoverished people rarely benefit from the wealth yielded by natural resources. By ensuring that poor Venezuelans have enjoyed tangible benefits from the country's oil wealth, Chavez has been able to win the loyalty of a significant portion of the citizenry. In addition to his policies and programs, less fortunate Venezuelans have personally identified with Chavez, whom they believe has an intimate understanding of poverty, given his background as a street vendor. In these ways, Chavez has enjoyed a popular following in Venezuela.

Not all Venezuelans, however, have held the policies and programs of Chavez in high estimation. Still, Venezuelans with a different vision for the country were presented with a clear alternative to the Chavez regime. Specifically, Chavez' main challenger, the pro-business candidate Manuel Rosales, campaigned on the basis of returning Venezuela to a strictly market-based system and attracting foreign investment. As the governor of the oil-rich state of Zulia, Rosales' platform held particular resonance among Venezuela's middle and upper classes -- a segment of the population that has been generally opposed to the populist inclinations of Chavez. Among these opponents of Chavez, criticism has been directed to his economic approach, as well as some of his political measures, which have, to some degree, consolidated presidential power.

While polls in the months prior to the election showed Chavez with a double-digit lead over other candidates, in the days prior to the election, Rosales' disciplined campaign appeared to be gaining traction and boosting his prospects. Rosales was also helped by the fact that there was greater unity among the opposition than in the past. In the end, voters would be choosing between a continuation of Chavez' left-leaning platform, or, a shift to the right and toward a strict market economy via Rosales.

Exit polls taken on election day indicated that despite Rosales' late surge in the polls, Chavez was poised for re-election. Those exit polls showed Chavez capturing about 58 percent of the vote share with Rosales trailing with 40 percent. Yet to be seen was whether or not the polling data was accurate. Hours later, with the majority of the votes counted, the National Electoral Council said that Chavez had exceeded exit poll projections and garnered 61 percent of the vote share and a landslide victory. Meanwhile, Rosales secured 38 percent of the votes cast.

Chavez soon declared victory. He appeared on the balcony of the presidential palace, clad in a red shirt -- a testament to his political philosophy -- and addressed the crowds of his supporters

gathered below declaring, "It's a great victory for the revolution!" Below, his supporters chanted in response, "Chavez isn't leaving!" For his part, Rosales conceded defeat and promised to stay involved with politics. In his speech to supporters, he said, "We will continue in this struggle." While some opposition supporters were downcast over the defeat of Rosales, others expressed anger about the election outcome.

While critics, including the Bush administration in the United States, have accused Chavez of being a "dictator," the Venezuelan president has emphatically stated that he values democracy. His socialist programs have worried free market advocates, particularly those upset about state control over the oil economy in Venezuela. Their anxieties have not been assuaged by suggestions by Chavez that utilities might be nationalized. That said, Chavez has noted that he intends to respect private ownership and he has pointed to the democratic means by which he achieved power.

Indeed, this latest landslide victory -- following on two previous election victories in 1998 and 2000, as well as a convincing victory in the aftermath of the notorious "recall" referendum of 2004 -- effectively gave President Chavez a clear mandate to continue his socialist Bolivarian Revolution. The landslide victory also vindicated his strong stance against the Bush administration in the United States, at least among the majority of Venezuelans. Moreover, it augmented his push for an anti-imperialist front composed of Latin American countries.

## **Developments in 2007**

In early 2007, President Chavez carried out a major cabinet shuffle, replacing 15 cabinet ministers and creating two new ministerial portfolios. Of significant note was the fact that Venezuela's Interior and Justice minister, Jesse Chacon, was relieved of his duties in reaction to a spate of prison violence that plagued the country. On state television, President Chavez explained his decision to fire Chacon saying, "It is the result of failings in internal security and infrastructure." Chacon was to be replaced by Pedro Carreno, a Chavez loyalist and the head of the parliamentary judicial commission.

In a rather shocking move, Vice President Jose Vicente Rangel was replaced with Jorge Rodriguez, another Chavez loyalist who had served as the director of the country's electoral commission. No explanation was given for the change, however, the president expressed profound regret about having to make such a difficult decision. He said, "The decision to relieve Jose Vicente of his post was not easy for me because he is like a star pitcher and I regard him with the same respect and affection as a son would a father." Rangel had been one of the president's strongest allies and policy advocates.

Among the other key shifts was the appointment of Nicolas Maduro as the Foreign Minister.

On policy, Chavez expressed his desire to nationalize key power and telecommunications companies in Venezuela. Chavez has also said that he would re-examine the current arrangements with foreign energy companies operating in the Orinoco region of Venezuela. Markets reacted to the news of the plans for the Venezuelan economy with falling stock prices.

A week later, attention turned to the inauguration of President Hugo Chavez. Prior to the swearing-in ceremony, the Venezuelan president laid a wreath at the tomb of Simon Bolivar -- a testament to his commitment to extend the "Bolivarian revolution." Then, on January 10, 2007, President Chavez was inaugurated into power for a third consecutive term in office. During his swearing-in ceremony, which took place in front of the full Congress, people chanted, "Long live socialism!" For his part, Chavez promised to give his entire life "to the construction of Venezuelan socialism." In a symbolic gesture, Chavez wore the presidential sash on his left side instead of the traditional right side, paying tribute to his leftist credentials.

In mid-January 2007, Venezuela's National Assembly moved to approve legislation that would grant President Hugo Chavez the right to bypass Congress and rule by decree for a period of 18 months. The National Assembly, which has been dominated by representatives with Chavez, moved to consolidate the power of the Venezuelan leader, giving him the ability to enact wide-ranging political, economic and social changes ultimately aimed at fulfilling his "Bolivarian revolution."

Critics of Chavez, both at home and abroad, charged him with moving Venezuela down the path of authoritarianism. Nevertheless, the president of the National Assembly, Cilia Flores, dismissed such accusations, saying that "there will always be opponents especially when they know that these laws will deepen the revolution." Meanwhile, President Chavez responded to concerns raised by the United States about the National Assembly's decision to grant Chavez the right to rule by decree by saying in a media broadcast, "Go to hell, gringos! Go home!"

On May 26, 2007, Venezuela's oldest private television company broadcast its last program on its public frequency after being shut down by President Hugo Chavez. While the Radio Caracas Television (RCTC) station would still be available on cable, its removal from the public airwaves would significantly reduce its audience.

The move was directed by President Chavez who said that RCTV was an instrument of the political opposition, and had undermined his government for years. Indeed, it was commonly believed that private broadcast entities, including RCTV, had been responsible for the attempted coup d'etat against President Chavez in 2002. In an address televised nationally, President Chavez claimed responsibility for the move saying, "That television station became a threat to the country so I decided not to renew the license because it's my responsibility." The Venezuelan president noted that a new state-sponsored channel, TVes, would take the place of RCTV on the public airwaves, and would be tasked with publicizing his programs and policies.

Both RCTV and a number of media rights groups accused President Chavez of curtailing freedom of expression. To this end, Marcel Granier, the general manager of RCTV accused the Venezuelan leader of acting illegally, and promised to continue the fight for "freedom." Supporters of RCTV took to the streets of Caracas to make clear their outrage. Reporters on the ground said that rocks were thrown at police, and clashes resulted in the security forces firing water cannons at the crowds.

Meanwhile, supporters of President Chavez hosted a celebration just outside the Ministry of Communication to mark the end of RCTV's saturation of the public airwaves.

November 2007 marked the freezing of bilateral ties between Venezuela and Colombia over disagreements in dealing with the ongoing hostage crisis. At issue was Venezuelan President Hugo Chavez' role in freeing the many hostages kidnapped by Colombia's Marxist terror group, Revolutionary Armed Forces of Colombia (FARC), during the years of civil war between that group and the Colombian authorities.

President Chavez said that he would place his country's bilateral ties with neighboring Colombia on hold in response to Colombian President Alvaro Uribe's decision to end Mr Chavez's role as a hostage negotiator with Colombia's rebels. There have been several attempts over the years to free the many hostages held in captivity by FARC in Colombia but the situation moved in a productive direction when Chavez offered to act as a mediator between the leftist extremist rebels and the hard line government of Colombian President Alvaro Uribe.

That productive direction stalled when a proposal was put forth for FARC to release 45 hostages in exchange for the release of 500 FARC members imprisoned by the Colombian authorities. Uribe first expressed skepticism about the plan, saying that in trying to forge an agreement with FARC, that group could also advance its interests. As well, Uribe was reported to have been upset with Chavez for flaunting the proprieties of diplomacy by appearing in a photograph with a FARC commander, and also revealing what Uribe said was a confidential conversation about a possible meeting with FARC leader Manuel Marulanda. Uribe then decided to end Chavez' mediator role in the hostage crisis, charging Venezuela's president wants Colombia to be victimized by FARC. On the other side of the equation, Chavez reacted to the decision by saying that it was "a spit in the face" and accusing Uribe of being a liar.

Relatives of hostages held by FARC reacted to the news with shock and dismay and began to protest outside the presidential palace. They appeared to have held out hopes that Chavez' role as mediator would have eventually yielded positive results, pointing to the fact that Chavez had made significant progress in his mediating role. Reactions were strong outside South America as well. In France, President Nicolas Sarkozy called on Uribe to reconsider his decision, saying that Chavez was the best person to negotiate the release of the hostages. The French government

entered into the fray because one of the most well-known hostages held by FARC -- politician Ingrid Bettancourt -- was a French citizen.

Meanwhile, on Nov. 2, 2007, Venezuela's National Assembly passed a package of constitutional reforms aimed at consolidating presidential power. Of key significance was a provision that would rescind term limits for presidents and would, thus, allow the highly popular President Hugo Chavez to again contest the highest office of the country. Other changes included in the reform package included changes to the legal process during a state of emergency, more executive influence over the Central Bank, more power for local councils, the institution of a six-hour work day, extension of Social Security benefits, and the lowering of the voting age from 18 years to 16 years. Chavez had argued that the changes were needed s necessary to "construct a new socialist economy."

Critics of Chavez said the move was no more than a power grab. Nevertheless, the reform package passed overwhelmingly in the National Assembly with 160 of the 167 members voting in its favor. With the changes approved by the legislative branch of government, they would next have to be ratified in a national referendum set for Dec. 2, 2007.

Ahead of the referendum, opponents of the president took to the streets to protest what they believed to be Chavez' power grab while Chavez supporters rallied in support of the affirmative vote. The opposition camp was boosted to some degree by some of Chavez' own allies who were worried that the proposed changes went too far. That said, the passage of the reform package was not assured since pre-referendum polling surveys showed that the vote could go either in favor of ratification or against it.

On Dec. 2, 2007, the day began with fireworks and music -- an apparent call for people to go to the polls. As the day progressed, turnout was reported to be high as voters cast their referendum ballots. Some polling stations had to be kept open in order to allow the long lines of people to vote. However, later reports noted that up to 44 percent of the electorate had abstained from voting. Analysts surmised that the opposition likely turned out to vote in droves, while Chavez supporters who were uneasy with the reform package may have stayed home rather than vote against the president.

Nevertheless, when the ballots were counted, the pre-referendum surveys appeared to be accurate in predicting the closeness of the vote. The National Electoral Council declared that the reform package had been narrowly defeated by a margin of 51 percent to 49 percent.

Chavez opponents expressed great satisfaction over the referendum outcome, which they said would curtail Chavez' "socialist revolution." Leopoldo Lopez, the opposition mayor of the Caracas municipality said in an interview with British media, "Venezuela won today, democracy won today, and I am sure that this victory for the Venezuelan people will have a very important impact in the rest of Latin America."



For his part, the Venezuelan leader reacted to the outcome stoically. After the polls closed, Chavez promised to respect the will of the people saying, "We will accept the results whatever they are. Venezuelans have never voted so often as during these nine years of peaceful and democratic revolution." Once the result was known, Chavez characterized his narrow loss as "a photo finish" and called on his supporters to show restraint rather than create conflict. He also quickly conceded defeat, congratulated the opposition, and reiterated his call for restraint. He said, "To those who voted against my proposal, I thank them and congratulate them...I ask all of you to go home, know how to handle your victory."

## **Developments in 2008**

January 2008 saw Venezuelan President Hugo Chavez announced significant cabinet changes only weeks after his reform proposals were defeated in a referendum. Chavez replaced Vice-President Jorge Rodriguez, who was apparently blamed for failure of constitutional changes, with Ramon Carrizales -- the minister holding the portfolio for housing.

Also in January 2008, President Chavez returned to the objective of brokering the release of hostages held by FARC rebels in Colombia. This mission saw some success with the release of two hostages -- Clara Rojas and Consuelo Gonzalez. Up to 700 people remained in captivity -- among them, close to 50 high profile individuals including the French-Colombian politician Ingrid Betancourt.

Chavez called on the international community to stop referring to FARC as a terrorist enclave, but at the same time noting that he did not support their tactics. To that end, he called on FARC to stop opposing the Colombian government by taking hostages, saying, "I don't believe in kidnapping and I don't believe in armed struggle." His Colombian counterpart, President Alvaro Uribe stayed distant from the hostage release efforts. Uribe also criticized Chavez for holding talks with FARC, and emphatically stated that he viewed FARC rebels as terrorists.

The start of March 2008 saw relations devolve between Colombia and two of its neighbors -- Venezuela and Ecuador. A military offensive aimed against Marxist rebels (known as Revolutionary Armed Forces of Colombia or FARC) resulted in an incursion into Ecuadorian territory. The operation resulted in the death of a leading rebel within FARC, along with 16 others. While Colombian authorities hailed this action as a success, Ecuadorian President Rafael Correa condemned the Colombian government in Bogota for violating its sovereignty and lodged a formal protest.

Meanwhile, Chavez, who had been negotiating with FARC for the release of hostages held by the leftist rebels, railed against Colombian President Alvaro Uribe for invading Ecuador, characterizing

him as "a criminal." Chavez also called for the Venezuelan embassy in Bogota to be closed and withdrew embassy personnel from Colombia. Moreover, he ordered Venezuela's military to take up positions along the border with Colombia, presumably as a warning to its neighbor that it would not tolerate a similar violation of its own sovereignty. The move marked a significant escalation of tensions in the region.

But a week later, relations between Venezuela and Colombia were somewhat soothed after a summit between the leaders of those two countries. At the summit, the leaders of both the countries agreed to a 20-point declaration by the Organization of American States (OAS), which included a commitment by Colombian President Uribe that his military forces would not violate borders with neighbors in the future. Venezuela then said it would restore its diplomatic relations with Colombia. The Venezuelan Foreign Ministry issued a statement noting that the meeting was "a victory for peace and sovereignty... and demonstrated the importance of Latin American unity in overcoming conflicts."

However, Colombia's relations with Ecuador remained strained, with Ecuador noting that more time was needed to resolve the situation, which involved a violation of its sovereignty.

In June 2008, Venezuelan President Hugo Chavez urged Colombia's Revolutionary Armed Forces of Colombia (FARC) rebels to end their four-decade struggle and release all their hostages. The Venezuelan leader, who has negotiated controversial talks with FARC aimed at releasing its hostages, characterized the extremist leftist militants as "out of step." Chavez also said, "The guerrilla war is history. At this moment in Latin America, an armed guerrilla movement is out of place." The call came a month after long-serving FARC leader Manuel Marulanda died and Alfonso Cano was named as his replacement. Perhaps believing that he might have an impact on the new leadership, Chavez said in his televised address, "This is my message for you, Cano: 'Come on, let all these people go.' There are old folk, women, sick people, soldiers who have been prisoners in the mountain for 10 years."

Chavez' role in mediating the release of hostages was regarded as controversial by some interests. Indeed, Colombian President Alvaro Uribe terminated his official role in these negotiations. But many of the Colombian victims' families welcomed Chavez' interest in the matter, and applauded his efforts when he successfully negotiated the release of two hostages, Clara Rojas and Consuelo Gonzalez.

On a visit to Russia in late September 2008, Venezuelan President Hugo Chavez met with his Russian counterpart, President Dmitry Medvedev, and agreed to work on energy cooperation. The two countries were already ensconced in a process of building economic links but Chavez and Medvedev were pursuing a pact that would include cooperation in the realm of energy production.

This cooperation was expected to concentrate on oil and gas production, but Chavez acknowledged



that Russia had offered to assist Venezuela with a civilian nuclear power program as well. The Venezuelan leader noted that his country was only following in the footsteps of other Latin American countries, such as Brazil and Argentina, which already was on its way to nuclear energy production. He also emphasized that Venezuela was only looking to nuclear energy for medical purposes and power generation. Meanwhile, Prime Minister Vladimir Putin registered his willingness to enter into nuclear energy cooperation with Venezuela.

Russia and Venezuela were additionally moving into the realm of closer military ties. To that latter end, Russian ships were en route to the Caribbean Sea off the coast of South America to participate in joint military exercises with the Venezuelans. Chavez was quick to note that the joint military exercises were not an indication of any military action saying, "We are not going to invade anyone, or engage in acts of aggression toward anyone." However, he indicated that the action was being taken to show that Venezuela took its sovereignty seriously. He said, "But no one should mistake our intention -- we are prepared to do everything necessary to defend Venezuelan sovereignty." By December 2008, Russian fleets arrived in Venezuelan waters for joint military exercises.

Note: Both Russia and Venezuela have indicated a shared interest in opposing United States influence and hegemony on the global stage.

Meanwhile, November 2008 saw Venezuelans go to the polls to vote in state and municipal elections across the country. The elections were viewed as a key test of President Hugo Chavez' leadership. In 2004, Chavez' allies won overwhelming victories across the country, effectively ratifying his leadership and popularity. However, in 2007, Venezuelans opted to vote against the notion of unlimited terms in office, as discussed above. That referendum result acted as a key check against Chavez' consolidation of power. In 2008, the opposition was hoping for favorable results, and thus, a repudiation of Chavez' leadership.

While Chavez has commanded popular support for his decision to expend energy revenue on education, healthcare and subsidized food, his critics have said that he has failed to control crime and inflation. As well, the decreasing price of oil was a serious cause of concern in late 2008. Thus, while some opinion polls showed that Chavez' United Socialist Party of Venezuela (PSUV) was likely to hold many state governments and mayoral positions, analysts and political pundits prognosticated that Chavez' party and allies would incur several losses as a result of the growing anxiety about social and economic matters.

Voter turnout was high at about 65 percent; this record high turnout rate in local elections indicated no sense of apathy by the electorate. With most of the votes counted, allies of Chavez had won governorships in 17 of 22 state elections, with two states too close to call. Among the slate of victories won by Chavez' Socialists were the key states of Sucre and Barinas (Barinas is the home state of Chavez). That said, the opposition saw some of its own success by winning two populous

states -- Miranda and Zulia -- as well as the mayoral election of the capital city of Caracas, which was previously held by a Chavez supporter. In this way, both sides could claim some success at the polls. For his part, Chavez was asserted his party's overall strong performance saying, "It's Venezuela's victory." He continued, "The democratic path that Venezuela chose was ratified."

A year after he narrowly lost a constitutional referendum intended to consolidate and extend his executive power, Venezuelan President Hugo Chavez announced in late 2008 that he would seek new constitutional changes aimed at advancing his re-election ambitions. In an address to thousands of his supporters, the Venezuelan leader said that he was hoping to stand for indefinite re-election. To this end, he was hoping that after a fresh debate on the subject in Venezuela would result in a better referendum result than in 2007. Chavez said, "I am ready, and if I am healthy, God willing, I will be with you until 2019, until 2021."

The opposition has argued that the same referendum issue cannot be voted upon twice. However, with multiple constitutional reforms on the ballot in 2007, Chavez made the counter-argument that a referendum on the single issue of re-election would not be a repeat of the previous vote. Accordingly, on Feb. 15, 2009, Venezuelans were expected to go to the polls once again to decide Chavez' fate.

## **Recent Developments**

Ahead of the February 15, 2009 referendum aimed at changing the constitution (as discussed above), Venezuelans opposed to Chavez took to the streets to register their view that letting him run for re-election would erode the notion of democracy. But it was not just Chavez who could seek indefinite re-election according to the referendum proposal; all elected officials would be allowed the same opportunity if the measure was ratified. The strength of the "no" vote demonstrations suggested that opposition to this notion of indefinite re-election was gaining steam. Should the "no" vote prevail, Chavez, who has been in power for a decade, would have to step down in 2012. That said, polling data ahead of the referendum suggested that the "yes" vote might eke out a narrow victory.

That polling data turned out to be accurate. With most of the votes counted, at least 54 percent of voters backed the Venezuelan leader's bid to end term limits, thus setting the scene for Chavez to potentially run for re-election in 2012. For his part, President Chavez has said that he needs another term in office in order to fully achieve Venezuela's socialist revolution. Claiming victory and making clear his future intent, Chavez, standing on the balcony of the Miraflores presidential palace said, "The doors of the future are wide open... In 2012 there will be presidential elections, and unless God decides otherwise, unless the people decide otherwise, this soldier is already a candidate."

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Note: Close to 65 percent of the electorate cast their votes in the referendum while international

observers deemed it to be carried off in a free and fair manner.

In April 2009, the Summit of the Americans in Trinidad and Tobago was marked by a convivial handshake between President Obama and Venezuelan President Hugo Chavez. The Venezuelan leader, known for his anti-American rhetoric, reportedly offered friendship to President Obama and also gave him a book as a gift, albeit one that detailed perceived ills of American hegemony. Nevertheless, President Chavez approached Secretary of State Hillary Clinton to tell her that he was restoring diplomatic representation in Washington. He also expressed hopes for improved bilateral relations on state television saying, "We ratify our willingness to begin what has started: cementing new relations. We have the very strong willingness to work together."

Facing criticism at home by Republicans who did not look kindly on these encounters between President Obama and President Chavez, the United States leader said, "It's unlikely that as a consequence of me shaking hands or having a polite conversation with Mr. Chavez that we are endangering the strategic interests of the United States."

Addressing his policy of international engagement, President Barack Obama said on the closing day of the summit that it "strengthens our hand" by reaching out to enemies of the United States. At an outdoor news conference in Trinidad, the American president said that the United States should be a leader and not a lecturer of democracy. Explaining the Obama doctrine of engagement, he said, "We're not simply going to lecture you, but we're rather going to show through how we operate the benefits of these values and ideals."

In August 2009, Colombia and the United States concluded negotiations on a military cooperation agreement, which would provide for United States troops to access Colombian military bases for the purpose of combating terrorism and fighting the trafficking of narcotics in the region.

Responding to this plan for a sustained United States military presence in Colombia, Venezuela announced on August 17, 2009 that it would construct 70 "peace bases" along the border with Colombia. Francisco Arias Cardenas, Venezuelan Vice Foreign Minister for Latin America and the Caribbean, said that the plan was part of Venezuela's initiative to promote peace and prevent conflict. But it was clear that the move was a defensive one, aimed at responding to the presence of United States troops in a neighboring country, when Foreign Minister Arias explained at a news conference, "Each Venezuelan has to be a soldier to defend Venezuela."

The agreement between the United States and Colombia has already caused a diplomatic contretemps in the region, resulting in late July 2009 with indications from Venezuela that it would freeze its diplomatic ties with Colombia. Then, on September 1, 2009, Venezuelan President Hugo Chavez confirmed his country would end formal diplomatic relations with Colombia. President Chavez said the move was being made in response to Colombia's decision to allow United States forces to have greater access to its military bases. Both Colombia and the United States have insisted that the deal would pose no threat to neighboring countries, and had

been forged simply to improve efforts against anti-narcotics trafficking. However, regional powers, including Venezuela, have reacted with concern to the move.

In a related development, prospects of a Russian loan to Venezuela to help finance the purchase of Russian arms were being discussed on September 9, 2009. Chief Russian foreign policy aide, Sergei Prikhodko, said that the Kremlin was considering such a loan to Venezuela. The announcement came as Venezuelan President Hugo Chavez arrived in Moscow for meetings with Russian President Dmitry Medvedev. In addition to the possibility of an arms deal, the meeting was intended to establish multiple areas for bilateral cooperation. To that end, President Medvedev's Press Secretary Natalya Timakova said, "There are plans for the conclusion of documents and agreements on oil and gas cooperation, on ecology in the oil and gas industry, and also an agreement between the Justice Ministries."

After his trip to Moscow, President Chavez confirmed in a weekly televised address that Russia had agreed to lend Venezuela over \$2 billion for the purchase of weapons, such as 100 tanks and a series of anti-aircraft rocket systems, and were intended to boost the country's defensive capacity. President Chavez noted that the anti-aircraft rocket systems would make it difficult for Venezuela to be attacked. He said, "With these rockets, it is going to be very difficult for them to come and bomb us. If that happens, they should know that we will soon have these systems installed, [and] for an enemy that appears on the horizon, there it goes." The move appeared to be in retaliation to the aforementioned deal struck between Colombia and the United States to allow American troops access to Colombian military bases.

Tense relations between Colombia and Venezuela devolved in November 2009 when Colombia detained four members of the Venezuelan national guard on Colombian territory. Colombian authorities said the four were detained along a river in the border province of Vichada. The situation was not expected to last long since Colombian President Alvaro Uribe said they would be released and returned to Venezuela. Perhaps with an eye on calming the heightened tensions between the two countries, President Uribe said there was "unbreakable affection" between his country of Colombia and neighboring Venezuela. The incident came a week after Venezuelan President Hugo Chavez sent troops to the border region in an apparent response to an agreement forged between Colombia and the United States that would allow the American military to use Colombian bases in its anti-narcotics trafficking efforts. Venezuelan President Chavez has decried the move, charging that the agreement was part of the United States' agenda to ultimately invade his country. This claim has been strongly denied by the United States.

The issue of Venezuela's entry into the South American trade bloc known as Mercosur trade bloc came to the fore in November 2009. On Nov. 13, 2009, the Brazilian Senate postponed a vote on the matter. The delay was due to Venezuelan President Hugo Chavez' declaration that Venezuelans should prepare for war with Colombia. At issue for President Chavez was an agreement forged between Colombia and the United States that would allow the American military

to use Colombian bases in its anti-narcotics trafficking efforts. President Chavez has argued that the agreement obfuscates the United States' deeper intent to grab a foothold in South America, including the possible invasion of Venezuela. Regardless, President Chavez' declaration was viewed by the Brazilian Senate as an exercise in hyperbole and fiery rhetoric, which tainted the support of some members of the body. Already, there has been strong criticisms in Brazil regarding President Chavez' suppression of independent media and somewhat autocratic tendencies in Venezuela. There was no new date set for a vote since the immediate effort was centered on calming the situation and dispelling doubts about Venezuela's entry into Mercosur.

Editor's Note: Jointly founded in 1991 by Argentina, Brazil, Paraguay and Uruguay under the Treaty of Asuncion, Mercosur has defined itself as the trading bloc of South America. That said, Mercosur has not yet actualized the free movement of goods, capital, services and people among its member-states.

On February 12, 2010, Venezuelan President Hugo Chavez said that he wanted to govern the country till 2030, noting that it would take that period of time to consolidate his socialist agenda. President Chavez explained that the socialist project was still in its infancy, and that the achievement of socialist ideals was being compromised. He said, "The Venezuelan Socialism is just being born, but it is polluted by many vices including corruption and selfness." During his address to the celebration of Youth Day, President Chavez noted that the youth were the core of the socialist revolution of Venezuela and he condemned the opposition for trying to manipulate young Venezuelans into destabilizing the country. He also promised that Venezuela would be a world power.

Yet despite these ambitions, President Chavez was dealing with dissatisfaction from within his own ranks. A week earlier on February 5, 2010, a cadre of former aides of Hugo Chavez signed a petition calling for the Venezuelan president to resign on the basis of incompetence. The petition by former loyalists -- including former Defense Minister Raul Isaias Baduel and Hermann Escarra who was central to the crafting of the Chavez-era constitution celebrating the Bolivarian revolution -- was published in the local media. Significantly, the petition emerged after several weeks of growing public discontent and urban unrest over infrastructure needs. At issue have been the shortages of water, power and other such necessities. While the government has blamed the shortages on drought conditions, which have drained water reservoir levels, critics have charged the government with incompetence in handling these challenges.

At the height of his popularity, Chavez' appeal was founded on his record of improving the lives of ordinary Venezuelans by spending petro-dollar on the people. However, since 2009 when Chavez undertook a number of foreign trips, his popularity has dwindled with many people accusing him of neglecting the needs of Venezuelans at home.

It should be noted that apart from the charges of incompetence, the petition also chastising Chavez for having an "autocratic, totalitarian and self-centered way of governing" and for using "utterly



careless" use of language, which the document said revealed the Venezuelan leader to be "intolerant, petty, hateful and resentful."

On August 26, 2010, the ruling United Socialist Party of Venezuela (PSUV) and the opposition Democratic Unity Table (MUD) began their respective campaigns ahead of the country's legislative elections to be held on September 26, 2010. At stake was the composition of the 165-seat National Assembly in which 110 of these deputies would be constituency representatives elected on a first-past-the-post system, 52 would be elected on a party list system, and three seats would be reserved for indigenous peoples. As well, 12 representatives would be chosen for the Latin American parliament.

President Hugo Chavez' PSUV was hoping for victory while the opposition MUD admitted that it faced an uphill battle against the president's party at the polls. By August 31, 2010, Venezuelan President Hugo Chavez was ramping up his support for his party ahead of the legislative elections. President Chavez traveled to various regions across the country to rally supporters and show support for allied candidates. In one of his speeches, he said, "It is necessary to avoid the opposition taking power." Then, by September 23, 2010, only days before the elections, President Chavez was participating in final rallies and expressing confidence in victory for the PSUV. Of the opposition, he said during a rally in Barquisimeto, "We're going to give them a beating." Meanwhile, the unified opposition MUD, led by Ramon Guillermo Avelado, predicted victory for his bloc saying, "It's a fight of David against Goliath, and it's going to end as the Biblical fight did."

Ahead of the elections, there was some variation in the opinion polls, given that one pollster was the government-aligned GIS XXI, which tended to elicit more pro-PSUV forecasts. The result was a somewhat skewed projection that favored President Chavez' party. Indeed, according to the newspaper Últimas Noticias, which published what it said was the result of an opinion poll by Datanalisis, the PSUV could win as many as two-thirds of seats in the National Assembly's 165 seats, which would give it a two-thirds majority. However, Datanalisis clarified this result, saying that it was an extrapolation based on the results of the last national election as well as the 2009 constitutional referendum. In the waning days ahead of the election, though, not only were other polls showing an even split between PSUV and MUD, but a full third of voters said they were uncommitted. Thus, the likely outcome of the election would depend on which direction the majority of the uncommitted voters swayed on election day.

With the votes counted on election day, it was announced that President Chavez' allies had won the election, albeit with a reduced majority in the country's legislature. The PSUV won at least 90 seats with the opposition MUD securing at least 59 seats in the 165-seat National Assembly. Rather immediately giving a victory address as in the past, President Chavez instead celebrated by sending a message via the social media site, Twitter. He said that it had been "a great day" and promised to "continue deepening Bolivarian and democratic socialism." Meanwhile, the opposition could take satisfaction in the fact that it now enjoyed healthy representation in the country's legislative body.

In mid-December 2010, Venezuelan President Hugo Chavez moved to bypass parliament and rule by decree. This type of move was not unprecedented since Chavez had done as such before. In this case, the Venezuelan leader argued that he had to deal with the national emergency of mass flooding that killed scores of people and left more than 140,000 others homeless. His critics, however, have reacted in anger and accused him of being a dictator, and financial sectors and property owners warned that Chavez would use his powers of decree to move Venezuela further down the path of nationalization. Nevertheless, their cries would not likely yield results. Instead, the head of the country's parliament said that an "Enabling Law" would be approved by Dec. 17, 2010. This "Enabling Law" would allow the president to issue decrees in a number of areas from land and housing to security.

## **Special Entry**

### **A post-Chavez Venezuela?**

In late June 2011, there was a sense of growing uncertainty in Venezuela over the health of President Hugo Chavez. At issue was the fact that the Venezuelan leader was in Cuba being reportedly treated for a pelvic abscess, but had not been seen in public for two weeks since having had the surgical operation. The speculation abounded that President Chavez might be seriously ill after contrasting depictions emanated from the Venezuelan authorities. On one hand, Venezuelan Foreign Minister Nicolas Maduro said that President Chavez was a "great battle" for his health. On the other hand, Vice-President Elias Jaua asserted, "We will have Chavez for a long time!" and blamed the media for rumor mongering about President Chavez' absence from the political scene.

Indeed, since traveling to Cuba for treatment on June 10, 2011, President Chavez -- no stranger to the public scene and known for his expressive nature -- had been uncharacteristically silent. There were some photographs released showing President Chavez in a Cuban hospital being visited by the iconic former Cuban President Fidel Castro, and current President Raul Castro; however, the pictures did little to stem the growing questions about the Venezuelan leader's health, the potential power chasm of a post-Chavez Venezuela, as well as the associated matters of succession and stability.

Accordingly, President Chavez gave a televised national address on the last day of June 2011 to dispel the rumors about his health. In that speech, the visibly less robust Chavez acknowledged that he had been battling cancer, had endured two surgeries involving a tumor, and was now on the road to recovery.

At the start of July 2011, the Venezuelan leader returned from Cuba to celebrate the country's 200th anniversary of independence. He was met by throngs of jubilant supporters. Speaking from inside his presidential palace, President Chavez said: "Here I am -- in recovery but still

recovering." His return to Venezuela in time for the independence celebration appeared intended to quell anxiety about a possible chasm in the country that was sparked with his health crisis.

Still, President Chavez was being faced with prolonged cancer treatment (possibly radiation therapy or chemotherapy) ahead of the next presidential election to be held in 2012. That treatment was reported by the president to be successful. Accordingly, the incumbent Venezuelan leader said that he intended to seek a third six-year term.

Note that in February 2012, the Venezuelan opposition selected state Governor Enrique Capriles Radonski as its candidate to contest the presidential election against incumbent President Hugo Chavez. Capriles Radonski garnered a decisive victory over his rivals in the primary race -- an unprecedented event in its own right since opposition ranks have tended to be fragmented. Now, there were high hopes that Capriles Radonski -- as the standard bearer of a united opposition known as the Coalition for Democratic Unity (MUD) -- could launch a competitive campaign against President Chavez. Capriles Radonski -- a young governor of the Miranda state -- promised political change, while simultaneously indicating that the social programs implemented by Chavez would be preserved. Of course, this latter claim appeared intended to blunt President Chavez' warning that failure to re-elect him would result in the decimation of the country's popular social programs.

In March 2012, Venezuelan President Hugo Chavez disclosed in a televised appearance that the cancer with which he was diagnosed in mid-2011 had returned. Chavez, who had surgery in Cuba, said that tests showed that there was no metastasis to organs near the tumor, and that his doctors in Havana were "very optimistic" about his prognosis. According to reports by El Universal, Chavez was expected to undergo radiation therapy. El Nacional reported that Chavez anticipated a "sustained and progressive" recovery. It was yet to be seen if Chavez' health challenges would affect his prospects of re-election.

For his part, President Chavez still maintained healthy approval ratings north of the crucial 50 percent mark nine months ahead of the election, which was set for October 2012.

In mid-2012, the impeachment of President Fernando Lugo in Paraguay was having a regional effect in South America. Many of Paraguay's neighbors in the hemisphere believed that the right-wing opposition, which has been used to dominating the power ranks in Paraguay, has been trying to circumvent democracy by ousting the country's first left-wing president from office. The regional bloc, Mercosur, had moved to suspend Paraguay from its body, due to outrage over what it saw as an unconstitutional transition of power. But with Paraguay now out of the Mercosur scene, some left-leaning Mercosur powers (Brazil and Argentina) were using the opportunity to bring Venezuela into the fold -- a move long opposed by Paraguay. Indeed, the South American trading bloc would welcome Venezuela on July 31, 2012, at a meeting in Brazil. In an interview with Telesur television, Venezuelan President Hugo Chavez said: "This is a historic day for ...



integration/ This is win-win for everybody."

Note: On July 31, 2012, Venezuela officially joined the Mercosur trading bloc. At a ceremony in Brazil, Venezuelan President Hugo Chavez said: "We have waited for this day for many years. This is our path, it is our project, a South American union."

## **Primer on 2012 Presidential Election**

### **Summary:**

A presidential election was held in Venezuela on Oct. 7, 2012. Incumbent President Hugo Chavez was seeking re-election against opposition leader Enrique Capriles. After the polls closed, Venezuelan electoral officials announced that President Hugo Chavez had won a fourth term in office, defeating his most formidable rival to date -- Capriles. Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

### **Background:**

A presidential election was scheduled to be held in Venezuela on Oct. 7, 2012. In Venezuela, presidents are elected for six-year terms (previously five-year terms) by universal suffrage.

Incumbent President Hugo Chavez was first elected in 1998; after a constitutional referendum the next year, Chavez decided to strengthen his mandate by having the presidency contested once again in the 2000 elections. As expected, Chavez was re-elected to power in 2000 for a six-year term. He claimed an overwhelming victory in a "recall" referendum in 2004, which effectively ratified his presidency, to the great consternation of his detractors. Chavez was re-elected in 2006; the election outcome in 2006 showed a landslide victory of 62.9 percent of the vote share against Manuel Rosales who took 36.9 percent. This result appeared to indicate that Chavez had actually gained popularity over time, ultimately improving successive election performances. Now, in 2012, Chavez was again seeking another term in office despite health complications stemming from a tough battle with cancer.

In the elections to be held on Oct. 7, 2012, President Hugo Chavez, the candidate of the ruling United Socialist Party of Venezuela, would face Enrique Capriles Radonski, the candidate of the opposition Coalition for Democratic Unity. That coalition was composed of more than 30 opposition parties. Describing his campaign agenda, Capriles said he would fight crime and root out corruption were he to win the presidency.

Note that in June 2012, polling data by the respected local outfit, Datanalisis, showed President Chavez holding a lead over Capriles. The poll found that 43.6 percent of voters favored Chavez

versus 27.7 percent for Capriles. It would seem that even in the face of his battle with cancer, the incumbent remained popular in Venezuela, quite likely due to his Bolivarian Revolution-inspired welfare policies that have benefited that less wealthy echelon of Venezuela's population. Indeed, the president's decision to use oil wealth to help the poor has no doubt augmented an emotional connection between Chavez and a large swath of the Venezuelan people.

That being said, Capriles has his own base. As a young man of 39 years of age, he was attracting educated youthful voters, and enjoying a popular following on the campaign trail. His campaign was founded on the argument that Capriles would better manage the government, including its popular established social programs. It was to be seen if this argument would gain resonance. With the undecided segment of the population standing at 28.7 percent, Capriles had a lot of room to grow his support ahead of election day in October 2012.

Capriles enjoyed encouraging news as June 2012 came to a close when a new poll showed him only narrowly trailing President Chavez. Polling outfit Consultores 21 said that according to its most recent survey, Chavez held a lead of just under four percent over Capriles. This result was quite a contrast from other polls that showed the incumbent president with double digit leads. Consultores 21 showed 47.9 percent of voters favoring Chavez, while 44.5 percent favored Capriles.

Polling data in mid-2012 showed Chavez with a 15 percentage-point lead over opposition challenger Capriles. According to the pollster, Datanalisis, Chavez enjoyed the backing of 46.1 percent of respondents, whereas Capriles had 30.8 percent of support. Of course, as noted just above, another respected pollster has been showing a far closer race with Capriles in a competitive position against Chavez.

By September 2012, a month ahead of the presidential election, polling data continued to show an advantage for incumbent President Chavez. A poll by International Consulting Services (ICS) showed Chavez on track to securing more than 60 percent of the vote share and Capriles trailing significantly with less than 40 percent. President Chavez was not taking victory for granted, and in an address to his supporters, he spoke of the opposition base as follows: "We must not underestimate them." Meanwhile, Capriles sounded the sentiment of confidence saying to his support base, "We have no doubt that the road we are on arrives at a single destination, and that's victory on Oct. 7."

As September 2012 came to a close, the election season in Venezuela turned violent. Only one week ahead of the presidential election, two opposition politicians were killed during a campaign rally. Antonio Valero of the opposition party, First Justice, and Omar Fernandez, an independent, were campaigning in the state of Barinas when they were shot to death by gunmen. According to First Justice, the men were in Barinas for a planned rally but their route was blocked by pro-government supporters. As Valero and Fernandez attempted to gain access to their rally route,

they were shot by the aforementioned gunmen inside a van.

As regards policy, Chavez was continuing his pledge to continue Bolivarian Revolution-inspired welfare policies, and introduced a new proposal to eliminate homelessness within a decade. His commitment to the poor and working class was bolstered by leaked revelations that the opposition, if elected, had plans to cut food programs and increase the price of public transportation. In a strategic move, Capriles appeared to shift his campaign priority to that of foreign policy, arguing for an improved standing in the global community, and distancing Venezuela from pariah nation states, such as Iran and Belarus. In an interview with the British newspaper, *The Guardian*, Capriles said: "How have relations with Iran and Belarus benefited Venezuela? We are interested in countries that have democracies, that respect human rights, that we have an affinity with. What affinity do we have with Iran?"

At the start of October 2012, just days before election day, Chavez was believed to have the edge, according to at least one pollster. The well-established pollster, Datanalisis, found in its final polls that Chavez had a ten point lead over Capriles; he was in the lead with 47 percent of support from voters, as compared with 37 percent for Capriles. Of course, as before, the pollster, Consultores 21, showed a much closer race with both men in a dead heat. If Consultores 21 was correct in its forecast, the presidential race remained wide open and Capriles could well manage an upset victory over Chavez. Still, the general consensus was that the incumbent Venezuelan president was on track to be re-elected to power.

There was a long wait for the polls to close in Venezuela on election day, marked by long queues at polling stations across the country. Reuters reported that local analysts who were monitoring the election were anticipating a close finish. For his part, Chavez said that he intended to honor the intent of the voters, irrespective of whether or not his bid for re-election was successful. After a long wait on the night of the election, the results were finally announced: President Hugo Chavez won a fourth term in office, defeating his most formidable rival to date, opposition leader Henrique Capriles. Venezuelan electoral officials announced that voter turnout was 80 percent, and Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

Jubilant supporters of Chavez took to the streets of Caracas to celebrate, while reporters on the ground in Venezuela said there was a palpable sense of heartbreak amongst the Capriles camp.

### **Special Report:**

Death of Chavez; Venezuela braces for snap election and post-Chavez future

Summary:

On March 5, 2013, Venezuelan President Hugo Chavez died at a hospital in his homeland after a lengthy battle with cancer and an extended post-surgery recovery period in Cuba. The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration (as discussed below). Now, with Chavez having died, it was assumed that after a period of national mourning, attention would shift to the question of political leadership in Venezuela. To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition. A snap election was expected to be held in April 2013 featuring a match up between Maduro and opposition leader, Henrique Capriles. It was also to be determined if Chavez' Bolivarian Revolution would be sustained in the aftermath of his presidency.

#### In Detail:

At the start of March 2013, Venezuelan Vice President Maduro characterized President Hugo Chavez as "battling for his life." The Venezuelan leader had by this point returned to his homeland of Venezuela after a lengthy stay in Cuba where he had been battling the ravages of cancer, a difficult surgery, and post-surgical complications. The president's recovery prevented him from attending the scheduled presidential inauguration at the start of 2013. President Chavez' return to Venezuela and his continued health complications would no doubt re-ignite questions about whether he was fit for office and the delayed inauguration, as well as calls from the opposition for fresh elections.

President Chavez' health issues have, for some time, created political problems on the Venezuelan scene. Going back to late 2012, President Chavez was recovering from surgery in Cuba as he battled his latest bout with cancer. On Dec. 12, 2012, Vice President Nicolas Maduro -- Chavez' named successor -- warned that the Venezuelan leader had undergone "complex, difficult, delicate" surgery in Cuba and that he faced a tough recovery. Maduro offered his remarks during an emotional speech before the National Assembly. By the start of 2013, Chavez was reportedly still in Cuba in serious condition, suffering from post-surgical complications and a severe respiratory infection.

It should be noted that Hugo Chavez won a decisive re-election victory only months prior in October 2012 and was scheduled to be inaugurated into power for another term in office in January 2013. On Jan. 8, 2013, two days before inauguration day set for Jan. 10, 2013, it was announced that the swearing in ceremony would be delayed and that a future inauguration would take place before the Supreme Court, which the government said would be consistent with constitutional provisions.

Perhaps not surprisingly, the opposition responded to the news with outrage and insisted that Chavez be sworn in before the National Assembly on Jan. 10, 2013, or, step aside from power. If Chavez resigned from office before being inaugurated to another term, then Vice President Maduro

would step into the role of interim president until Jan. 10, 2013; at that time the leader of the National Assembly (Diosdado Cabello) would become leader of Venezuela until the time of a new election. But such an outcome was unlikely as the National Assembly voted to give Chavez time needed to recover from illness and delay the swearing in ceremony.

As well, Venezuela's Supreme Court offered the final legal word on the matter when it ruled that the postponement of President Chavez's inauguration for a new term in office was completely legal. Supreme Court President Luisa Estella Morales delivered the unanimous judicial ruling in a nationally-broadcast statement, saying that President Chavez could take the oath of office at a later date under the aegis of constitutional provisions. She further noted that the re-election of Hugo Chavez validated continuity of the current government, and said it was "absurd" to characterize Chavez's treatment for cancer in Cuba as an unauthorized absence.

Jan. 10, 2013 -- the original date scheduled for the inauguration -- passed without Chavez being sworn into office. However, with the Supreme Court essentially "blessing" the delay of the inauguration, it appeared that the government's actions were of good legal standing.

Meanwhile, the Venezuelan opposition was demanding further information about Chavez' health. Opposition leader Ramon Guillermo Aveledo suggested that if Chavez was too ill to return from Cuba for his own inauguration, then fresh elections should take place in Venezuela. But the country's information minister, Ernesto Villegas, said in a national broadcast that the government was keeping people informed about the health status of Chavez. He said, "The government of the Bolivarian Republic of Venezuela is complying with its duty to inform the Venezuelan public and our sister nations about the clinical progress of President Hugo Chavez." Villegas further noted that detractors were trying to destabilize the country.

From mid-January 2013 through February 2013, the Venezuelan government was insisting that President Chavez was responding favorably to treatment in Cuba. Communication and Information Minister Ernesto Villegas delivered a statement on national radio and television that included the following assertion: "Despite his poor health after complex surgery last Dec. 11, in recent days the overall clinical outcome was favorable." He continued, "[The] respiratory infection is controlled, although the ... president still requires specific measures for the settlement of respiratory failure. The president is aware, in touch with his family, with his political team and the attending physician team, to keep abreast of the information of interest." Vice President Nicolas Maduro was asserting that Chavez had completed his post-surgery recovery. As reported by RIA Novosti, Maduro said: "Fortunately, the post-surgery cycle is now over, and the president has entered a new stage of his treatment, gradually recovering and getting stronger."

As noted above, without any alert to the people of Venezuela or the media, President Hugo Chavez returned home to Venezuela in the early hours of Feb. 18, 2013. While the Venezuelan leader offered no immediate address to the nation, he took to the social media outlet, Twitter, to

announce his return and extend his gratitude to Venezuelans for their support saying: "We have arrived back in the land of Venezuela. Thank you Lord!! Thanks to my beloved people!! We will continue our treatment here." President Chavez also expressed his thanks to Cuban President Raul Castro and former Cuban President Fidel Castro. There was no further information about his political future, including a new inauguration date. However, his final tweet suggested that President Castro remained in the political game as he declared: "Onwards to victory!! We will live and we will overcome!!!"

Please note that the Venezuelan government acknowledged that President Chavez continued to be treated for post-surgical respiratory problems. A statement from Information Minister Ernesto Villegas in late February 2013 read as follows: "The respiratory deficiency that arose in the course of the post-operative period persists, and its tendency has not been favorable, for which reason he continues to be treated. The patient stays in touch with his relatives, the government's political team and is in close collaboration with his treating medical staff."

By the start of March 2013, Vice President Maduro in nationally televised remarks said that President Chavez was "battling for his life." Maduro suggested that Chavez' health problems were derived from the president's commitment to the country, saying, "He completely surrendered body and soul and forgot all his obligations to himself in order to give himself to the homeland." On March 4, 2013, media reports were emerging the president's breathing problems were getting worse. Finally, on March 5, 2013, Venezuelan media was reporting that the fiery leader had died after a long battle with cancer.

The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration (as discussed above). Throughout the period of declining health for Chavez, the opposition relentlessly demanded proof that the president was still alive. Vice President Maduro addressed those detractors, referring to them as "traitors who will never believe in anything."

But all Venezuelas and the world were compelled to face the reality on March 5, 2013 that Chavez had lost his health battle. His body laid in state with distraught and emotional Venezuelans paying their respects and mourning his loss. The state funeral for the late Venezuelan president took place on March 7, 2013. Several world leaders attended the sombre occasion including Argentine President Cristina Fernandez de Kirchner, Bolivian President Evo Morales, Uruguayan President Jose Mujica, Mexican President Enrique Pena Nieto, Chilean President Sebastian Pinera, and Colombian President Juan Manuel Santos. Also in attendance were Cuban President Raul Castro, Iranian President Mahmoud Ahmadinejad, and Belarusian President Alexander Lukashenko.

With Chavez having been laid to rest, it was assumed that after a period of national mourning, attention would shift to the question of political leadership in Venezuela. To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the



Supreme Court and amidst objections from the opposition.

The opposition had argued that with Chavez' death, it was not Vice President Maduro but National Assembly President Diosdado Cabello who was constitutionally permitted to become interim president. However, Cabello was an ardent Chavez loyalist and unlikely to deter from the late president's wishes that Maduro take up the leadership mantle. Ahead of Maduro's swearing in ceremony, which Cabello himself led in the legislature, the National Assembly president said: "We have a great desire to meet the commander's instructions." The Supreme Court underlined Maduro's legitimacy and authority by ratifying the inauguration of Maduro as "acting president" under the aegis of Article 233 of the constitution, which "ceases" his previous post of vice president and enshrines him with "all the constitutional and legal attributions as chief of state." For his part, Maduro held a copy of the Venezuelan constitution in his hand and declared: "I swear in the name of absolute loyalty to Comandante Hugo Chavez that we will obey and defend this Bolivarian Constitution with the hard hand of the free people."

A snap presidential election was expected to be held in 30 days. April 2013 was, therefore, the likely timeline for a presidential match up between Maduro and opposition leader, Henrique Capriles. Would Vice President Maduro win the presidency, presumably with an eye on continuing the Chavez legacy? Or might opposition leader, Capriles, finally achieve the goal which eluded him to date? It was also to be determined if Chavez' Bolivarian Revolution, marked by its welfare policies, would be sustained in the aftermath of his presidency.

Editor's Note:

President Hugo Chavez was first elected to power in 1998; after a constitutional referendum the next year, Chavez decided to strengthen his mandate by having the presidency contested once again in the 2000 elections. As expected, Chavez was re-elected to power in 2000 for a six-year term. He claimed an overwhelming victory in a "recall" referendum in 2004, which effectively ratified his presidency, to the great consternation of his detractors. Chavez was re-elected in 2006; the election outcome in 2006 showed a landslide victory of 62.9 percent of the vote share against Manuel Rosales who took 36.9 percent. This result appeared to indicate that Chavez had actually gained popularity over time, ultimately improving successive election performances. In 2012, Chavez was again decisively re-elected to another in office -- this time with 55 percent -- despite health complications stemming from a tough battle with cancer. As discussed here, Chavez' inauguration in early 2013 was delayed due to health complications. That postponed inauguration would never actually take place since the fiery Venezuelan leader had died on March 5, 2013. Chavez was not one to evoke lukewarm responses from fellow Venezuelans; the working class and impoverished masses of Venezuela have long viewed Chavez as their political hero and advocate; by contrast, the professional "white collar" echelons of Venezuelan society have railed against him for decimating the energy economy and presiding over what they see as a slide into autocracy. Regardless of the contrasting views, the fact of the matter was that Hugo Chavez would go down



in history as a modern political icon, not only in Venezuela but in Latin America at large.

### **Primer on 2013 presidential election in Venezuela**

A snap presidential election was set to be held in Venezuela in April 2013 in the aftermath of the death of President Hugo Chavez Frias, who served from Dec. 6, 1998 until his death on March 5, 2013. At stake would be the presidency of the country. In Venezuela, the president is elected by popular vote for a six-year term and the president serves as both head of state and head of government.

It should be noted that the last presidential election was held in Venezuela on Oct. 7, 2012. President Hugo Chavez was seeking re-election against the opposition leader, Enrique Capriles. After the polls closed in that 2012 election, Venezuelan electoral officials announced that President Hugo Chavez had won a fourth term in office, defeating Capriles, his most formidable rival to date. Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

On March 5, 2013, President Chavez died at a hospital in his homeland after a lengthy battle with cancer and an extended post-surgery recovery period in Cuba. The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration ceremony, which never took place due to his passing. With Chavez having died, Venezuela went into a period of national mourning. But soon, attention was shifting to the question of political leadership in Venezuela.

To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition. The ranks of the opposition argued that with Chavez' death, it was not Vice President Maduro but National Assembly President Diosdado Cabello who was constitutionally permitted to become interim president. However, Cabello was an ardent Chavez loyalist and unlikely to deter from the late president's wishes that Maduro take up the leadership mantle. Ahead of Maduro's swearing in ceremony, which Cabello himself led in the legislature, the National Assembly president said: "We have a great desire to meet the commander's instructions." The Supreme Court underlined Maduro's legitimacy and authority by ratifying the inauguration of Maduro as "acting president" under the aegis of Article 233 of the constitution, which "ceases" his previous post of vice president and enshrines him with "all the constitutional and legal attributions as chief of state." For his part, Maduro held a copy of the Venezuelan constitution in his hand and declared: "I swear in the name of absolute loyalty to Comandante Hugo Chavez that we will obey and defend this Bolivarian Constitution with the hard hand of the free people."

A snap presidential election was expected to be held in 30 days making April 2013 the likely timeline for a presidential match up between Acting President Nicolas Maduro and the opposition

leader, Henrique Capriles. Maduro -- a former bus driver and Chavez stalwart -- would be aided by the loyalty of pro-Chavez voters and the so-called "sympathy" climate in the aftermath of Chavez' death. However, Maduro was not known to possess the charisma of Chavez and would be up against Capriles -- the young and charismatic governor of the Miranda state -- who had seen the strongest opposition candidate performance in the previous 2012 presidential election. Would Vice President Maduro win the presidency, presumably with an eye on continuing the Chavez legacy? Or might opposition leader, Capriles, finally achieve the goal which eluded him to date? It was also to be determined if Chavez' Bolivarian Revolution, marked by its welfare policies, would be sustained in the aftermath of his presidency.

In mid-March 2013, a month ahead of the fresh Venezuelan presidential election, polling data indicated that Maduro had a commanding -- double digit -- advantage over Capriles. According to survey data by the respected polling outfit, Datanalisis, Maduro registered 49.2 percent in the preferences of voters as compared with Capriles who had 34.8. As April 2013 began, and with the election only two weeks away, Maduro's lead was holding steady. Polling data by Hinterlaces showed Maduro on track to secure 55 percent of the vote -- a full 20 percent ahead of Capriles with 35 percent. But as election day drew closer, the polling data indicated a closer race might be in the offing.

Maduro was campaigning heavily on the promise of preserving the Chavez legacy. Maduro began the official start of the election campaign in the central state of Barinas -- the birthplace of Chavez. Making clear the symbolism of starting the campaign in the heart of Chavez territory, Maduro said: "We come to make a commitment to the land of his birth. We'll never fail to continue until the end of socialism construction." Maduro also promised that he would be elected president "in the name of Commander Hugo Chavez and his dream of protecting the people."

For his part, Capriles began the official election campaign in the northeastern state of Monagas, and reminding voters to go the polls and cast their ballots in order to help him win the election. Capriles said, "I'm not opposed. I am the solution to problems in Venezuela, but I only need each one of you." He also chastised Maduro and the ruling party for having no plan for the future and, instead, hiding behind the memory of Chavez.

On April 9, 2013 -- less than a week ahead of election day -- the political landscape was dominated by an agreement formalizing the two candidates' commitment to respect the rulings of the National Electoral Council as the electoral arbiter and recognizing the election results. While Maduro signed the pact and said he would abide by its provisions, Capriles refused to sign the agreement and instead accused the National Electoral Council of being biased in favor of Maduro and the ruling party.

The dissonance over the aforementioned pact aside, the election was going forward as planned with international observers in Venezuela to witness the vote. As well, the voting procedure

appeared to be a sophisticated operation in which voters would cast their ballots electronically with a process for identity verification. Indeed, there would be voting machines intended to identify voters' fingerprints, and other voting machines intended to recognize identity card numbers and register votes anonymously.

On April 14, 2013, Venezuelans went to the polls to answer the question of whether Chavez' legacy and the Bolivarian Revolution would be ratified with a win for Maduro, or, if citizens would choose to chart a new path for Venezuela. Voter turnout was high with 80 percent of eligible voters participating in the election. After the polling stations closed and the votes were counted, Maduro appeared to have won a narrow victory over Capriles. According to the country's National Electoral Council, Maduro secured close to 51 percent of the vote share with Capriles taking 49 percent. The vote outcome was far closer than the pre-election polling data had indicated, but nonetheless was deemed "irreversible" by the electoral authorities. Supporters of Maduro celebrated in the capital city with fireworks while opposition supporters registered their disappointment by banging on pots and pans, according to a report by Reuters News.

Maduro seemed satisfied with his election performance -- the narrow margin of victory notwithstanding. At a rally in front of his supporters at the presidential palace, Maduro draped himself in the colors of the Venezuelan and declared that he had won a "just, legal and constitutional" victory. Maduro also acknowledged the narrow margin of victory, the need for fair play at the end of a close election, and the fact that every vote counts in democratic elections. He said, "If I had lost by one vote, I would have accepted my responsibility immediately."

Maduro additionally said that he had spoken with Capriles on the phone, and that the opposition requested an audit of the election result; Maduro noted that he had no objection to that course of action. Vicente Diaz, the director of the National Electoral Council, confirmed that a recount would go forward. He said, "Given the close electoral result and the fact that we live in a polarized country, I would like to request that 100 percent of the ballot boxes be audited."

For his part, Capriles was refusing to accept the election result and refining his call for an audit; now, he was demanding a manual recount "vote by vote." He said, "We believe we have won the elections, and the other camp also think they won. We have a right to demand a recount."

It should be noted that while Diaz, the director of the National Electoral Council, had confirmed that a recount would go forward, the president of the National Electoral Council, Tibisay Lucena, made it clear that a hand recount was not in the offing. She said, "A recount would mean going back to the manual counting of votes, which is very vulnerable." Instead, she pointed to Venezuela's automated voting system, which yields two records of every vote cast -- one recorded by the voting machine itself and a second printed receipt. She also announced the certification of the election result, which gave a narrow victory to Maduro. The presentation of a certified election result with Maduro as the winner resulted in street protests and a handful of deaths.

Soon thereafter, it was decided that Venezuela's presidential election results would be electronically audited in the presence of opposition monitors on hand. Lucena announced that the National Electoral Council would undertake this action -- which was to be distinguished from a hand recount -- following the inauguration of Maduro. Capriles responded to the news by saying that the audit, which would involve counting ballots in 12,000 voting boxes, would be welcomed. He said, "We accept this audit because we think the problem is in those 12,000 boxes. With this, we're where we want to be." But Capriles later reversed this position, stating instead that the opposition wanted a full recount.

It should be noted that Maduro was officially inaugurated into office on April 19, 2013. He would serve in office until 2019 -- completing the six-year term that the late President Chavez would have begun in January 2013. Maduro would be tasked with rescuing the country from its economic woes, its ailing energy sector, improving the infrastructure, while continuing the social welfare promise of Chavez' Bolivarian Revolution.

Even after Maduro's inauguration (discussed below), the political drama continued to mark the Venezuelan landscape. On April 29, 2013, the National Electoral Council began its audit of the ballots and concluded Maduro had indeed won the election, although his margin of victory was narrowly minimized to 1.5 percent. Capriles kept up his objections, saying the audit was "fake" and threatening to take his claims to the Supreme Court of Justice. The acrimony played out in the country's National Assembly on May 1, 2013 when opposition lawmakers unfurled a banner that read, "Parliamentary Coup" and blew whistles to protest an already-passed measure mandating members of parliament to recognize Nicolas Maduro as president before being able to speak in the chamber. A bloody brawl then erupted as members of the ruling United Socialist Party responded to these acts. The theatrics were caught on camera and a clip was shown on the independent television station, Globovision. Meanwhile, on state television, pro-government legislators were shown accusing "fascist" opposition lawmakers of attacking them.

By the start of May 2013, the Venezuelan opposition was making it clear that it intended to challenge the election results, irrespective of Maduro's inauguration. To that end, the opposition formally launched an appeal at the Supreme Court of Justice. The appeal was crafted in such a way as to challenge the entire electoral process. For his part, Capriles said that he had "no doubt" that his case would "end up in the international arena" and urged his supporters to participate in peaceful protests.

### **Update:**

In November 2013, Venezuelan President Nicolas Maduro secured special executive powers following a ratification vote by the country's National Assembly. Of significance was the fact that

President Maduro would be positioned to govern without consulting the Congress for 12 months. For his part, President Maduro said he would use his new power to control inflation and to advance a "ground-shaking" anti-corruption offensive.

At issue were massive food and goods shortages in Venezuela, electrical power outages, and an astronomical 54 percent rate of inflation in a country seeming rocked by economic mismanagement. The Congress' decision was intended to facilitate an easier path for the president to address these structural problems plaguing the country. However, critics of the government have noted that since it was the leadership of the country, with its own policy prescription, which set Venezuela on this path in the first place, the hopes for success were low. That being said, Maduro's supporters pointed to the fact that he would now be able to force retailers to reduce their prices via the so-called "Ley Habilitante" or "Enabling Act," and his government could impose controls over the sale of foreign currency to deal with the growing black market of dollars.

### **Special Note:**

Unrest in Venezuela --

February 2014 saw protests erupt in Venezuela. Thousands of Venezuelans took to the streets in demonstrations to register their discontent over economic mismanagement, disturbingly high inflation, the alarming rise in the rate of crime, and electrical power shortages. The demonstrations led to clashes between protesters and police, and at least three people were reported to have died as a result. The Venezuelan opposition said the three victims died at the hands of pro-government militias known as "colectivos."

For its part, the government of Venezuela has placed the blame for the political turbulence rocking the country on a number of sources -- the political opposition, "saboteurs," "profit-hungry corrupt businessmen," "fascists," the former Uribe government of Colombia, and even United States agents in cahoots with local university personnel.

Aiming at one of the more accessible targets, a court in Venezuela issued an arrest warrant for opposition leader Leopoldo Lopez, who was the apparent organizer of the protests. According to the Venezuelan government, Lopez -- the former mayor of the Chacao district of eastern Caracas -- was responsible for inciting violence and was plotting a coup against President Nicolas Maduro. As such, Lopez was to be detained on multiple charges, including murder and terrorism.

It should be noted that Lopez was in hiding and released a videotaped message in which he denied committing any crimes and intimated that he would be present at forthcoming protests. Lopez also challenged the Venezuelan authorities to make good on the arrest warrant against him. The opposition leader said in the videotaped message: "I want to invite all of you to join me

on a march on Tuesday from Venezuela Square [in central Caracas] towards the Justice Ministry building, which has become a symbol of repression, torture and lies." He also urged his supporters in attendance to wear white as a symbol of the commitment to peace. Lopez affirmed his presence at the forthcoming demonstration saying, "I will be there to show my face. I have nothing to fear. I have not committed any crime. If there is any order to illegally arrest me, well, I will be there."

Rival pro-government marches were also going on with supporters of President Maduro dressed in Venezuela's national colors of blue, yellow, and red. On Feb. 15, 2014, at one such pro-government march, Maduro himself addressed the crowds and instead of appealing for calm, he appeared to spark a political confrontation in the politically polarized country when he said, "I call all the people to the streets in order to defend peace." Maduro on this occasion also placed the blame for the unrest in Venezuela on "fascists," including the former center-right president of Colombia, Alvaro Uribe, who was politically opposed to Maduro's predecessor, the late President Hugo Chavez. Speaking of former President Uribe, Maduro charged, "Alvaro Uribe is behind this, financing and directing these fascist movements."

Meanwhile, with an eye on quelling the spirit of discontent, the government moved to ban the media coverage of the protests and even went so far as to block access to the social media venue, Twitter. It should be noted that Twitter was used as a mechanism for communication and organization during popular social and political movements across the world, including the so-called "Arab Spring." Youth reformists in Tunisia, Libya, and Egypt all leveraged the technological capacity of Twitter to organize on behalf of their democratic aspirations. But in Venezuela, which prides itself as being a democracy, access to social media communication -- as well as orthodox media -- was being controlled by the government. Instead of facilitating the free expression of dissent, the Maduro government in Venezuela was actually exploiting the protest movement, and using it as a rationale to crack down on the opposition. Indeed, there were emerging fears that President Nicolas Maduro would extend emergency powers and move in the direction of mass arrests.

These developments highlighted already-simmering doubts about the capacity of President Nicolas Maduro to effectively govern in Venezuela. After the death of President Hugo Chavez, Maduro -- a former bus driver and union activist -- narrowly won the presidential election against Henry Capriles. That close election result revealed that the leftist Bolivarian Revolution championed by Chavez was, to some degree, supported by the late president's personal charisma and Maduro's identity as Chavez' successor was not a particularly marketable one. Stated differently, in the post-Chavez era, the leftist policies of the former Venezuelan leader were not quite as popular with Maduro as the standard bearer. Moreover, Maduro's inability to address the socio-economic problems facing Venezuela -- from rampant crime to shortages and inflation -- only emphasized the problems of political mismanagement and fueled the opposition's claims that leftist policies had brought Venezuela to the brink of collapse. As such, there was a clear opening for the opposition



to achieve in a future election what had been denied in recent years: success at the ballot box. But in the meantime, Venezuela was dealing with a leader who showed signs of volatility, especially as his grip on power was being challenged in the public square. Some analysts were viewing Maduro as more emphatically autocratic than even Chavez and completely lacking the former president's charm.

Those doubts were heightened on Feb. 16, 2014, when President Maduro opted to expel three United States consular officials on the basis of claims that their actual purpose was to work in a clandestine manner at universities to spark unrest. Venezuelan authorities charged that the three diplomats recruited university students to lead demonstrations. Foreign Minister Elias Jaua further accused the three consular staffers of using visa visits to universities as a pretense for advocating student protests. He said, "They have been visiting universities with the pretext of granting visas. But that is a cover for making contacts with (student) leaders to offer them training and financing to create youth groups that generate violence."

In a televised address, President Maduro announced the rationale behind the expulsion of the three American diplomats as follows: "It's a group of U.S. functionaries who are in the universities. We've been watching them having meetings in the private universities for two months." Striking a nationalist and populist chord, Maduro added: "Venezuela doesn't take orders from anyone!" For its part, United States Department of State spokesperson, Jan Psaki, said, "The allegation that the United States is helping to organize protesters in Venezuela is baseless and false." President Barack Obama also entered the fray by criticizing the Maduro government for arresting protesters and urging the Venezuelan authorities to concentrate on the "legitimate grievances" of its people rather than "making up false accusations" about United States diplomats. He also called on all interested parties to engage in a real dialogue, saying, "All parties have an obligation to work together."

It should be noted that the United States was more concerned about the arrests of anti-government protestors and the apparent targeting of the opposition leader than the expulsion of its three consular officials. In a statement from the United States Department of State, Secretary of State John Kerry expressed his country's concerns about the devolving political landscape in Venezuela. His statement read as follows: "We are particularly alarmed by reports that the Venezuelan government has arrested or detained scores of anti-government protestors and issued an arrest warrant for opposition leader Leopoldo Lopez."

Note that on Feb. 18, 2014, Venezuela opposition leader Lopez turned himself into the National Guard. Lopez, who was wanted on charges of inciting murder and terrorism as well as sedition, conspiracy, and damage to public property, submitted to the authorities after addressed thousands of supporters at a mass gathering in Caracas. In his address, Lopez denied the charges against him and declared: "I present myself to an unjust judiciary. They want to jail Venezuelans who want peaceful, democratic change." Lopez, who had asked his supporters to take to the streets in



protest, later instructed them not to place their lives at risk and refrain from marching towards areas where pro-Maduro rallies were taking place. He said via Twitter: "I will walk alone. I won't put any Venezuelan lives at risk. Go Venezuela!" Lopez also urged Venezuelans to continue the fight to liberate the country from the socialist government of Maduro.

President Maduro was himself addressing his own supporters at a rally and declaring that Lopez would face justice. The president said of the opposition leader: "He must answer before the prosecution, the courts, the laws his calls to sedition, his unawareness of the constitution." A Venezuelan court soon ordered that Lopez remain in custody pending further hearings.

Late on Feb. 19, 2014, violence was flaring on the streets of Caracas once again with several deaths reported. President Maduro continued to dismiss the opposition movement while asserting his authority. He declared, "We cannot underestimate those fascist groups whose boss is behind bars...I'm not playing with democracy. I do not accept that they challenge the Venezuelan people and our constitution." In a subsequent speech, Maduro also denounced the protests, accusing right-wing groups backed by the United States of being behind the violence and seeking to destabilize Venezuela. He said, "We have a strong democracy. What we don't have in Venezuela is a democratic opposition."

It was not clear if the president of Venezuela himself had an understanding of the tenets of democracy when he threatened to expel the United States news cable network, CNN, from the country for its reporting of the protests. President Maduro warned that he would take action against CNN if it failed to "rectify its coverage." He said, "Enough war propaganda, I won't accept war propaganda against Venezuela. If they don't rectify themselves, out of Venezuela, CNN, out." The threat was not likely to be taken lightly as several days earlier, the government removed a Colombian news channel from the list of options offered by Venezuelan cable television outlets. Indeed, by Feb. 21, 2014, the government of Venezuela had revoked the accreditations of CNN reporters covering the crisis.

For his part, Venezuelan President Maduro called on United States President Barack Obama to assist in negotiations aimed at resolving the escalating tensions between the two countries. Maduro issued this invitation only after expelling two United States diplomats and the United States-based cable channel from Venezuela, and in the wake of accusations that United States operatives at universities were behind a plot to overthrow his government. Maduro said: "I call for a dialogue between Venezuela and the United States and its government...Let's initiate a high-level dialogue and let's put the truth out on the table." He suggested that such talks would be "difficult and complex" unless the United States accepted "the full autonomy and independence of Latin America."

On behalf of the United States, Secretary of State John Kerry disparaged the heavy-handed tactics of Maduro and the government of Venezuela, saying, "This is not how democracies behave."

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Secretary of State Kerry also addressed the unrest unfolding in Venezuela by saying, "The solution to Venezuela's problems can only be found through dialogue with all Venezuelans, engaging in a free exchange of opinions in a climate of mutual respect."

Meanwhile, the unrest in Venezuelan went on with more than a dozen people dying since the start of the crisis. February 20, 2014 saw protesters erect barricades in central districts of Caracas.

Opposition leader, Henrique Capriles, who lost a close presidential election to Maduro, was careful to use the political fracas rocking Venezuela to present himself as the moderate option in a country divided between the bluster of Maduro and the drama of Lopez. Capriles called for a peaceful demonstration in Caracas, expressly warning that participants should reject violence, saying, "In this turbulent hour, we call on the students and on those on the streets not to fall into the trap of violence." Capriles also noted that while he was ready for dialogue, the Maduro government was unwilling to compromise in the interests of the country.

By Feb. 22, 2014, as opposition activists gathered in the streets of Caracas, Capriles was reiterating his call for peaceful dissent, saying, "There are millions of reasons to protest, there are so many problems, so many people suffering. But this movement we have built must be different." Despite his plea for peaceful protests, the demonstrations turned violent as clashes broke out between Venezuelan police and opposition demonstrators in Caracas. Demonstrators hurled stones at police who fired tear gas at them. As well, unconfirmed reports were emerging from Venezuela about pro-government militias invading homes and attacking individuals suspected of participating in protest rallies.

On Feb. 25, 2014, the United States responded to Venezuela's aforementioned expulsion of three American consular officials by in turn expelling three Venezuelan diplomats. The United States cast the three Venezuelan diplomats as "personae non-gratae" and gave them 48 hours to leave the country.

At the start of March 2014, protests were ramping up once again in Venezuela with more than 1,000 anti-government demonstrators taking to the streets of Caracas despite the onset of Carnival celebrations.

Jailed Venezuelan opposition leader, Lopez, called on his supporters to keep up the fight against Maduro, saying in a videotaped message: "We must continue the peaceful struggle. There is no reason to give up our fight." Speaking defiantly against the government, he said, "They will never defeat those who refuse to give up."

In truth, while the opposition movement might not be defeated, there was no sign that it could actually realize its goals of forcing Maduro and his government to step down. Over time, mass action were subject to attrition and some of their tactics of the protesters, such as setting up

barricades, have been criticized for spurring violence and vandalism. Indeed, a standoff at a barricade in the first week of March 2014 left a Venezuelan soldier and a motorcyclist dead.

Rather than relying on the organic dynamics of protest movements winding down, President Maduro stoked the discontent in Venezuela in the first week of March 2014 when he broke diplomatic and economic ties with Panama, accusing that country of conspiring to oust his government. Maduro was reacting to Panama's request for a meeting at the Organization of American States (OAS) to discuss the Venezuelan crisis. Panamanian President Ricardo Martinelli conveyed astonishment at this decision by the Venezuelan leader via Twitter, saying, "Panama only hopes that this brother nation finds peace and strengthens its democracy." Maduro even had sharp words for the head of the OAS, Jose Miguel Insulza, who had suggested that a group of observers might be sent to Venezuela. Maduro reacted by saying to Insulza, "Don't intervene in Venezuelan home affairs." In fact, Maduro's bluster against Panama and the OAS was in keeping with his earlier accusations against Colombia and the United States as regards the unrest rocking his country.

By mid-March 2014, if there was such a thing that could be called the "Venezuelan spring," the landscape in was essentially "status quo." Protests were ongoing, with a few more fatal shootings adding to the death toll; however, there remained no real threat to President Maduro's authority. Among the gunshot killings that occurred were the death of an army captain and a student protester. Clearly, there were victims on both sides of the power divide. That being said, Maduro appeared to be secure in his standing as the leader of Venezuela, as illustrated by his claim that he had defeated the "coup" against him.

Maduro also continued to blame the United States for sparking the unrest in Venezuela. United States Secretary of State John Kerry rejected this line of thinking, saying, "We've become an excuse. We're a card they play...And I regret that, because we've very much opened up and reached out in an effort to say it doesn't have to be this way." The United States has also urged Venezuela's neighbors to mediate a resolution to the turmoil in that country.

As March 2014 entered its third week, the Venezuelan government carried out a crackdown on mayors of municipalities run by members of the opposition, claiming that they had fomented the violent protests rocking the country. Daniel Ceballos, mayor of the city of San Cristobal close to the border of Colombian border, was arrested by Venezuela's national intelligence service on the basis of claims that he contributed to "civil rebellion." It should be noted that San Cristobal has been the site of unrest outside of Caracas, with demonstrators barricading roads, and in confrontation with pro-government forces. Another opposition mayor, Enzo Scarano of San Diego, was sentenced to 10 months and 15 days in jail for failure to comply with a court order to remove the barricades in that city. Meanwhile, the death toll was increasing and estimated to be around 30 as March 2014 was drawing to a close.

In the third week of April 2014, a fresh burst of violence erupted in the Venezuelan capital of Caracas between police and opponents of President Nicolas Maduro. Following a rally dubbed "Resurrection of Democracy," masked protesters in the Chacao district of Caracas shouted "Liberty" as erected barricades, burned effigies of President Maduro, and hurled petrol bombs. The police responded by using tear gas and water cannons to disperse the crowds.

The protesters, however, promised to keep up their mass action until Maduro resigned from office. But as noted above, while the protests were an unsettling development on the Venezuelan landscape, there was no sign that they were actually eroding Maduro's grip on power. Instead, counter-protests were ensuing in the Petare area of the capital -- a zone generally regarded as a shanty town and, thus, a stronghold of Maduro and Chavez before him. In this case, pro-government supporters were carrying out their own rallies and burning effigies of opposition leader, Henrique Capriles -- the man generally regarded as the most significant threat to Maduro's power. That being said, the Capriles threat was not a pressing one until the next elections in Venezuela. For the immediate future, Maduro made it clear that he was entitled to carry out his democratically-determined mandate as president. As noted by a confident President Maduro himself via Twitter: "I will continue to fulfil my oath with the people. No-one will deny our right to be happy, free and independent."

Note:

In late July 2014, Leopoldo Lopez, a jailed right-wing opposition leader went on trial in Venezuela. He was arrested and jailed in February 2014 at the height of anti-government protests in that country. At issue for Lopez were prevailing allegations that he orchestrated and incited the unrest that ultimately led to the deaths of dozens of people and left hundreds injured.

Lopez, who has tended to attract wealthier Venezuelan supporters, has been adamant about the fact that he had the right to challenge the government for its despotic tendencies, poor governance, and inept economic policies, without being arrested and jailed for those efforts. Speaking on behalf of her husband (Lopez), Lilian Tintori said, "A strong and powerful government has nothing to fear from criticism, only a weak and insecure government locks up people who express their opinion." She added, "There's not a single reason to have him in jail. The judicial process is a complete joke." Of course, in the minds of less wealthy Venezuelans, Lopez would always be associated with the attempted coup against the late President Hugo Chavez, whose so-called "Bolivarian Revolution" championed the needs of the poor rather than the grievances of the rich.

For his part, Venezuelan President Nicolas Maduro -- the successor to the late charismatic Venezuelan leader Hugo Chavez -- dismissed the claim that the case against Lopez was politically-motivated. Maduro said, "The leader of the ultra-right is responsible for crimes, violence, destruction, (loss of) human lives. He planned it. He's a pawn of the gringos (Americans), not just now, but from very young. He has a messianic vision, that he was born to be a leader, the

president of Venezuela." Maduro continued, "He has to pay, and he's going to pay. Justice must be done. And to the Bolivarian people, I say, stand firm against fascists." It should be noted that President Maduro has to be regarded as a somewhat inadequate successor to Chavez -- embracing most of the late Venezuelan leader's autocratic tendencies but lacking all of Chavez' charisma and charm.

### **Special Entry on Deteriorating Political Climate**

Venezuela indicts opposition leader Machado, claiming she was part of plot to kill President Maduro

In the first week of December 2014, Venezuelan state prosecutors indicted an opposition leader, Maria Corina Machado, alleging that she participated in a plot to assassinate President Nicolas Maduro. A major player in mass protests against Maduro's socialist government that plagued Venezuela earlier in 2014, Machado said the charges against her were intended to silence her and distract Venezuelans from their increasing anxiety over the country's economic crisis.

Indeed, that crisis was growing more dire due to the collapsing price of oil in Venezuela's oil-dependent economy. Of note was the fact that Venezuela relies on energy revenues to pay for the country's generous welfare programs. Those welfare programs have been the central reason for the popularity of the leftist government of Venezuela from the time of Maduro's predecessor, Hugo Chavez, who championed the country's Socialist "Bolivarian Revolution" to the present.

Despite her passionate dismissal of the indictment, Machado would be faced with up to 16 years in jail if she were to be found guilty. But Machado insisted that her focus was on fighting the Maduro regime as she declared, "Our only option is to fight for democracy and freedom."

Critics have said that the Maduro regime seeks to sideline its political rivals, with opposition leaders in the crosshairs of the president. To this end, another right-wing opposition leader, Leopoldo Lopez - who was also at the center of anti-government protests earlier in 2014 - had been jailed since February 2014 on charges of incitement of violence and unrest.

In late July 2014, Lopez went on trial in Venezuela. Lopez, who has tended to attract wealthier Venezuelan supporters, has been adamant about the fact that he had the right to challenge the government for its despotic tendencies, poor governance, and inept economic policies, without being arrested and jailed for those efforts. Of course, in the minds of less wealthy Venezuelans, Lopez would always be associated with the attempted coup against the late President Hugo Chavez, whose "Bolivarian Revolution" championed the needs of the poor rather than the grievances of the rich.

For his part, Venezuelan President Nicolas Maduro -- the successor to the late charismatic Venezuelan leader Hugo Chavez -- dismissed the claim that the case against Lopez was politically-motivated. Maduro said, "The leader of the ultra-right is responsible for crimes, violence, destruction, (loss of) human lives. He planned it. He's a pawn of the gringos (Americans), not just now, but from very young. He has a messianic vision, that he was born to be a leader, the president of Venezuela." Maduro continued, "He has to pay, and he's going to pay. Justice must be done. And to the Bolivarian people, I say, stand firm against fascists."

It would appear that Venezuelan prosecutors intended to use the Lopez model to go after Machado as the year 2014 was coming to a close.

Economic crisis in Venezuela prompts protests; one teenager killed in San Cristobel

The start of 2015 in Venezuela was marked by a worsening economic crisis, as protesters took to the streets to register their discontent. In 2014, as many as 40 people died in street protests in the South American country. The year 2015 was emerging as another chapter in the same book. But the scene took an ominous turn in late February 2015 when a teenager, Kluiver Roa Nunez, was killed in the western city of San Cristobal when he was struck by a rubber bullet during a confrontation between police and protesters. A policeman was arrested in connection with the incident.

For its part, the government of Venezuela, led by President Nicolas Maduro, has been under fire for its poor stewardship of the energy-based economy, which has devolved even further with the low price of oil. Mindful that the emotions of Venezuelans were high, Maduro condemned the death of Nunez in a national address and promised an investigation into the matter. Maduro also dismissed the need for mass action, noting that it has led to violence as he said, "There is no reason for violent protests. I make an appeal to our country, and especially the young, to give up violence. Hatred will not lead to anything." He added, "Give up all violence, lads. And rest assured that if a government official breaks the law I will be the first one to go after him."

Of note, however, was President Maduro's disparagement of dissent. A week prior, a veteran politician, Mayor Antonio Ledezma of Caracas, was arrested and charged with orchestrating a plot to overthrow the government. Ledezma was one of several politicians aligned with the opposition who had been arrested since the start of mass protests in Venezuela in 2014.

## **Special Entry on Relations with the United States**

United States declares Venezuela a security threat; slaps sanctions on top officials

In March 2015, United States President Barack Obama signed an executive order declaring

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Venezuela to be a national security threat and ordering sanctions to be imposed on seven high-ranking officials. The affected Venezuelan officials included the head of the state intelligence service, the director of the national police; a state prosecutor, and military officers, making clear that the target of these sanctions were involved in the state security apparatus. All seven of the affected individuals would see their assets and interests, including property, in the United States frozen or blocked, while they would be prohibited from stepping foot on United States territory. As well, United States citizens and permanent residents would be banned from doing business with them.

In an ancillary move, the United States demanded that Venezuela release its political prisoners -- many of whom were opposition figures and were rounded up and jailed during mass-government protests in 2014, which left scores of people dead.

This tranche of sanctions would not affect the energy sector of Venezuela and were not of an economic nature. Stated differently, they were not intended to affect ordinary Venezuelan citizens. That being said, sanctions of this targeted nature typically precede harsher moves and could potentially presage economic sanctions of some sort to come.

Already suffering from economic crisis, due to the low price of oil in Venezuela's energy-dependent economy, and exacerbated by poor financial stewardship, President Nicolas Maduro has been under intense political pressure. Of course the price of oil was being decided by OPEC and was affecting all oil-producing countries across the world. But less diverse economies, and those already suffering from mismanagement, such as Venezuela, were feeling the pain more acutely. The addition of unilateral economic sanctions (imposed by the United States) down the line could prove extraordinarily damaging. But for now, the United States was limiting its moves to the security officials.

To this end, the Obama White House made clear that it was targeting persons deemed to have engaged in anti-democratic activities or abuses of human rights. In a statement, White House spokesperson Josh Earnest declared, "Venezuelan officials past and present who violate the human rights of Venezuelan citizens and engage in acts of public corruption will not be welcome here, and we now have the tools to block their assets and their use of U.S. financial systems." He continued, "We are deeply concerned by the Venezuelan government's efforts to escalate intimidation of its political opponents."

Bilateral ties between the United States and Venezuela have been poor since 2008 when the late Venezuelan President Hugo Chavez expelled then-United States Ambassador Patrick Duddy, thus spurring the United States to respond in kind by expelling the Venezuelan envoy, Bernardo Alvarez. Since that time, United States and Venezuela have not returned to a state of normal diplomatic relations. In fact, ties between the two countries deteriorated further as the new Venezuelan leader, Maduro, proceeded to blame the United States for all political and economic



woes facing his country. Of note was the flare of protests in 2014 against the Maduro government, and led by opposition factions, and which Maduro claimed was being orchestrated by the United States. White House spokesperson Earnest addressed the tendency by Venezuela to blame the United States for its socio-economic and political ills, noting, "We've seen many times that the Venezuelan government tries to distract from its own actions by blaming the United States or other members of the international community for events inside Venezuela."

It should be noted that Venezuela recently demanded that Washington significantly reduce its diplomatic presence in Caracas by submitting a plan to reduce its staff from 100 to less than 20. It was apparent that Washington was reacting by taking measures of its own in the form of the sanctions.

For his part, President Maduro predictably responded to the announcement of these targeted sanctions with by casting the United States as an "imperialist" threat and accusing the United States of seeking to overthrow his government. During a two-hour long national speech, Maduro said, "President Barack Obama ... has personally decided to take on the task of defeating my government and intervening in Venezuela to control it." Thus, in an act of defiance, he also appointed one of the seven sanctioned individuals -- National Intelligence head Gustavo Gonzalez - - as his new interior minister. Of significance was the fact that the United States has accused Gonzalez of complicity in violence and human rights abuses against anti-government protesters in Venezuela.

### **President Maduro consolidates power**

Note that in mid-March 2015, amidst devolving diplomatic relations with the United States (discussed above), Venezuelan President Maduro was consolidating his power. A measure was approved by the country's National Assembly giving the president power to govern by decree through the end of 2015. Maduro requested these new powers, known as the Enabling Law, arguing that Venezuela was now under threat from the United States. The opposition has decried the move, declaring that Maduro was exploiting the situation to (1) secure greater presidential power, and (2) divert attention from the serious economic challenges facing the country.

### **Editor's Note on President Maduro**

It should be noted that President Maduro has to be regarded as a somewhat inadequate successor to Chavez -- embracing most of the late Venezuelan leader's autocratic tendencies but lacking all of Chavez' charisma and charm. That perception was illustrated in the public's support with survey data from the reliable Datanalist polling group showing Maduro sporting dismal approval ratings of only 22 percent. With the price of oil at significant lows, and with oil revenue needed to support

the Chavez-era social programs, there was little hope that support for Maduro would be easily revived.

### **Primer on 2015 parliamentary elections in Venezuela**

Parliamentary elections were set to be held in Venezuela on Dec. 6, 2015. At stake was the composition of the unicameral National Assembly, known in Venezuela as the "Asamblea Nacional." The legislative body contained 165-167 seats and members are elected by popular vote to serve five-year terms. (Note that three seats in the legislative body are reserved for the indigenous peoples of Venezuela.)

The previous parliamentary elections were held in 2010. Following those polls, it was announced that President Hugo Chavez' ruling United Socialist Party of Venezuela (PSUV) and its allies had won the election, albeit with a reduced majority in the country's legislature. The PSUV won at least 90 seats with the opposition Democratic Unity Table (MUD) securing at least 59 seats in the National Assembly.

It was to be seen if the ruling PSUV -- now under the leadership of the far less charismatic President Nicolas Maduro -- would see a similar level of success in 2015. Indeed, the economic crisis plaguing Venezuela as a result of low oil prices and soaring inflation, and manifest by a shortage of goods and supplies, could well boost the opposition's prospects. Already, the "Chavista" voting bloc was looking at its options with a sense of disillusionment. Still, it was to be seen if a pro-market message from the opposition could actually lure Chavistas to abandon their Socialist ideals embedded in Hugo Chavez' so-called Bolivarian Revolution.

The opposition would be helped by the fact that in mid-2015, President Maduro's popularity had fallen to less than 25 percent. Indeed, the polling data by the respected outfit, Datanalisis, also showed only 20 percent of those surveyed would vote for candidates representing the ruling PSUV, while 42 percent indicated their interest in voting for the opposition. While the size of the undecided contingent was substantial at 17.5 percent, the fact of the matter was that the ruling Socialists would face an uphill battle at the polls in December 2015. That being said, the PSUV would benefit from the overall fragmentation of the opposition ranks, which continued to be dominated by the Venezuelan elite, and which had not yet learned to finesse its message to attract the poorer and more rural Venezuelans -- the base constituency of Venezuela's left wing.

Ahead of the elections, in a transparent attempt to silence opposition politicians, Venezuelan authorities banned several of them from contesting the polls or holding public office. Among those banned was a state governor, Pablo Perez, former legislator Maria Corina Machado, and former mayor Vicencio Scarano. Opposition leader, Leopoldo Lopez, had already been arrested, tried, found guilty of inciting anti-government riots, and sentenced to more than a dozen years in

jail. These moves appeared geared toward ensuring that the ruling PSUV held onto power.

In November 2015, these strategies were attracting international criticism as the Secretary General of the Organization of American States (OAS) dispatched an official condemnation to Venezuela's electoral board. In his 19-page letter, Luis Almagro admonished the Venezuelan electoral authorities for creating an uneven election playing field, which was clearly unfair to the opposition, and demanded that they live up to their duty of creating a free and fair election landscape. Included in Almagro's missive were the following concerns: "There are reasons to believe that the conditions in which people will vote ... aren't right now as transparent and just as the (electoral council) ought to guarantee. It's worrying that ... the difficulties only impact the opposition parties. You are in charge of electoral justice. You are the guarantor."

On Dec. 9, 2015, Venezuelans went to the polls to vote in the country's parliamentary elections. After the ballots were counted, the Venezuelan opposition had won the majority of seats in the parliamentary body, effectively defeating President Maduro's ruling United Socialist Party of Venezuela (PSUV). All signs pointed to a commanding majority for the opposition bloc, with some signs actually indicating that it may have achieved a two-thirds super-majority.

For his part, President Maduro quickly conceded that his party had lost control of parliament and called for calm. Opposition leader, Henrique Capriles, celebrated victory, declaring: "It's a great opportunity for us, this protest vote." Meanwhile, the opposition made clear that it would try to reverse certain policies of the Socialist government. In truth, there were limits to what the legislative body could do to reverse the initiatives of the executive branch of government; however, legislation would be introduced to liberate jailed opposition politicians, reform the judiciary and the election board, stimulate private sector development, and most importantly to curb the Central Bank's policy of printing more money, which has served only to exacerbate the country's high inflation rate.

### **Unrest in Venezuela leads opposition to push for recall of President Maduro**

Dissatisfaction over Venezuelan President Nicolas Maduro's autocratic leadership and poor economic stewardship has led to opposition-led protests in recent times. A lack of food availability, water shortages, rolling electrical power blackouts, not to mention one of the world's highest rates of inflation were now the norm in a country that boasted economic success from former President Hugo Chavez's populist socialist Bolivarian Revolution.

By the start of June 2016, there was a push by the Venezuela's opposition, led by opposition leader Henrique Capriles, to hold a recall referendum on Maduro's leadership. The opposition forces -- now in control of the legislative branch of government -- was seeking to flex its political muscle. Simultaneous with that move was a burst of new protests in Caracas, which included the

participation of Capriles and his supporters. In the space of days, the protests turned violent and resulted in the deaths of at least four people. Indeed, one death was attributed to food riots.

Security forces used tear gas to disperse the crowds even as protesters displayed pictures of political activists who had been jailed by the Maduro regime, while others chanted "I am hungry." For his part, Capriles -- one of the opposition leaders not yet in prison -- said: "We are not giving up. Our enemy is Maduro. The problem is Maduro."

For his part, President Maduro has cast the recall referendum as a coup and indicated that no such effort would likely occur until 2017. On state television, Maduro said, "There will be no blackmailing here. If the recall referendum's requirements are met, it will be next year and that's it. If the requirements aren't met, there will be no referendum and that's it." Should that hypothetical occur, if voters opted to recall him, the country would be subjected to fresh elections that could open the door for Capriles to come to power.

-- June 2016

*Written by Dr. Denise Youngblood Coleman, Editor in Chief, [www.countrywatch.com](http://www.countrywatch.com) See Bibliography for research sources used to compose this Country Review.*

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## Political Risk Index

### Political Risk Index

The **Political Risk Index** is a proprietary index measuring the level of risk posed to governments, corporations, and investors, based on a myriad of political and economic factors. The [Political Risk Index](#) is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on varied criteria\* including the following consideration: political stability, political representation, democratic accountability, freedom of expression, security and crime, risk of conflict, human development, jurisprudence and regulatory transparency, economic risk, foreign investment considerations, possibility of sovereign default, and corruption. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the highest political risk, while a

score of 10 marks the lowest political risk. Stated differently, countries with the lowest scores pose the greatest political risk. A score of 0 marks the most dire level of political risk and an ultimate nadir, while a score of 10 marks the lowest possible level of political risk, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater risk.

Country	Assessment
Afghanistan	2
Albania	4
Algeria	6
Andorra	9
Angola	4
Antigua	8
Argentina	4
Armenia	4-5
Australia	9.5
Austria	9.5
Azerbaijan	4

Bahamas	8.5
Bahrain	6
Bangladesh	3.5
Barbados	8.5-9
Belarus	3
Belgium	9
Belize	8
Benin	5
Bhutan	5
Bolivia	5
Bosnia-Herzegovina	4
Botswana	7
Brazil	7
Brunei	7
Bulgaria	6
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	3



Cambodia	4
Cameroon	5
Canada	9.5
Cape Verde	6
Central African Republic	3
Chad	4
Chile	9
China	7
China: Hong Kong	8
China: Taiwan	8
Colombia	7
Comoros	5
Congo DRC	3
Congo RC	4
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7
Cuba	4-4.5

Cyprus	5
Czech Republic	8
Denmark	9.5
Djibouti	4.5
Dominica	7
Dominican Republic	6
East Timor	5
Ecuador	6
Egypt	5
El Salvador	7
Equatorial Guinea	4
Eritrea	3
Estonia	8
Ethiopia	4
Fiji	5
Finland	9
Fr.YugoslavRep.Macedonia	5
France	9

Gabon	5
Gambia	4
Georgia	5
Germany	9.5
Ghana	6
Greece	4.5-5
Grenada	8
Guatemala	6
Guinea	3.5
Guinea-Bissau	3.5
Guyana	4.5
Haiti	3.5
Holy See (Vatican)	9
Honduras	4.5-5
Hungary	7
Iceland	8.5-9
India	7.5-8
Indonesia	6

Iran	3.5-4
Iraq	2.5-3
Ireland	8-8.5
Israel	8
Italy	7.5
Jamaica	6.5-7
Japan	9
Jordan	6.5
Kazakhstan	6
Kenya	5
Kiribati	7
Korea, North	1
Korea, South	8
Kosovo	4
Kuwait	7
Kyrgyzstan	4.5
Laos	4.5
Latvia	7

Lebanon	5.5
Lesotho	6
Liberia	3.5
Libya	2
Liechtenstein	9
Lithuania	7.5
Luxembourg	9
Madagascar	4
Malawi	4
Malaysia	8
Maldives	4.5
Mali	4
Malta	8
Marshall Islands	6
Mauritania	4.5-5
Mauritius	7
Mexico	6.5
Micronesia	7

Moldova	5
Monaco	9
Mongolia	5
Montenegro	6
Morocco	6.5
Mozambique	4.5-5
Namibia	6.5-7
Nauru	6
Nepal	4
Netherlands	9.5
New Zealand	9.5
Nicaragua	5
Niger	4
Nigeria	4.5
Norway	9.5
Oman	7
Pakistan	3.5
Palau	7



Panama	7.5
Papua New Guinea	5
Paraguay	6.5-7
Peru	7
Philippines	6
Poland	8
Portugal	7.5
Qatar	7.5
Romania	5.5
Russia	5.5
Rwanda	5
Saint Kitts and Nevis	8
Saint Lucia	8
Saint Vincent and Grenadines	8
Samoa	7
San Marino	9
Sao Tome and Principe	5.5
Saudi Arabia	6

Senegal	6
Serbia	5
Seychelles	7
Sierra Leone	4.5
Singapore	9
Slovak Republic (Slovakia)	8
Slovenia	8
Solomon Islands	6
Somalia	2
South Africa	7
Spain	7.5
Sri Lanka	5
Sudan	3.5
Suriname	5
Swaziland	5
Sweden	9.5
Switzerland	9.5
Syria	2

Tajikistan	4.5
Tanzania	6
Thailand	6.5
Togo	4.5
Tonga	7
Trinidad and Tobago	8
Tunisia	6
Turkey	7
Turkmenistan	4.5
Tuvalu	7
Uganda	6
Ukraine	3.5-4
United Arab Emirates	7
United Kingdom	9
United States	9.5
Uruguay	8
Uzbekistan	4
Vanuatu	7

Venezuela	4
Vietnam	5
Yemen	3
Zambia	4.5
Zimbabwe	3

### \*Methodology

The [Political Risk Index](#) is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

1. political stability (record of peaceful transitions of power, ability of government to stay in office and carry out policies as a result of productive executive-legislative relationship, perhaps with popular support vis a vis risk of government collapse)
2. political representation (right of suffrage, free and fair elections, multi-party participation, and influence of foreign powers)
3. democratic accountability (record of respect for political rights, human rights, and civil liberties, backed by constitutional protections)
4. freedom of expression (media freedom and freedom of expression, right to dissent or express political opposition, backed by constitutional protections)
5. security and crime (the degree to which a country has security mechanisms that ensures safety of citizens and ensures law and order, without resorting to extra-judicial measures)
6. risk of conflict (the presence of conflict; record of coups or civil disturbances; threat of war; threats posed by internal or external tensions; threat or record of terrorism or insurgencies)
7. human development (quality of life; access to education; socio-economic conditions; systemic concern for the status of women and children)
8. jurisprudence and regulatory transparency (the impartiality of the legal system, the degree of transparency within the regulatory system of a country and the durability of that structure)

9. economic conditions (economic stability, investment climate, degree of nationalization of industries, property rights, labor force development)
10. corruption ( the degree of corruption in a country and/or efforts by the government to address graft and other irregularities)

#### Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world.

North Korea, [Afghanistan](#), [Somalia](#), and [Zimbabwe](#) -- retain their low rankings.

Several Middle Eastern and North African countries, such as [Tunisia](#), [Egypt](#), [Libya](#), [Syria](#), [Iraq](#) and [Yemen](#) were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. The worst downgrades affected [Syria](#) where civil war is at play, along with the rampage of terror being carried out by Islamist terrorists who have also seized control over part of Syrian territory. [Iraq](#) has been further downgraded due to the rampage of Islamist terrorists and their takeover of wide swaths of Iraqi territory. [Libya](#) has also been downgraded further due to its slippage into failed state status; at issue in [Libya](#) have been an ongoing power struggle between rival militias. [Yemen](#) continues to hold steady with a poor ranking due to continued unrest at the hands of Houthi rebels, secessionists, al-Qaida in the Arabian Peninsula, and Islamic State. Its landscape has been further complicated by the fact that it is now the site of a proxy war between [Iran](#) and [Saudi Arabia](#). Conversely, [Tunisia](#) and [Egypt](#) have seen slight upgrades as these countries stabilize.

In Africa, [Zimbabwe](#) continues to be one of the bleak spots of the world with the Mugabe regime effectively destroying the country's once vibrant economy, and miring [Zimbabwe](#) with an exceedingly high rate of inflation, debilitating unemployment, devolving public services, and critical food shortages; rampant crime and political oppression round out the landscape. [Somalia](#) also sports a poor ranking due to the continuing influence of the terror group, al-Shabab, which was not operating across the border in [Kenya](#). On the upside, [Nigeria](#), which was ineffectively dealing with the threat posed by the terror group, Boko Haram, was making some strides on the national security front with its new president at the helm. [Mali](#) was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. But the [Central African Republic](#) was downgraded due to the takeover of the government by Muslim Seleka rebels and a continued state of lawlessness in that country. South [Sudan](#) -- the world's newest nation state -- has not been officially included in this assessment;

however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. [Burkina Faso](#), [Burundi](#) and [Guinea](#) have been downgraded due to political unrest, with [Guinea](#) also having to deal with the burgeoning Ebola crisis.

In Europe, [Ukraine](#) was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. [Russia](#) was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. Strains on the infrastructure of southern and eastern European countries, such as [Serbia](#), [Croatia](#), and [Hungary](#), due to an influx of refugees was expected to pose social and economic challenges, and slight downgrades were made accordingly. So too, a corruption crisis for the Romanian prime minister has affected the ranking of that country. Meanwhile, the rankings for [Spain](#), [Portugal](#), [Ireland](#), and [Italy](#) were maintained due to debt woes and the concomitant effect on the euro zone. [Greece](#), another euro zone nation, was earlier downgraded due to its sovereign debt crisis; however, no further downgrade was added since the country was able to successfully forge a bailout rescue deal with creditor institutions. Cyprus' exposure to Greek banks yielded a downgrade in its case.

In Asia, [Nepal](#) was downgraded in response to continuous political instability and a constitutional crisis that prevails well after landmark elections were held. Both [India](#) and [China](#) retain their rankings; [India](#) holds a slightly higher ranking than [China](#) due to its record of democratic representation and accountability. Increasing violence and political instability in [Pakistan](#) resulted in a downgrade for this country's already low rating. Meanwhile, [Singapore](#) retained its strong rankings due to its continued effective stewardship of the economy and political stability.

In the Americas, ongoing political and economic woes, as well as crime and corruption have affected the rankings for [Mexico](#), [Guatemala](#), and [Brazil](#). [Argentina](#) was downgraded due to its default on debt following the failure of talks with bond holders. [Venezuela](#) was downgraded due to its mix of market unfriendly policies and political oppression. For the moment, the [United States](#) maintains a strong ranking along with [Canada](#), and most of the English-speaking countries of the Caribbean; however, a renewed debt ceiling crisis could cause the [United States](#) to be downgraded in a future edition. Finally, a small but significant upgrade was attributed to [Cuba](#) due to its recent pro-business reforms and its normalization of ties with the United States.

#### Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

#### Updated:

2015



## Political Stability

### Political Stability

The **Political Stability Index** is a proprietary index measuring a country's level of stability, standard of good governance, record of constitutional order, respect for human rights, and overall strength of democracy. The [Political Stability](#) Index is calculated using an established methodology\* by CountryWatch's Editor-in-Chief and is based on a given country's record of peaceful transitions of power, ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse. Threats include coups, domestic violence and instability, terrorism, etc. This index measures the dynamic between the quality of a country's government and the threats that can compromise and undermine stability. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of political stability and an ultimate nadir, while a score of 10 marks the highest level of political stability possible, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater stability.

Country	Assessment
Afghanistan	2
Albania	4.5-5
Algeria	5
Andorra	9.5
Angola	4.5-5
Antigua	8.5-9

Argentina	7
Armenia	5.5
Australia	9.5
Austria	9.5
Azerbaijan	5
Bahamas	9
Bahrain	6
Bangladesh	4.5
Barbados	9
Belarus	4
Belgium	9
Belize	8
Benin	5
Bhutan	5
Bolivia	6
Bosnia-Herzegovina	5
Botswana	8.5
Brazil	7

Brunei	8
Bulgaria	7.5
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5-5
Cameroon	6
Canada	9.5
Cape Verde	6
Central African Republic	3
Chad	4.5
Chile	9
China	7
China: Hong Kong	8
China: Taiwan	8
Colombia	7.5
Comoros	5
Congo DRC	3

Congo RC	5
Costa Rica	9.5
Cote d'Ivoire	3.5
Croatia	7.5
Cuba	4.5
Cyprus	8
Czech Republic	8.5
Denmark	9.5
Djibouti	5
Dominica	8.5
Dominican Republic	7
East Timor	5
Ecuador	7
Egypt	4.5-5
El Salvador	7.5-8
Equatorial Guinea	4.5
Eritrea	4
Estonia	9

Ethiopia	4.5
Fiji	5
Finland	9
Fr.YugoslavRep.Macedonia	6.5
France	9
Gabon	5
Gambia	4.5
Georgia	5
Germany	9.5
Ghana	7
Greece	6
Grenada	8.5
Guatemala	7
Guinea	3.5-4
Guinea-Bissau	4
Guyana	6
Haiti	3.5-4
Holy See (Vatican)	9.5

Honduras	6
Hungary	7.5
Iceland	9
India	8
Indonesia	7
Iran	3.5
Iraq	2.5
Ireland	9.5
Israel	8
Italy	8.5-9
Jamaica	8
Japan	9
Jordan	6
Kazakhstan	6
Kenya	5
Kiribati	8
Korea, North	2
Korea, South	8.5

Kosovo	5.5
Kuwait	7
Kyrgyzstan	5
Laos	5
Latvia	8.5
Lebanon	5.5
Lesotho	5
Liberia	3.5-4
Libya	2
Liechtenstein	9
Lithuania	9
Luxembourg	9.5
Madagascar	4
Malawi	5
Malaysia	8
Maldives	4.5-5
Mali	4.5-5
Malta	9



Marshall Islands	8
Mauritania	6
Mauritius	8
Mexico	6.5-7
Micronesia	8
Moldova	5.5
Monaco	9.5
Mongolia	6.5-7
Montenegro	8
Morocco	7
Mozambique	5
Namibia	8.5
Nauru	8
Nepal	4.5
Netherlands	9.5
New Zealand	9.5
Nicaragua	6
Niger	4.5

Nigeria	4.5
Norway	9.5
Oman	7
Pakistan	3
Palau	8
Panama	8.5
Papua New Guinea	6
Paraguay	8
Peru	7.5
Philippines	6
Poland	9
Portugal	9
Qatar	7
Romania	7
Russia	6
Rwanda	5
Saint Kitts and Nevis	9
Saint Lucia	9

Saint Vincent and Grenadines	9
Samoa	8
San Marino	9.5
Sao Tome and Principe	7
Saudi Arabia	6
Senegal	7.5
Serbia	6.5
Seychelles	8
Sierra Leone	4.5
Singapore	9.5
Slovak Republic (Slovakia)	8.5
Slovenia	9
Solomon Islands	6.5-7
Somalia	2
South Africa	7.5
Spain	9
Sri Lanka	5
Sudan	3

Suriname	5
Swaziland	5
Sweden	9.5
Switzerland	9.5
Syria	2
Tajikistan	4.5
Tanzania	6
Thailand	6
Togo	5
Tonga	7
Trinidad and Tobago	8
Tunisia	5
Turkey	7.5
Turkmenistan	5
Tuvalu	8.5
Uganda	6
Ukraine	3.5-4
United Arab Emirates	7

United Kingdom	9
United States	9
Uruguay	8.5
Uzbekistan	4
Vanuatu	8.5
Venezuela	4.5-5
Vietnam	4.5
Yemen	2.5
Zambia	5
Zimbabwe	3

### \*Methodology

The Political Stability Index is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

1. record of peaceful transitions of power ( free and fair elections; adherence to political accords)
2. record of democratic representation, presence of instruments of democracy; systemic accountability
3. respect for human rights; respect for civil rights
4. strength of the system of jurisprudence, adherence to constitutional order, and good governance
5. ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse (i.e. government stability versus a country being deemed "ungovernable")

6. threat of coups, insurgencies, and insurrection
7. level of unchecked crime and corruption
8. risk of terrorism and other threats to national security
9. relationship with regional powers and international community; record of bilateral or multilateral cooperation
10. degree of economic strife (i.e. economic and financial challenges)

Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world. The usual suspects -- North Korea, [Afghanistan](#), and [Somalia](#) -- retain their low rankings. The reclusive and ultra-dictatorial North Korean regime, which has terrified the world with its nuclear threats, has exhibited internal instability. Of note was a cut-throat purge of hundreds of high ranking officials deemed to be a threat to Kim Jung-un. Despite their attempts to recover from years of lawlessness, war, and warlordism, both [Afghanistan](#) and [Somalia](#) continue to be beset by terrorism and turmoil. In [Afghanistan](#), while international forces have seen success in the effort against the terror group, al-Qaida, the other Islamist extremist group, the Taliban, continues to carry out a vicious insurgency using terrorism. In [Somalia](#), while the government attempts to do the nation's business, the terror group, al-Shabab continues to make its presence known not only in [Somalia](#), but across the border into [Kenya](#) with devastating results/ Also in this category is [Iraq](#), which continues to be rocked by horrific violence and terrorism at the hands of Islamic State, which has taken over wide swaths of Iraqi territory.

Syria, [Libya](#), and [Yemen](#) have been added to this unfortunate echelon of the world's most politically unstable countries. [Syria](#) has been mired by the twin hazards of 1. a civil war as rebels oppose the Assad regime; and 2. the rampage of terror being carried out by Islamic State, which also seized control over vast portions of Syrian territory. Meanwhile, the post-Qaddhafi landscape of [Libya](#) has devolved into chaos as rival militias battle for control -- the elected government of the country notwithstanding. Rounding out this grim triad is [Yemen](#), which was dealing with a Houthi rebellion, secessionists in the south, as well as the threat of terrorism from al-Qaida in the Arabian Peninsula as well as Islamic State, while also being the site of a proxy war between Shi'a [Iran](#) and Sunni [Saudi Arabia](#).

Meanwhile, several Middle Eastern and North African countries, such as [Tunisia](#), [Egypt](#), and

[Bahrain](#) were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. All three of these countries have stabilized in recent years and have been upgraded accordingly. In [Bahrain](#), the landscape had calmed. In [Egypt](#), the secular military-backed government has generated criticism for its crackdown on the Muslim Brotherhood; however, the country had ratified the presidency via democratic elections and were on track to hold parliamentary elections as the country moved along the path of democratization. Perhaps the most impressive story was coming out of [Tunisia](#) -- the country whose Jasmine Revolution sparked the entire Arab Spring -- and where after a few years of strife, a new progressive constitution was passed into law and a secular government had been elected to power. [Tunisia](#), [Egypt](#), and [Bahrain](#) have seen slight upgrades as these countries stabilize.

In Africa, the [Central African Republic](#) was downgraded the previous year due to the takeover of the government by Muslim Seleka rebels. Although the country has been trying to emerge from this crisis, the fact of the matter was that it was difficult to halt the precipitous decline into lawlessness in that country. [Zimbabwe](#) has maintained its consistently poor ranking due to the dictatorial regime of Mugabe, who continues to hold a tight grip on power, intimidates the opposition, squashes dissent, and oppresses the white farmer population of the country. Moving in a slightly improved direction is [Nigeria](#), which has sported abysmal ratings due to the government's fecklessness in dealing with the threat posed by the Islamist terror group, Boko Haram. Under its newly-elected government, there appears to be more of a concerted effort to make national security a priority action item. [Mali](#) was also slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Political instability has visited [Burkina Faso](#) and [Burundi](#) as the leaders of those countries attempted to side-step constitutional limits to hold onto power. In [Burundi](#), an attempted coup ensued but quelled, and the president won a (questionable) new term in office; unrest has since punctuated the landscape. In [Burkina Faso](#), the political climate has turned stormy as a result of a successful coup that ended the rule of the president, and then a putsch against the transitional government. These two African countries have been downgraded as a result.

It should be noted that the African country of South [Sudan](#) -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. [Guinea](#) has endured poor rankings throughout, but was slightly downgraded further over fears of social unrest and the Ebola heath crisis.

In Europe, [Ukraine](#) was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. [Russia](#) was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. [Serbia](#) and [Albania](#) were slightly downgraded due to eruptions of unrest, while [Romania](#) was slightly downgraded on the basis of



corruption charges against the prime minister. [Spain](#), [Portugal](#), [Ireland](#), and [Italy](#) were downgraded due to debt woes and the concomitant effect on the euro zone. [Greece](#), another euro zone nation, was downgraded the previous year due to its sovereign debt crisis; however, the country successfully forged a rescue deal with international creditors and stayed within the Euro zone. Greek voters rewarded the hitherto unknown upstart party at the polls for these efforts. As a result, [Greece](#) was actually upgraded slightly as it proved to the world that it could endure the political and economic storms. Meanwhile, [Germany](#), [France](#), [Switzerland](#), the [United Kingdom](#), the [Netherlands](#), and the Scandinavian countries continue to post impressive ranking consistent with these countries' strong records of democracy, freedom, and peaceful transfers of power.

In Asia, [Nepal](#) was downgraded in response to continuous political instability well after landmark elections that prevails today. [Cambodia](#) was very slightly downgraded due to post-election instability that has resulted in occasional flares of violence. Despite the "trifecta of tragedy" in [Japan](#) in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both [India](#) and China retain their rankings; [India](#) holds a slightly higher ranking than [China](#) due to its record of democratic representation and accountability. Increasing violence and political instability in [Pakistan](#) resulted in a downgrade for this country's already low rating.

In the Americas, [Haiti](#) retained its downgraded status due to ongoing political and economic woes. [Mexico](#) was downgraded due to its alarming rate of crime. [Guatemala](#) was downgraded due to charges of corruption, the arrest of the president, and uncertainty over the outcome of elections. [Brazil](#) was downgraded due to the corruption charges erupting on the political landscape, the stalling of the economy, and the increasingly loud calls for the impeachment of President Rousseff. [Argentina](#) was downgraded due to its default on debt following the failure of talks with bond holders. [Venezuela](#) was downgraded due to the fact that the country's post-Chavez government is every bit as autocratic and nationalistic, but even more inclined to oppress its political opponents. [Colombia](#) was upgraded slightly due to efforts aimed at securing a peace deal with the FARC insurgents. A small but significant upgrade was attributed to [Cuba](#) due to its recent pro-business reforms and its normalization of ties with the United States. Meanwhile, the [United States](#), [Canada](#), [Costa Rica](#), [Panama](#), and most of the English-speaking countries of the Caribbean retain their strong rankings due to their records of stability and peaceful transfers of power.

In the Pacific, [Fiji](#) was upgraded due to its return to constitutional order and democracy with the holding of the first elections in eight years.

In Oceania, [Maldives](#) has been slightly downgraded due to the government's continued and rather relentless persecution of the country's former pro-democracy leader - former President Nasheed.

Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

Updated:

2015

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## Freedom Rankings

### Freedom Rankings

#### Freedom in the World

Editor's Note: This ranking by Freedom House quantifies political freedom and civil liberties into a single combined index on each sovereign country's level of freedom and liberty. The initials "PR" and "CL" stand for Political Rights and Civil Liberties, respectively. The number 1 represents the most free countries and the number 7 represents the least free. Several countries fall in the continuum in between. The freedom ratings reflect an overall judgment based on survey results.

Country	PR	CL	Freedom Status	Trend Arrow
Afghanistan	6 ?	6	Not Free	
Albania*	3	3	Partly Free	
Algeria	6	5	Not Free	

Andorra*	1	1	Free	
Angola	6	5	Not Free	
Antigua and Barbuda*	3 ?	2	Free	
Argentina*	2	2	Free	
Armenia	6	4	Partly Free	
Australia*	1	1	Free	
Austria*	1	1	Free	
Azerbaijan	6	5	Not Free	
Bahamas*	1	1	Free	
Bahrain	6 ?	5	Not Free ?	
Bangladesh*	3 ?	4	Partly Free	
Barbados*	1	1	Free	
Belarus	7	6	Not Free	
Belgium*	1	1	Free	
Belize*	1	2	Free	
Benin*	2	2	Free	
Bhutan	4	5	Partly Free	
Bolivia*	3	3	Partly Free	

Bosnia-Herzegovina*	4	3	Partly Free	
Botswana*	3 ?	2	Free	
Brazil*	2	2	Free	
Brunei	6	5	Not Free	
Bulgaria*	2	2	Free	
Burkina Faso	5	3	Partly Free	
Burma	7	7	Not Free	
Burundi*	4	5	Partly Free	↑
Cambodia	6	5	Not Free	↓
Cameroon	6	6	Not Free	
Canada*	1	1	Free	
Cape Verde*	1	1	Free	
Central African Republic	5	5	Partly Free	
Chad	7	6	Not Free	
Chile*	1	1	Free	
China	7	6	Not Free	
Colombia*	3	4	Partly Free	
Comoros*	3	4	Partly Free	

Congo (Brazzaville )	6	5	Not Free	↓
Congo (Kinshasa)	6	6	Not Free	↓
Costa Rica*	1	1	Free	
Cote d'Ivoire	6	5	Not Free	
Croatia*	1 ?	2	Free	
Cuba	7	6	Not Free	
Cyprus*	1	1	Free	
Czech Republic*	1	1	Free	
Denmark*	1	1	Free	
Djibouti	5	5	Partly Free	
Dominica*	1	1	Free	
Dominican Republic*	2	2	Free	↓
East Timor*	3	4	Partly Free	
Ecuador*	3	3	Partly Free	
Egypt	6	5	Not Free	
El Salvador*	2	3	Free	
Equatorial Guinea	7	7	Not Free	
Eritrea	7	7 ?	Not Free	

Estonia*	1	1	Free	
Ethiopia	5	5	Partly Free	↓
Fiji	6	4	Partly Free	
Finland*	1	1	Free	
France*	1	1	Free	
Gabon	6	5 ?	Not Free ?	
The Gambia	5	5 ?	Partly Free	
Georgia	4	4	Partly Free	
Germany*	1	1	Free	
Ghana*	1	2	Free	
Greece*	1	2	Free	
Grenada*	1	2	Free	
Guatemala*	4 ?	4	Partly Free	
Guinea	7	6 ?	Not Free	
Guinea-Bissau*	4	4	Partly Free	
Guyana*	2	3	Free	
Haiti*	4	5	Partly Free	
Honduras	4 ?	4 ?	Partly Free	

Hungary*	1	1	Free	
Iceland*	1	1	Free	
India*	2	3	Free	
Indonesia*	2	3	Free	
Iran	6	6	Not Free	↓
Iraq	5 ?	6	Not Free	
Ireland*	1	1	Free	
Israel*	1	2	Free	
Italy*	1	2	Free	
Jamaica*	2	3	Free	
Japan*	1	2	Free	
Jordan	6 ?	5	Not Free ?	
Kazakhstan	6	5	Not Free	↓
Kenya	4	4 ?	Partly Free	
Kiribati*	1	1	Free	
Kosovo	5 ?	4 ?	Partly Free ?	
Kuwait	4	4	Partly Free	
Kyrgyzstan	6 ?	5 ?	Not Free ?	



Laos	7	6	Not Free	
Latvia*	2	1	Free	
Lebanon	5	3 ?	Partly Free	
Lesotho*	3 ?	3	Partly Free ?	
Liberia*	3	4	Partly Free	
Libya	7	7	Not Free	
Liechtenstein*	1	1	Free	
Lithuania*	1	1	Free	
Luxembourg*	1	1	Free	
Macedonia*	3	3	Partly Free	↑
Madagascar	6 ?	4 ?	Partly Free	
Malawi*	3 ?	4	Partly Free	
Malaysia	4	4	Partly Free	
Maldives*	3 ?	4	Partly Free	
Mali*	2	3	Free	
Malta*	1	1	Free	↓
Marshall Islands*	1	1	Free	
Mauritania	6	5	Not Free	

Mauritius*	1	2	Free	
Mexico*	2	3	Free	
Micronesia*	1	1	Free	
Moldova*	3 ?	4	Partly Free	
Monaco*	2	1	Free	
Mongolia*	2	2	Free	↑
Montenegro*	3	2 ?	Free ?	
Morocco	5	4	Partly Free	↓
Mozambique	4 ?	3	Partly Free	
Namibia*	2	2	Free	
Nauru*	1	1	Free	
Nepal	4	4	Partly Free	
Netherlands*	1	1	Free	
New Zealand*	1	1	Free	
Nicaragua*	4	4 ?	Partly Free	
Niger	5 ?	4	Partly Free	
Nigeria	5	4	Partly Free	↓
North Korea	7	7	Not Free	↓

Norway*	1	1	Free	
Oman	6	5	Not Free	
Pakistan	4	5	Partly Free	
Palau*	1	1	Free	
Panama*	1	2	Free	
Papua New Guinea*	4	3	Partly Free	
Paraguay*	3	3	Partly Free	
Peru*	2	3	Free	
Philippines	4	3	Partly Free	↓
Poland*	1	1	Free	
Portugal*	1	1	Free	
Qatar	6	5	Not Free	
Romania*	2	2	Free	
Russia	6	5	Not Free	↓
Rwanda	6	5	Not Free	
Saint Kitts and Nevis*	1	1	Free	
Saint Lucia*	1	1	Free	
Saint Vincent and Grenadines*	2	1	Free	

Samoa*	2	2	Free	
San Marino*	1	1	Free	
Sao Tome and Principe*	2	2	Free	
Saudi Arabia	7	6	Not Free	
Senegal*	3	3	Partly Free	
Serbia*	2 ?	2	Free	
Seychelles*	3	3	Partly Free	
Sierra Leone*	3	3	Partly Free	
Singapore	5	4	Partly Free	
Slovakia*	1	1	Free	↓
Slovenia*	1	1	Free	
Solomon Islands	4	3	Partly Free	
Somalia	7	7	Not Free	
South Africa*	2	2	Free	
South Korea*	1	2	Free	
Spain*	1	1	Free	
Sri Lanka*	4	4	Partly Free	
Sudan	7	7	Not Free	

Suriname*	2	2	Free	
Swaziland	7	5	Not Free	
Sweden*	1	1	Free	
Switzerland*	1	1	Free	↓
Syria	7	6	Not Free	
Taiwan*	1 ?	2 ?	Free	
Tajikistan	6	5	Not Free	
Tanzania	4	3	Partly Free	
Thailand	5	4	Partly Free	
Togo	5	4 ?	Partly Free	
Tonga	5	3	Partly Free	
Trinidad and Tobago*	2	2	Free	
Tunisia	7	5	Not Free	
Turkey*	3	3	Partly Free	↓
Turkmenistan	7	7	Not Free	
Tuvalu*	1	1	Free	
Uganda	5	4	Partly Free	
Ukraine*	3	2	Free	

United Arab Emirates	6	5	Not Free	
United Kingdom*	1	1	Free	
United States*	1	1	Free	
Uruguay*	1	1	Free	
Uzbekistan	7	7	Not Free	
Vanuatu*	2	2	Free	
Venezuela	5 ?	4	Partly Free	
Vietnam	7	5	Not Free	↓
Yemen	6 ?	5	Not Free ?	
Zambia*	3	4 ?	Partly Free	
Zimbabwe	6 ?	6	Not Free	

#### Methodology:

PR and CL stand for political rights and civil liberties, respectively; 1 represents the most free and 7 the least free rating. The ratings reflect an overall judgment based on survey results.

? ? up or down indicates a change in political rights, civil liberties, or status since the last survey.

↑ ↓ up or down indicates a trend of positive or negative changes that took place but that were not sufficient to result in a change in political rights or civil liberties ratings of 1-7.

\* indicates a country's status as an electoral democracy.

#### Source:

This data is derived from the latest edition of Freedom House's Freedom in the World 2010 edition.

Available at URL: <http://www.freedomhouse.org>

Updated:

Reviewed in 2015

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## Human Rights

### Overview of Human Rights in Venezuela

Recently, issues such as the undermining of the independence of the judiciary, harassment of the political opposition, police brutality, and infringement upon citizens' privacy rights, have been noted as concerns articulated by domestic and international human rights organizations in Venezuela. In recent years, hundreds of police executions have been reported. Typically, unlawful killings of suspects go uninvestigated and unpunished. However, in 2005, the Attorney General's office announced it was investigating over 5,500 alleged extrajudicial executions committed since 2000. Meanwhile, police and security forces in Venezuela are known to arbitrarily arrest and detain suspects, while detainees are known to be abused. The government sometimes uses police and security forces to wiretap and search private homes and businesses. Intimidation of the media, journalists, political opposition, labor unions, the Catholic Church, and human rights groups are also done by security forces at the behest of the government. Prison conditions in Venezuela are harsh. Issues such as overcrowding, prison riots, inmate violence, and police guard brutality, are also problematic. Armed gangs maintain effective control in some prisons in Venezuela. Child abuse, discrimination against persons with disabilities, and human trafficking are other human rights abuses committed in this country.

### Human Development Index (HDI) Rank:

See full listing of the Human Development Index located in the Social Overview of this report for this country's current rank.

### Human Poverty Index Rank:

14th out of 177

### Gini Index:

49.1

**Life Expectancy at Birth (years):**

73 years

**Unemployment Rate:**

12.2%

**Population living on \$1 a day (%):**

15%

**Population living on \$2 a day (%):**

32%

**Population living beneath the Poverty Line (%):**

47%

**Internally Displaced People:**

N/A

**Total Crime Rate (%):**

N/A

**Health Expenditure (% of GDP):**

Public: 2.3%

**% of GDP Spent on Education:**

3.2%

**Human Rights Conventions Party to:**

- International Convention on the Prevention and Punishment of the Crime of Genocide



- International Convention on the Elimination of All Forms of Racial Discrimination
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- Convention on the Elimination of All Forms of Discrimination against Women
- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment
- Conventions on the Rights of the Child
- Rome Statute of the International Criminal Court

\*Human Development Index (HDI) is a composite index that measures the level of well-being in 177 nations in the world. It uses factors such as poverty, literacy, life-expectancy, education, gross domestic product, and purchasing power parity to assess the average achievements in each nation. It has been used in the United Nation's Human Development Report since 1993.

\*Human Poverty Index Ranking is based on certain indicators used to calculate the Human Poverty Index. Probability at birth of not surviving to age 40, adult literacy rate, population without sustainable access to an improved water source, and population below income poverty line are the indicators assessed in this measure.

\*The Gini Index measures inequality based on the distribution of family income or consumption. A value of 0 represents perfect equality (income being distributed equally), and a value of 100 perfect inequality (income all going to one individual).

\*The calculation of the total crime rate is the % of the total population which has been effected by property crime, robbery, sexual assault, assault, or bribery (corruption) related occurrences.

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## **Government Functions**

### **Constitution**

The constitution of Venezuela was put forth on December 30, 1999. The branches of government are set forth in the the Constitution of the Bolivarian Republic of Venezuela, established on Dec. 30, 1999, as follows:

***Executive Authority -***

As mandated by the Constitution, the president is head of state and head of government. The president is elected by a plurality vote with direct and universal suffrage. The presidential term of office is six years, with the possibility of immediate reelection. The president decides the size and composition of the cabinet and makes appointments to it with the involvement of the Congress. The president also appoints the vice-president or prime minister with the approval of the Congress.

Note: There have been moves toward constitutional changes that would eliminate term limits.

***Legislative Authority -***

The executive branch initiates most legislation, which the unicameral Congress, called the National Assembly or Asamblea Nacional, debates and approves, alters, or rejects. The National Assembly or Asamblea Nacional is made up of 167 seats; members are elected by popular vote to serve five-year terms; there are three seats reserved for the indigenous peoples.

***Judicial Authority -***

At the judicial level, there is a Supreme Tribunal of Justice or Tribuna Suprema de Justicia; magistrates are elected by the National Assembly for a single 12-year term.

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## **Government Structure**

**Names:**

*conventional long form:*

Bolivarian Republic of Venezuela

*conventional short form:*

Venezuela

*local long form:*

Republica Bolivariana de Venezuela

*local short form:*

Venezuela

**Type:**

Federal republic

**Executive Branch:**

Chief of state and head of government:

President Nicolas Maduro (since March 7, 2013 in the aftermath of the death of President Hugo Chavez Frias, who served from Dec. 6, 1998 until his death on March 5, 2013; note that Maduro was elected into the role of president on April 14, 2013).

See "2012 Primer" below for details related to the 2012 election that saw victory for Chavez and his death in 2013. See "Special Note" below also for information about the swearing in of Acting President Maduro and snap elections to be held in 2013. See "2013 Primer" below for details related to the 2013 polls.

Note:

The president is elected by popular vote for a six-year term (eligible for unlimited re-election) and the president is both head of state and head of government

Primer on 2012 Presidential Election in Venezuela

Summary:

A presidential election was held in Venezuela on Oct. 7, 2012. Incumbent President Hugo Chavez was seeking re-election against opposition leader Enrique Capriles. After the polls closed, Venezuelan electoral officials announced that President Hugo Chavez had won a fourth term in office, defeating his most formidable rival to date -- Capriles. Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

Background:

A presidential election was scheduled to be held in Venezuela on Oct. 7, 2012. In Venezuela, presidents are elected for six-year terms (previously five-year terms) by universal suffrage.

Incumbent President Hugo Chavez was first elected in 1998; after a constitutional referendum the next year, Chavez decided to strengthen his mandate by having the presidency contested once again in the 2000 elections. As expected, Chavez was re-elected to power in 2000 for a six-year term. He claimed an overwhelming victory in a "recall" referendum in 2004, which effectively ratified his presidency, to the great consternation of his detractors. Chavez was re-elected in 2006;

the election outcome in 2006 showed a landslide victory of 62.9 percent of the vote share against Manuel Rosales who took 36.9 percent. This result appeared to indicate that Chavez had actually gained popularity over time, ultimately improving successive election performances. Now, in 2012, Chavez was again seeking another term in office despite health complications stemming from a tough battle with cancer.

In the elections to be held on Oct. 7, 2012, President Hugo Chavez, the candidate of the ruling United Socialist Party of Venezuela, would face Enrique Capriles Radonski, the candidate of the opposition Coalition for Democratic Unity. That coalition was composed of more than 30 opposition parties. Describing his campaign agenda, Capriles said he would fight crime and root out corruption were he to win the presidency.

Note that in June 2012, polling data by the respected local outfit, Datanalisis, showed President Chavez holding a lead over Capriles. The poll found that 43.6 percent of voters favored Chavez versus 27.7 percent for Capriles. It would seem that even in the face of his battle with cancer, the incumbent remained popular in Venezuela, quite likely due to his Bolivarian Revolution-inspired welfare policies that have benefited that less wealthy echelon of Venezuela's population. Indeed, the president's decision to use oil wealth to help the poor has no doubt augmented an emotional connection between Chavez and a large swath of the Venezuelan people.

That being said, Capriles has his own base. As a young man of 39 years of age, he was attracting educated youthful voters, and enjoying a popular following on the campaign trail. His campaign was founded on the argument that Capriles would better manage the government, including its popular established social programs. It was to be seen if this argument would gain resonance. With the undecided segment of the population standing at 28.7 percent, Capriles had a lot of room to grow his support ahead of election day in October 2012.

Capriles enjoyed encouraging news as June 2012 came to a close when a new poll showed him only narrowly trailing President Chavez. Polling outfit Consultores 21 said that according to its most recent survey, Chavez held a lead of just under four percent over Capriles. This result was quite a contrast from other polls that showed the incumbent president with double digit leads. Consultores 21 showed 47.9 percent of voters favoring Chavez, while 44.5 percent favored Capriles.

Polling data in mid-2012 showed Chavez with a 15 percentage-point lead over opposition challenger Capriles. According to the pollster, Datanalisis, Chavez enjoyed the backing of 46.1 percent of respondents, whereas Capriles had 30.8 percent of support. Of course, as noted just above, another respected pollster has been showing a far closer race with Capriles in a competitive position against Chavez.

By September 2012, a month ahead of the presidential election, polling data continued to show an

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advantage for incumbent President Chavez. A poll by International Consulting Services (ICS) showed Chavez on track to securing more than 60 percent of the vote share and Capriles trailing significantly with less than 40 percent. President Chavez was not taking victory for granted, and in an address to his supporters, he spoke of the opposition base as follows: "We must not underestimate them." Meanwhile, Capriles sounded the sentiment of confidence saying to his support base, "We have no doubt that the road we are on arrives at a single destination, and that's victory on Oct. 7."

As regards policy, Chavez was continuing his pledge to continue Bolivarian Revolution-inspired welfare policies, and introduced a new proposal to eliminate homelessness within a decade. His commitment to the poor and working class was bolstered by leaked revelations that the opposition, if elected, had plans to cut food programs and increase the price of public transportation. In a strategic move, Capriles appeared to shift his campaign priority to that of foreign policy, arguing for an improved standing in the global community, and distancing Venezuela from pariah nation states, such as Iran and Belarus. In an interview with the British newspaper, *The Guardian*, Capriles said: "How have relations with Iran and Belarus benefited Venezuela? We are interested in countries that have democracies, that respect human rights, that we have an affinity with. What affinity do we have with Iran?"

At the start of October 2012, just days before election day, Chavez was believed to have the edge, according to at least one pollster. The well-established pollster, Datanalisis, found in its final polls that Chavez had a ten point lead over Capriles; he was in the lead with 47 percent of support from voters, as compared with 37 percent for Capriles. Of course, as before, the pollster, Consultores 21, showed a much closer race with both men in a dead heat. If Consultores 21 was correct in its forecast, the presidential race remained wide open and Capriles could well manage an upset victory over Chavez. Still, the general consensus was that the incumbent Venezuelan president was on track to be re-elected to power.

There was a long wait for the polls to close in Venezuela on election day, marked by long queues at polling stations across the country. Reuters reported that local analysts who were monitoring the election were anticipating a close finish. For his part, Chavez said that he intended to honor the intent of the voters, irrespective of whether or not his bid for re-election was successful. After a long wait on the night of the election, the results were finally announced: President Hugo Chavez won a fourth term in office, defeating his most formidable rival to date, opposition leader Henrique Capriles. Venezuelan electoral officials announced that voter turnout was 80 percent, and Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

Note that Chavez' inauguration scheduled for Jan. 2013 was delayed due to the fact that he was recovering from cancer surgery in Cuba. See "Political Conditions" for details.

Special Note (Death of Hugo Chavez):

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### Summary:

On March 5, 2013, Venezuelan President Hugo Chavez died at a hospital in his homeland after a lengthy battle with cancer and an extended post-surgery recovery period in Cuba. The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration (as discussed below). Now, with Chavez having died, it was assumed that after a period of national mourning, attention would shift to the question of political leadership in Venezuela. To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition. A snap election was expected to be held in April 2013 featuring a match up between Maduro and opposition leader, Henrique Capriles. It was also to be determined if Chavez' Bolivarian Revolution would be sustained in the aftermath of his presidency.

### In Detail:

At the start of March 2013, Venezuelan Vice President Maduro characterized President Hugo Chavez as "battling for his life." The Venezuelan leader had by this point returned to his homeland of Venezuela after a lengthy stay in Cuba where he had been battling the ravages of cancer, a difficult surgery, and post-surgical complications. The president's recovery prevented him from attending the scheduled presidential inauguration at the start of 2013. President Chavez' return to Venezuela and his continued health complications would no doubt re-ignite questions about whether he was fit for office and the delayed inauguration, as well as calls from the opposition for fresh elections.

President Chavez' health issues have, for some time, created political problems on the Venezuelan scene. Going back to late 2012, President Chavez was recovering from surgery in Cuba as he battled his latest bout with cancer. On Dec. 12, 2012, Vice President Nicolas Maduro -- Chavez' named successor -- warned that the Venezuelan leader had undergone "complex, difficult, delicate" surgery in Cuba and that he faced a tough recovery. Maduro offered his remarks during an emotional speech before the National Assembly. By the start of 2013, Chavez was reportedly still in Cuba in serious condition, suffering from post-surgical complications and a severe respiratory infection.

It should be noted that Hugo Chavez won a decisive re-election victory only months prior in October 2012 and was scheduled to be inaugurated into power for another term in office in January 2013. On Jan. 8, 2013, two days before inauguration day set for Jan. 10, 2013, it was announced that the swearing in ceremony would be delayed and that a future inauguration would take place before the Supreme Court, which the government said would be consistent with constitutional provisions.

Perhaps not surprisingly, the opposition responded to the news with outrage and insisted that

Chavez be sworn in before the National Assembly on Jan. 10, 2013, or, step aside from power. If Chavez resigned from office before being inaugurated to another term, then Vice President Maduro would step into the role of interim president until Jan. 10, 2013; at that time the leader of the National Assembly (Diosdado Cabello) would become leader of Venezuela until the time of a new election. But such an outcome was unlikely as the National Assembly voted to give Chavez time needed to recover from illness and delay the swearing in ceremony.

As well, Venezuela's Supreme Court offered the final legal word on the matter when it ruled that the postponement of President Chavez's inauguration for a new term in office was completely legal. Supreme Court President Luisa Estella Morales delivered the unanimous judicial ruling in a nationally-broadcast statement, saying that President Chavez could take the oath of office at a later date under the aegis of constitutional provisions. She further noted that the re-election of Hugo Chavez validated continuity of the current government, and said it was "absurd" to characterize Chavez's treatment for cancer in Cuba as an unauthorized absence.

Jan. 10, 2013 -- the original date scheduled for the inauguration -- passed without Chavez being sworn into office. However, with the Supreme Court essentially "blessing" the delay of the inauguration, it appeared that the government's actions were of good legal standing.

Meanwhile, the Venezuelan opposition was demanding further information about Chavez' health. Opposition leader Ramon Guillermo Aveledo suggested that if Chavez was too ill to return from Cuba for his own inauguration, then fresh elections should take place in Venezuela. But the country's information minister, Ernesto Villegas, said in a national broadcast that the government was keeping people informed about the health status of Chavez. He said, "The government of the Bolivarian Republic of Venezuela is complying with its duty to inform the Venezuelan public and our sister nations about the clinical progress of President Hugo Chavez." Villegas further noted that detractors were trying to destabilize the country.

From mid-January 2013 through February 2013, the Venezuelan government was insisting that President Chavez was responding favorably to treatment in Cuba. Communication and Information Minister Ernesto Villegas delivered a statement on national radio and television that included the following assertion: "Despite his poor health after complex surgery last Dec. 11, in recent days the overall clinical outcome was favorable." He continued, "[The] respiratory infection is controlled, although the ... president still requires specific measures for the settlement of respiratory failure. The president is aware, in touch with his family, with his political team and the attending physician team, to keep abreast of the information of interest." Vice President Nicolas Maduro was asserting that Chavez had completed his post-surgery recovery. As reported by RIA Novosti, Maduro said: "Fortunately, the post-surgery cycle is now over, and the president has entered a new stage of his treatment, gradually recovering and getting stronger."

As noted above, without any alert to the people of Venezuela or the media, President Hugo



Chavez returned home to Venezuela in the early hours of Feb. 18, 2013. While the Venezuelan leader offered no immediate address to the nation, he took to the social media outlet, Twitter, to announce his return and extend his gratitude to Venezuelans for their support saying: "We have arrived back in the land of Venezuela. Thank you Lord!! Thanks to my beloved people!! We will continue our treatment here." President Chavez also expressed his thanks to Cuban President Raul Castro and former Cuban President Fidel Castro. There was no further information about his political future, including a new inauguration date. However, his final tweet suggested that President Castro remained in the political game as he declared: "Onwards to victory!! We will live and we will overcome!!!"

Please note that the Venezuelan government acknowledged that President Chavez continued to be treated for post-surgical respiratory problems. A statement from Information Minister Ernesto Villegas in late February 2013 read as follows: "The respiratory deficiency that arose in the course of the post-operative period persists, and its tendency has not been favorable, for which reason he continues to be treated. The patient stays in touch with his relatives, the government's political team and is in close collaboration with his treating medical staff."

By the start of March 2013, Vice President Maduro in nationally televised remarks said that President Chavez was "battling for his life." Maduro suggested that Chavez' health problems were derived from the president's commitment to the country, saying, "He completely surrendered body and soul and forgot all his obligations to himself in order to give himself to the homeland." On March 4, 2013, media reports were emerging the president's breathing problems were getting worse. Finally, on March 5, 2013, Venezuelan media was reporting that the fiery leader had died after a long battle with cancer.

The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration (as discussed above). Throughout the period of declining health for Chavez, the opposition relentlessly demanded proof that the president was still alive. Vice President Maduro addressed those detractors, referring to them as "traitors who will never believe in anything."

But all Venezuelas and the world were compelled to face the reality on March 5, 2013 that Chavez had lost his health battle. His body laid in state with distraught and emotional Venezuelans paying their respects and mourning his loss. The state funeral for the late Venezuelan president took place on March 7, 2013. Several world leaders attended the sombre occasion including Argentine President Cristina Fernandez de Kirchner, Bolivian President Evo Morales, Uruguayan President Jose Mujica, Mexican President Enrique Pena Nieto, Chilean President Sebastian Pinera, and Colombian President Juan Manuel Santos. Also in attendance were Cuban President Raul Castro, Iranian President Mahmoud Ahmadinejad, and Belarusian President Alexander Lukashenko.

With Chavez having been laid to rest, it was assumed that after a period of national mourning,

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attention would shift to the question of political leadership in Venezuela. To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition.

The opposition had argued that with Chavez' death, it was not Vice President Maduro but National Assembly President Diosdado Cabello who was constitutionally permitted to become interim president. However, Cabello was an ardent Chavez loyalist and unlikely to deter from the late president's wishes that Maduro take up the leadership mantle. Ahead of Maduro's swearing in ceremony, which Cabello himself led in the legislature, the National Assembly president said: "We have a great desire to meet the commander's instructions." The Supreme Court underlined Maduro's legitimacy and authority by ratifying the inauguration of Maduro as "acting president" under the aegis of Article 233 of the constitution, which "ceases" his previous post of vice president and enshrines him with "all the constitutional and legal attributions as chief of state." For his part, Maduro held a copy of the Venezuelan constitution in his hand and declared: "I swear in the name of absolute loyalty to Comandante Hugo Chavez that we will obey and defend this Bolivarian Constitution with the hard hand of the free people."

A snap presidential election was expected to be held in 30 days. April 2013 was, therefore, the likely timeline for a presidential match up between Maduro and opposition leader, Henrique Capriles. Would Vice President Maduro win the presidency, presumably with an eye on continuing the Chavez legacy? Or might opposition leader, Capriles, finally achieve the goal which eluded him to date? It was also to be determined if Chavez' Bolivarian Revolution, marked by its welfare policies, would be sustained in the aftermath of his presidency.

#### Primer on 2013 presidential election in Venezuela (April 14, 2013)

A snap presidential election was set to be held in Venezuela in April 2013 in the aftermath of the death of President Hugo Chavez Frias, who served from Dec. 6, 1998 until his death on March 5, 2013. At stake would be the presidency of the country. In Venezuela, the president is elected by popular vote for a six-year term and the president serves as both head of state and head of government.

It should be noted that the last presidential election was held in Venezuela on Oct. 7, 2012. President Hugo Chavez was seeking re-election against the opposition leader, Enrique Capriles. After the polls closed in that 2012 election, Venezuelan electoral officials announced that President Hugo Chavez had won a fourth term in office, defeating Capriles, his most formidable rival to date. Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

On March 5, 2013, President Chavez died at a hospital in his homeland after a lengthy battle with cancer and an extended post-surgery recovery period in Cuba. The matter of Chavez' health -- and

rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration ceremony, which never took place due to his passing. With Chavez having died, Venezuela went into a period of national mourning. But soon, attention was shifting to the question of political leadership in Venezuela.

To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition. The ranks of the opposition argued that with Chavez' death, it was not Vice President Maduro but National Assembly President Diosdado Cabello who was constitutionally permitted to become interim president. However, Cabello was an ardent Chavez loyalist and unlikely to deter from the late president's wishes that Maduro take up the leadership mantle. Ahead of Maduro's swearing in ceremony, which Cabello himself led in the legislature, the National Assembly president said: "We have a great desire to meet the commander's instructions." The Supreme Court underlined Maduro's legitimacy and authority by ratifying the inauguration of Maduro as "acting president" under the aegis of Article 233 of the constitution, which "ceases" his previous post of vice president and enshrines him with "all the constitutional and legal attributions as chief of state." For his part, Maduro held a copy of the Venezuelan constitution in his hand and declared: "I swear in the name of absolute loyalty to Comandante Hugo Chavez that we will obey and defend this Bolivarian Constitution with the hard hand of the free people."

A snap presidential election was expected to be held in 30 days making April 2013 the likely timeline for a presidential match up between Acting President Nicolas Maduro and the opposition leader, Henrique Capriles. Maduro -- a former bus driver and Chavez stalwart -- would be aided by the loyalty of pro-Chavez voters and the so-called "sympathy" climate in the aftermath of Chavez' death. However, Maduro was not known to possess the charisma of Chavez and would be up against Capriles -- the young and charismatic governor of the Miranda state -- who had seen the strongest opposition candidate performance in the previous 2012 presidential election. Would Vice President Maduro win the presidency, presumably with an eye on continuing the Chavez legacy? Or might opposition leader, Capriles, finally achieve the goal which eluded him to date? It was also to be determined if Chavez' Bolivarian Revolution, marked by its welfare policies, would be sustained in the aftermath of his presidency.

In mid-March 2013, a month ahead of the fresh Venezuelan presidential election, polling data indicated that Maduro had a commanding -- double digit -- advantage over Capriles. According to survey data by the respected polling outfit, Datanalysis, Maduro registered 49.2 percent in the preferences of voters as compared with Capriles who had 34.8. As April 2013 began, and with the election only two weeks away, Maduro's lead was holding steady. Polling data by Hinterlaces showed Maduro on track to secure 55 percent of the vote -- a full 20 percent ahead of Capriles with 35 percent. But as election day drew closer, the polling data indicated a closer race might be in the offing.

Maduro was campaigning heavily on the promise of preserving the Chavez legacy. Maduro began the official start of the election campaign in the central state of Barinas -- the birthplace of Chavez. Making clear the symbolism of starting the campaign in the heart of Chavez territory, Maduro said: "We come to make a commitment to the land of his birth. We'll never fail to continue until the end of socialism construction." Maduro also promised that he would be elected president "in the name of Commander Hugo Chavez and his dream of protecting the people."

For his part, Capriles began the official election campaign in the northeastern state of Monagas, and reminding voters to go the polls and cast their ballots in order to help him win the election. Capriles said, "I'm not opposed. I am the solution to problems in Venezuela, but I only need each one of you." He also chastised Maduro and the ruling party for having no plan for the future and, instead, hiding behind the memory of Chavez.

On April 9, 2013 -- less than a week ahead of election day -- the political landscape was dominated by an agreement formalizing the two candidates' commitment to respect the rulings of the National Electoral Council as the electoral arbiter and recognizing the election results. While Maduro signed the pact and said he would abide by its provisions, Capriles refused to sign the agreement and instead accused the National Electoral Council of being biased in favor of Maduro and the ruling party.

The dissonance over the aforementioned pact aside, the election was going forward as planned with international observers in Venezuela to witness the vote. As well, the voting procedure appeared to be a sophisticated operation in which voters would cast their ballots electronically with a process for identity verification. Indeed, there would be voting machines intended to identify voters' fingerprints, and other voting machines intended to recognize identity card numbers and register votes anonymously.

On April 14, 2013, Venezuelans went to the polls to answer the question of whether Chavez' legacy and the Bolivarian Revolution would be ratified with a win for Maduro, or, if citizens would choose to chart a new path for Venezuela. Voter turnout was high with 80 percent of eligible voters participating in the election. After the polling stations closed and the votes were counted, Maduro appeared to have won a narrow victory over Capriles. According to the country's National Electoral Council, Maduro secured close to 51 percent of the vote share with Capriles taking 49 percent. The vote outcome was far closer than the pre-election polling data had indicated, but nonetheless was deemed "irreversible" by the electoral authorities. Supporters of Maduro celebrated in the capital city with fireworks while opposition supporters registered their disappointment by banging on pots and pans, according to a report by Reuters News.

Maduro seemed satisfied with his election performance -- the narrow margin of victory notwithstanding. At a rally in front of his supporters at the presidential palace, Maduro draped himself in the colors of the Venezuelan and declared that he had won a "just, legal and

constitutional" victory. Maduro also acknowledged the narrow margin of victory, the need for fair play at the end of a close election, and the fact that every vote counts in democratic elections. He said, "If I had lost by one vote, I would have accepted my responsibility immediately."

Maduro additionally said that he had spoken with Capriles on the phone, and that the opposition requested an audit of the election result; Maduro noted that he had no objection to that course of action. Vicente Diaz, the director of the National Electoral Council, confirmed that a recount would go forward. He said, "Given the close electoral result and the fact that we live in a polarized country, I would like to request that 100 percent of the ballot boxes be audited."

For his part, Capriles was refusing to accept the election result and refining his call for an audit; now, he was demanding a manual recount "vote by vote." He said, "We believe we have won the elections, and the other camp also think they won. We have a right to demand a recount."

It should be noted that while Diaz, the director of the National Electoral Council, had confirmed that a recount would go forward, the president of the National Electoral Council, Tibisay Lucena, made it clear that a hand recount was not in the offing. She said, "A recount would mean going back to the manual counting of votes, which is very vulnerable." Instead, she pointed to Venezuela's automated voting system, which yields two records of every vote cast -- one recorded by the voting machine itself and a second printed receipt. She also announced the certification of the election result, which gave a narrow victory to Maduro. The presentation of a certified election result with Maduro as the winner resulted in street protests and a handful of deaths.

Soon thereafter, it was decided that Venezuela's presidential election results would be electronically audited in the presence of opposition monitors on hand. Lucena announced that the National Electoral Council would undertake this action -- which was to be distinguished from a hand recount -- following the inauguration of Maduro. Capriles responded to the news by saying that the audit, which would involve counting ballots in 12,000 voting boxes, would be welcomed. He said, "We accept this audit because we think the problem is in those 12,000 boxes. With this, we're where we want to be." But Capriles later reversed this position, stating instead that the opposition wanted a full recount.

It should be noted that Maduro was officially inaugurated into office on April 19, 2013. He would serve in office until 2019 -- completing the six-year term that the late President Chavez would have begun in January 2013. Maduro would be tasked with rescuing the country from its economic woes, its ailing energy sector, improving the infrastructure, while continuing the social welfare promise of Chavez' Bolivarian Revolution.

By the start of May 2013, the Venezuelan opposition was making it clear that it intended to challenge the election results, irrespective of Maduro's inauguration. To that end, the opposition formally launched an appeal at the Supreme Court of Justice. The appeal was crafted in such a

way as to challenge the entire electoral process. For his part, Capriles said that he had "no doubt" that his case would "end up in the international arena" and urged his supporters to participate in peaceful protests.

Cabinet:

Council of Ministers was appointed by the president

**Legislative Branch:**

"Asamblea Nacional" (Unicameral National Assembly)

165 seats; members elected by popular vote to serve five-year terms; three seats reserved for the indigenous peoples of Venezuela

Primer on parliamentary elections in Venezuela

(Dec. 6, 2015)

Parliamentary elections were set to be held in Venezuela on Dec. 6, 2015. At stake was the composition of the unicameral National Assembly, known in Venezuela as the "Asamblea Nacional." The legislative body contained 165-167 seats and members are elected by popular vote to serve five-year terms. (Note that three seats in the legislative body are reserved for the indigenous peoples of Venezuela.)

The previous parliamentary elections were held in 2010. Following those polls, it was announced that President Hugo Chavez' ruling United Socialist Party of Venezuela (PSUV) and its allies had won the election, albeit with a reduced majority in the country's legislature. The PSUV won at least 90 seats with the opposition Democratic Unity Table (MUD) securing at least 59 seats in the National Assembly.

It was to be seen if the ruling PSUV -- now under the leadership of the far less charismatic President Nicolas Maduro -- would see a similar level of success in 2015. Indeed, the economic crisis plaguing Venezuela as a result of low oil prices and soaring inflation, and manifest by a shortage of goods and supplies, could well boost the opposition's prospects. Already, the "Chavista" voting bloc was looking at its options with a sense of disillusionment. Still, it was to be seen if a pro-market message from the opposition could actually lure Chavistas to abandon their Socialist ideals embedded in Hugo Chavez' so-called Bolivarian Revolution.

The opposition would be helped by the fact that in mid-2015, President Maduro's popularity had fallen to less than 25 percent. Indeed, the polling data by the respected outfit, Datanalisis, also showed only 20 percent of those surveyed would vote for candidates representing the ruling PSUV, while 42 percent indicated their interest in voting for the opposition. While the size of the undecided contingent was substantial at 17.5 percent, the fact of the matter was that the ruling

Socialists would face an uphill battle at the polls in December 2015. That being said, the PSUV would benefit from the overall fragmentation of the opposition ranks, which continued to be dominated by the Venezuelan elite, and which had not yet learned to finesse its message to attract the poorer and more rural Venezuelans -- the base constituency of Venezuela's left wing.

Ahead of the elections, in a transparent attempt to silence opposition politicians, Venezuelan authorities banned several of them from contesting the polls or holding public office. Among those banned was a state governor, Pablo Perez, former legislator Maria Corina Machado, and former mayor Vicencio Scarano. Opposition leader, Leopoldo Lopez, had already been arrested, tried, found guilty of inciting anti-government riots, and sentenced to more than a dozen years in jail. These moves appeared geared toward ensuring that the ruling PSUV held onto power.

In November 2015, these strategies were attracting international criticism as the Secretary General of the Organization of American States (OAS) dispatched an official condemnation to Venezuela's electoral board. In his 19-page letter, Luis Almagro admonished the Venezuelan electoral authorities for creating an uneven election playing field, which was clearly unfair to the opposition, and demanded that they live up to their duty of creating a free and fair election landscape. Included in Almagro's missive were the following concerns: "There are reasons to believe that the conditions in which people will vote ... aren't right now as transparent and just as the (electoral council) ought to guarantee. It's worrying that ... the difficulties only impact the opposition parties. You are in charge of electoral justice. You are the guarantor."

On Dec. 9, 2015, Venezuelans went to the polls to vote in the country's parliamentary elections. After the ballots were counted, the Venezuelan opposition had won the majority of seats in the parliamentary body, effectively defeating President Maduro's ruling United Socialist Party of Venezuela (PSUV). All signs pointed to a commanding majority for the opposition bloc, with some signs actually indicating that it may have achieved a two-thirds super-majority.

For his part, President Maduro quickly conceded that his party had lost control of parliament and called for calm. Opposition leader, Henrique Capriles, celebrated victory, declaring: "It's a great opportunity for us, this protest vote." Meanwhile, the opposition made clear that it would try to reverse certain policies of the Socialist government. In truth, there were limits to what the legislative body could do to reverse the initiatives of the executive branch of government; however, legislation would be introduced to liberate jailed opposition politicians, reform the judiciary and the election board, stimulate private sector development, and most importantly to curb the Central Bank's policy of printing more money, which has served only to exacerbate the country's high inflation rate.

### **Judicial Branch:**

Supreme Tribunal of Justice or Tribuna Suprema de Justicia (magistrates are elected by the

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National Assembly for a single 12-year term)

**Legal System:**

Open, adversarial court system

**Constitution:**

Dec. 30, 1999

**Political Parties:**

A New Time or UNT [Enrique MARQUEZ]

Brave People's Alliance or ABP [Richard BLANCO]

Christian Democrats or COPEI [Roberto ENRIQUEZ]

Coalition of opposition parties -- The Democratic Unity Table or MUD [Jesus "Chuo" TORREALBA]

Communist Party of Venezuela or PCV [Oscar FIGUERA]

Democratic Action or AD [Henry RAMOS ALLUP]

Fatherland for All or PPT [Rafael UZCATEGUI]

For Social Democracy or PODEMOS [Didalco Antonio BOLIVAR GRATEROL]

Justice First or PJ [Julio BORGES]

Movement Toward Socialism or MAS [Segundo MELENDEZ]

Popular Will or VP [Leopoldo LOPEZ]

Progressive Wave or AP [Henri FALCON]

The Radical Cause or La Causa R [Americo DE GRAZIA]

United Socialist Party of Venezuela or PSUV [Nicolas MADURO]

Venezuelan Progressive Movement or MPV [Simon CALZADILLA]

Venezuela Project or PV [Henrique Fernando SALAS FEO]

**Suffrage:**

18 years of age; universal

**Administrative Divisions:**

23 states (estados, singular - estado), 1 federal district\* (distrito federal), and 1 federal dependency\*\* (dependencia federal); Amazonas, Anzoategui, Apure, Aragua, Barinas, Bolivar, Carabobo, Cojedes, Delta Amacuro, Dependencias Federales\*\*, Distrito Federal\*, Falcon, Guarico, Lara, Merida, Miranda, Monagas, Nueva Esparta, Portuguesa, Sucre, Tachira, Trujillo, Vargas, Yaracuy, Zulia

Note:

The federal dependency consists of 11 federally controlled island groups with a total of 72 individual islands

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## Principal Government Officials

### Government of Venezuela

Pres. Nicolas MADURO Moros

Executive Vice Pres. Jorge Alberto ARREAZA Montserrat

Min. of Agriculture & Lands Yvan GIL

Min. of Air & Water Transportation Giuseppe YOFFREDA

Min. of Commerce Isabel DELGADO

Min. of Communes & Social Movements Isis OCHOA

Min. of Communications & Information Desiree SANTOS Amaral

Min. of Culture Reinaldo ITURRIZA

Min. of Defense Vladimir PADRINO Lopez, Gen.

Min. of Economy, Finance, & Public Banks Rodolfo MARCO TORRES, Brig. Gen.

Min. of Education Rodolfo PEREZ

Min. of Electricity Luis Alfredo MOTTA DOMINGUEZ

Min. of Foreign Affairs Deley Eloina RODRIGUEZ Gomez

Min. of Ground Transportation and Public Works Jose Luis BERNARDO

Min. of Health Henry VENTURA

Min. of Housing, Habitats, & Ecosocialism Manuel QUEVEDO

Min. of Indigenous Peoples Clara VIDAL

Min. of Industry Jose David CABELLO

Min. of Interior, Justice, & Peace Gustavo Enrique GONZALEZ Lopez

Min. of Labor Jesus MARTINEZ

Min. of Nutrition Carlos OSORIO

Min. of the Office of the Presidency & Govt. Performance Monitoring Jesus Rafael SALAZAR Velasquez, Gen.

Min. of Penitentiary Services Maria Iris VARELA Rangel

Min. of Petroleum & Mining Eulogio DEL PINO

Min. of Planning Ricardo MENENDEZ

Min. of Tourism Marleny CONTRERAS



Min. of University Education, Science, & Technology Manuel FERNANDEZ

Min. of Women & Gender Equality Gladys REQUENA

Min. of Youth & Sports Pedro INFANTE

Prosecutor Gen. Luisa ORTEGA Diaz

Pres., Central Bank Nelson Jose MERENTES Diaz

Permanent Representative to the UN, New York Rafael Dario RAMIREZ Carreno

-- as of 2015

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## Leader Biography

### Leader Biography

#### Special Report:

*Venezuelan President Hugo Chavez dies in homeland after lengthy post-surgery recovery in Cuba; new leadership for Venezuela with snap elections on the agenda*

#### Summary:

On March 5, 2013, Venezuelan President Hugo Chavez died at a hospital in his homeland after a lengthy battle with cancer and an extended post-surgery recovery period in Cuba. The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration (as discussed below). Now, with Chavez having died, it was assumed that after a period of national mourning, attention would shift to the question of political leadership in Venezuela. To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition. A snap election was expected to be held in April 2013 featuring a match up between Maduro and opposition leader, Henrique Capriles. It was also to be determined if Chavez' Bolivarian Revolution would be sustained in the aftermath of his presidency.

### In Detail:

At the start of March 2013, Venezuelan Vice President Maduro characterized President Hugo Chavez as "battling for his life." The Venezuelan leader had by this point returned to his homeland of Venezuela after a lengthy stay in Cuba where he had been battling the ravages of cancer, a difficult surgery, and post-surgical complications. The president's recovery prevented him from attending the scheduled presidential inauguration at the start of 2013. President Chavez' return to Venezuela and his continued health complications would no doubt re-ignite questions about whether he was fit for office and the delayed inauguration, as well as calls from the opposition for fresh elections.

President Chavez' health issues have, for some time, created political problems on the Venezuelan scene. Going back to late 2012, President Chavez was recovering from surgery in Cuba as he battled his latest bout with cancer. On Dec. 12, 2012, Vice President Nicolas Maduro -- Chavez' named successor -- warned that the Venezuelan leader had undergone "complex, difficult, delicate" surgery in Cuba and that he faced a tough recovery. Maduro offered his remarks during an emotional speech before the National Assembly. By the start of 2013, Chavez was reportedly still in Cuba in serious condition, suffering from post-surgical complications and a severe respiratory infection.

It should be noted that Hugo Chavez won a decisive re-election victory only months prior in October 2012 and was scheduled to be inaugurated into power for another term in office in January 2013. On Jan. 8, 2013, two days before inauguration day set for Jan. 10, 2013, it was announced that the swearing in ceremony would be delayed and that a future inauguration would take place before the Supreme Court, which the government said would be consistent with constitutional provisions.

Perhaps not surprisingly, the opposition responded to the news with outrage and insisted that Chavez be sworn in before the National Assembly on Jan. 10, 2013, or, step aside from power. If Chavez resigned from office before being inaugurated to another term, then Vice President Maduro

would step into the role of interim president until Jan. 10, 2013; at that time the leader of the National Assembly (Diosdado Cabello) would become leader of Venezuela until the time of a new election. But such an outcome was unlikely as the National Assembly voted to give Chavez time needed to recover from illness and delay the swearing in ceremony.

As well, Venezuela's Supreme Court offered the final legal word on the matter when it ruled that the postponement of President Chavez's inauguration for a new term in office was completely legal. Supreme Court President Luisa Estella Morales delivered the unanimous judicial ruling in a nationally-broadcast statement, saying that President Chavez could take the oath of office at a later date under the aegis of constitutional provisions. She further noted that the re-election of Hugo Chavez validated continuity of the current government, and said it was "absurd" to characterize Chavez's treatment for cancer in Cuba as an unauthorized absence.

Jan. 10, 2013 -- the original date scheduled for the inauguration -- passed without Chavez being sworn into office. However, with the Supreme Court essentially "blessing" the delay of the inauguration, it appeared that the government's actions were of good legal standing.

Meanwhile, the Venezuelan opposition was demanding further information about Chavez' health. Opposition leader Ramon Guillermo Aveledo suggested that if Chavez was too ill to return from Cuba for his own inauguration, then fresh elections should take place in Venezuela. But the country's information minister, Ernesto Villegas, said in a national broadcast that the government was keeping people informed about the health status of Chavez. He said, "The government of the Bolivarian Republic of Venezuela is complying with its duty to inform the Venezuelan public and our sister nations about the clinical progress of President Hugo Chavez." Villegas further noted that detractors were trying to destabilize the country.

From mid-January 2013 through February 2013, the Venezuelan government was insisting that President Chavez was responding favorably to treatment in Cuba. Communication and Information Minister Ernesto Villegas delivered a statement on national radio and television that included the following assertion: "Despite his poor health after complex surgery last Dec. 11, in recent days the

overall clinical outcome was favorable." He continued, "[The] respiratory infection is controlled, although the ... president still requires specific measures for the settlement of respiratory failure. The president is aware, in touch with his family, with his political team and the attending physician team, to keep abreast of the information of interest." Vice President Nicolas Maduro was asserting that Chavez had completed his post-surgery recovery. As reported by RIA Novosti, Maduro said: "Fortunately, the post-surgery cycle is now over, and the president has entered a new stage of his treatment, gradually recovering and getting stronger."

As noted above, without any alert to the people of Venezuela or the media, President Hugo Chavez returned home to Venezuela in the early hours of Feb. 18, 2013. While the Venezuelan leader offered no immediate address to the nation, he took to the social media outlet, Twitter, to announce his return and extend his gratitude to Venezuelans for their support saying: "We have arrived back in the land of Venezuela. Thank you Lord!! Thanks to my beloved people!! We will continue our treatment here." President Chavez also expressed his thanks to Cuban President Raul Castro and former Cuban President Fidel Castro. There was no further information about his political future, including a new inauguration date. However, his final tweet suggested that President Castro remained in the political game as he declared: "Onwards to victory!! We will live and we will overcome!!!"

Please note that the Venezuelan government acknowledged that President Chavez continued to be treated for post-surgical respiratory problems. A statement from Information Minister Ernesto Villegas in late February 2013 read as follows: "The respiratory deficiency that arose in the course of the post-operative period persists, and its tendency has not been favorable, for which reason he continues to be treated. The patient stays in touch with his relatives, the government's political team and is in close collaboration with his treating medical staff."

By the start of March 2013, Vice President Maduro in nationally televised remarks said that President Chavez was "battling for his life." Maduro suggested that Chavez' health problems were derived from the president's commitment to the country, saying, "He completely surrendered body and soul and forgot all his obligations to himself in order to give himself to the homeland." On

March 4, 2013, media reports were emerging the president's breathing problems were getting worse. Finally, on March 5, 2013, Venezuelan media was reporting that the fiery leader had died after a long battle with cancer.

The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration (as discussed above). Throughout the period of declining health for Chavez, the opposition relentlessly demanded proof that the president was still alive. Vice President Maduro addressed those detractors, referring to them as "traitors who will never believe in anything."

But all Venezuelas and the world were compelled to face the reality on March 5, 2013 that Chavez had lost his health battle. His body laid in state with distraught and emotional Venezuelans paying their respects and mourning his loss. The state funeral for the late Venezuelan president took place on March 7, 2013. Several world leaders attended the sombre occasion including Argentine President Cristina Fernandez de Kirchner, Bolivian President Evo Morales, Uruguayan President Jose Mujica, Mexican President Enrique Pena Nieto, Chilean President Sebastian Pinera, and Colombian President Juan Manuel Santos. Also in attendance were Cuban President Raul Castro, Iranian President Mahmoud Ahmadinejad, and Belarusian President Alexander Lukashenko.

With Chavez having been laid to rest, it was assumed that after a period of national mourning, attention would shift to the question of political leadership in Venezuela. To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition.

The opposition had argued that with Chavez' death, it was not Vice President Maduro but National Assembly President Diosdado Cabello who was constitutionally permitted to become interim president. However, Cabello was an ardent Chavez loyalist and unlikely to deter from the late president's wishes that Maduro take up the leadership mantle. Ahead of Maduro's swearing in ceremony, which Cabello himself led in the legislature, the National Assembly president said: "We have a great desire to meet the commander's instructions." The Supreme Court underlined

Maduro's legitimacy and authority by ratifying the inauguration of Maduro as "acting president" under the aegis of Article 233 of the constitution, which "ceases" his previous post of vice president and enshrines him with "all the constitutional and legal attributions as chief of state." For his part, Maduro held a copy of the Venezuelan constitution in his hand and declared: "I swear in the name of absolute loyalty to Comandante Hugo Chavez that we will obey and defend this Bolivarian Constitution with the hard hand of the free people."

A snap presidential election was expected to be held in 30 days. April 2013 was, therefore, the likely timeline for a presidential match up between Maduro and opposition leader, Henrique Capriles. Would Vice President Maduro win the presidency, presumably with an eye on continuing the Chavez legacy? Or might opposition leader, Capriles, finally achieve the goal which eluded him to date? It was also to be determined if Chavez' Bolivarian Revolution, marked by its welfare policies, would be sustained in the aftermath of his presidency. See below for details.

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### **Primer on 2013 presidential election in Venezuela**

A snap presidential election was set to be held in Venezuela in April 2013 in the aftermath of the death of President Hugo Chavez Frias, who served from Dec. 6, 1998 until his death on March 5, 2013. At stake would be the presidency of the country. In Venezuela, the president is elected by popular vote for a six-year term and the president serves as both head of state and head of government.

It should be noted that the last presidential election was held in Venezuela on Oct. 7, 2012. President Hugo Chavez was seeking re-election against the opposition leader, Enrique Capriles. After the polls closed in that 2012 election, Venezuelan electoral officials announced that President Hugo Chavez had won a fourth term in office, defeating Capriles, his most formidable rival to

date. Chavez secured 54.5 percent of the vote share over Capriles, who took 45 percent.

On March 5, 2013, President Chavez died at a hospital in his homeland after a lengthy battle with cancer and an extended post-surgery recovery period in Cuba. The matter of Chavez' health -- and rumors of his death -- have been at the forefront of the political landscape in Venezuela for some time, even dominating the matter of his inauguration ceremony, which never took place due to his passing. With Chavez having died, Venezuela went into a period of national mourning. But soon, attention was shifting to the question of political leadership in Venezuela.

To that end, Vice President Nicolas Maduro was soon sworn into power as the interim leader with the blessing of the Supreme Court and amidst objections from the opposition. The ranks of the opposition argued that with Chavez' death, it was not Vice President Maduro but National Assembly President Diosdado Cabello who was constitutionally permitted to become interim president. However, Cabello was an ardent Chavez loyalist and unlikely to deter from the late president's wishes that Maduro take up the leadership mantle. Ahead of Maduro's swearing in ceremony, which Cabello himself led in the legislature, the National Assembly president said: "We have a great desire to meet the commander's instructions." The Supreme Court underlined Maduro's legitimacy and authority by ratifying the inauguration of Maduro as "acting president" under the aegis of Article 233 of the constitution, which "ceases" his previous post of vice president and enshrines him with "all the constitutional and legal attributions as chief of state." For his part, Maduro held a copy of the Venezuelan constitution in his hand and declared: "I swear in the name of absolute loyalty to Comandante Hugo Chavez that we will obey and defend this Bolivarian Constitution with the hard hand of the free people."

A snap presidential election was expected to be held in 30 days making April 2013 the likely timeline for a presidential match up between Acting President Nicolas Maduro and the opposition leader, Henrique Capriles. Maduro -- a former bus driver and Chavez stalwart -- would be aided by the loyalty of pro-Chavez voters and the so-called "sympathy" climate in the aftermath of Chavez' death. However, Maduro was not known to possess the charisma of Chavez and would be up against Capriles -- the young and charismatic governor of the Miranda state -- who had seen the

strongest opposition candidate performance in the previous 2012 presidential election. Would Vice President Maduro win the presidency, presumably with an eye on continuing the Chavez legacy? Or might opposition leader, Capriles, finally achieve the goal which eluded him to date? It was also to be determined if Chavez' Bolivarian Revolution, marked by its welfare policies, would be sustained in the aftermath of his presidency.

In mid-March 2013, a month ahead of the fresh Venezuelan presidential election, polling data indicated that Maduro had a commanding -- double digit -- advantage over Capriles. According to survey data by the respected polling outfit, Datanalisis, Maduro registered 49.2 percent in the preferences of voters as compared with Capriles who had 34.8. As April 2013 began, and with the election only two weeks away, Maduro's lead was holding steady. Polling data by Hinterlaces showed Maduro on track to secure 55 percent of the vote -- a full 20 percent ahead of Capriles with 35 percent. But as election day drew closer, the polling data indicated a closer race might be in the offing.

Maduro was campaigning heavily on the promise of preserving the Chavez legacy. Maduro began the official start of the election campaign in the central state of Barinas -- the birthplace of Chavez. Making clear the symbolism of starting the campaign in the heart of Chavez territory, Maduro said: "We come to make a commitment to the land of his birth. We'll never fail to continue until the end of socialism construction." Maduro also promised that he would be elected president "in the name of Commander Hugo Chavez and his dream of protecting the people."

For his part, Capriles began the official election campaign in the northeastern state of Monagas, and reminding voters to go the polls and cast their ballots in order to help him win the election. Capriles said, "I'm not opposed. I am the solution to problems in Venezuela, but I only need each one of you." He also chastised Maduro and the ruling party for having no plan for the future and, instead, hiding behind the memory of Chavez.

On April 9, 2013 -- less than a week ahead of election day -- the political landscape was dominated by an agreement formalizing the two candidates' commitment to respect the rulings of the National



Electoral Council as the electoral arbiter and recognizing the election results. While Maduro signed the pact and said he would abide by its provisions, Capriles refused to sign the agreement and instead accused the National Electoral Council of being biased in favor of Maduro and the ruling party.

The dissonance over the aforementioned pact aside, the election was going forward as planned with international observers in Venezuela to witness the vote. As well, the voting procedure appeared to be a sophisticated operation in which voters would cast their ballots electronically with a process for identity verification. Indeed, there would be voting machines intended to identify voters' fingerprints, and other voting machines intended to recognize identity card numbers and register votes anonymously.

On April 14, 2013, Venezuelans went to the polls to answer the question of whether Chavez' legacy and the Bolivarian Revolution would be ratified with a win for Maduro, or, if citizens would choose to chart a new path for Venezuela. Voter turnout was high with 80 percent of eligible voters participating in the election. After the polling stations closed and the votes were counted, Maduro appeared to have won a narrow victory over Capriles. According to the country's National Electoral Council, Maduro secured close to 51 percent of the vote share with Capriles taking 49 percent. The vote outcome was far closer than the pre-election polling data had indicated, but nonetheless was deemed "irreversible" by the electoral authorities. Supporters of Maduro celebrated in the capital city with fireworks while opposition supporters registered their disappointment by banging on pots and pans, according to a report by Reuters News.

Maduro seemed satisfied with his election performance -- the narrow margin of victory notwithstanding. At a rally in front of his supporters at the presidential palace, Maduro draped himself in the colors of the Venezuelan and declared that he had won a "just, legal and constitutional" victory. Maduro also acknowledged the narrow margin of victory, the need for fair play at the end of a close election, and the fact that every vote counts in democratic elections. He said, "If I had lost by one vote, I would have accepted my responsibility immediately."

Maduro additionally said that he had spoken with Capriles on the phone, and that the opposition requested an audit of the election result; Maduro noted that he had no objection to that course of action. Vicente Diaz, the director of the National Electoral Council, confirmed that a recount would go forward. He said, "Given the close electoral result and the fact that we live in a polarized country, I would like to request that 100 percent of the ballot boxes be audited."

For his part, Capriles was refusing to accept the election result and refining his call for an audit; now, he was demanding a manual recount "vote by vote." He said, "We believe we have won the elections, and the other camp also think they won. We have a right to demand a recount."

It should be noted that while Diaz, the director of the National Electoral Council, had confirmed that a recount would go forward, the president of the National Electoral Council, Tibisay Lucena, made it clear that a hand recount was not in the offing. She said, "A recount would mean going back to the manual counting of votes, which is very vulnerable." Instead, she pointed to Venezuela's automated voting system, which yields two records of every vote cast -- one recorded by the voting machine itself and a second printed receipt. She also announced the certification of the election result, which gave a narrow victory to Maduro. The presentation of a certified election result with Maduro as the winner resulted in street protests and a handful of deaths.

Soon thereafter, it was decided that Venezuela's presidential election results would be electronically audited in the presence of opposition monitors on hand. Lucena announced that the National Electoral Council would undertake this action -- which was to be distinguished from a hand recount -- following the inauguration of Maduro. Capriles responded to the news by saying that the audit, which would involve counting ballots in 12,000 voting boxes, would be welcomed. He said, "We accept this audit because we think the problem is in those 12,000 boxes. With this, we're where we want to be."

Note: Maduro was officially inaugurated into office on April 19, 2013. He would serve in office until 2019 -- completing the six-year term that the late President Chavez would have begun in January 2013. Maduro would be tasked with rescuing the country from its economic woes, its

ailing energy sector, improving the infrastructure, while continuing the social welfare promise of Chavez' Bolivarian Revolution.

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## Foreign Relations

### Background

Venezuela traditionally has said that its international conduct will be governed by:

- Respect for human rights
- The right of all people to self-determination
- Non-intervention in the internal affairs of other nations
- Peaceful settlement of disputes between nations, including border disputes
- The right of all people to peace and security
- Support for democracy

### General Relations

As one of the world's leading petroleum producers, Venezuela was a founding member of the Organization of Petroleum Exporting Countries in 1960, along with Saudi Arabia, Kuwait, Iraq, and Iran. Venezuelan President Hugo Chavez Frias was appointed president of OPEC on March 30, 2000. As part of his "peaceful revolution," Chavez has claimed to have a project that is "multi-polar," meaning that he objects to a world order dominated by the United States. During his August 2000 tour of OPEC countries, Chavez made the dramatic move of being the first foreign head of state to visit Saddam Hussein in Iraq since the Gulf War, a statement surely aimed at expressing the power of Venezuela and OPEC against United States (U.S.) domination. Chavez's aims have been to increase the bloc's unity and to strengthen Venezuela's leadership role in the organization. He has

urged member nations to resist international pressure to lower their oil prices.

### Regional Relations

The Chavez government has made hemispheric cooperation and integration its foreign policy priorities. Venezuela worked closely with its neighbors following the Summit of the Americas in many areas, particularly energy integration, and championed the OAS decision to adopt an Anti-Corruption Convention. Venezuela also participates in the United Nations' Friends groups for Haiti, El Salvador and Guatemala. It is pursuing efforts to join the Mercosur trade bloc to expand the hemisphere's trade integration prospects.

In 2000, the Chavez administration created the Caracas Energy Agreement, or AEC, through which Venezuela seeks to sell member countries up to 80,000 barrels a day of crude at easy payment terms.

Venezuela has long-standing border disputes with Colombia and Guyana but has sought to resolve them peacefully. Bilateral commissions have been established by Venezuela and Colombia to address a range of pending issues, including resolution of the maritime boundary in the Gulf of Venezuela. Relations with Guyana are complicated by Venezuela's claim to more than half of Guyana's territory. Since 1987, the two countries have held exchanges on the boundary under the "good offices" of the United Nations.

Political crisis in Colombia spilled over the Venezuelan border, and in 2000, Venezuela's COPEI Party accused the Chavez administration of collaborating with and funding Colombian guerrilla groups in order to prevent mass migration of Colombian refugees into Venezuela. Colombian President Andres Pastrana recalled his ambassador from Caracas in response to the accusations. The Colombian government allegedly agrees that Chavez's apparent neutrality toward his neighbor may be a cover-up for his plans to form an alliance with the leftist Colombian guerrilla groups FARC and ELN. Disputes along the border over Venezuela's role in supporting Colombian guerrillas continued throughout 2001. In March, President Chavez announced that any intruders in the disputed Gulf of Venezuela region would be met with force.

In early 2005, Venezuelans demonstrated in the streets of the capital city of Caracas to reaffirm the country's sovereignty and to protest Colombia's alleged encroachment into its territory. The imbroglio between the two countries was spurred by the arrest of a leading member of the leftist rebel group FARC. Venezuela charged that the arrest allegedly took place in its territory and as such, there was a violation of its sovereign space. For its part, however, Colombia denied that the incident took place in Venezuelan territory. Venezuela thusly recalled its ambassador from Colombia in order to register its displeasure with the situation.

The diplomatic crisis between Venezuela and Colombia eventually came to an end after six weeks of bilateral tension. Rapprochement was reached when Colombia submitted a statement stating that such incidences would not be repeated.

November 2007 marked the freezing of bilateral ties between Venezuela and Colombia over disagreements in dealing with the ongoing hostage crisis. At issue was Venezuelan President Hugo Chavez' role in freeing the many hostages kidnapped by Colombia's Marxist terror group, FARC, during the years of civil war between that group and the Colombian authorities.

President Chavez said that he would place his country's bilateral ties with neighboring Colombia on hold in response to Colombian President Alvaro Uribe's decision to end Chavez' role as a hostage negotiator with Colombia's FARC rebels. There had been several attempts over the years to free the many hostages held in captivity by FARC in Colombia but the situation moved in a productive direction when Chavez offered to act as a mediator between the leftist extremist rebels and the hard line government of Colombian President Alvaro Uribe.

That productive direction stalled when a proposal was put forth for FARC to release 45 hostages in exchange for the release of 500 FARC members imprisoned by the Colombian authorities. Uribe first expressed skepticism about the plan, saying that in trying to forge an agreement with FARC, that group could also advance its interests. As well, Uribe was reported to have been upset with Chavez for flaunting the proprieties of diplomacy by appearing in a photograph with a FARC commander, and also revealing what Uribe said was a confidential conversation about a possible meeting with FARC leader Manuel Marulanda. Uribe then decided to end Chavez' mediator role in the hostage crisis, charging Venezuela's president wants Colombia to be victimized by FARC. On the other side of the equation, Chavez reacted to the decision by calling it "a spit in the face" and accusing Uribe of being a liar.

Relatives of hostages held by FARC reacted to the news with shock and dismay and began to protest outside the presidential palace. They appeared to have held out hopes that Chavez' role as mediator would have eventually yielded positive results, pointing to the fact that Chavez had made significant progress in his mediating role. In France, President Nicolas Sarkozy called on Uribe to reconsider his decision, saying that Chavez was the best person to negotiate the release of the hostages. The French government entered into the fray because one of the most well-known hostages held by FARC has been a French citizen.

In early 2008, Venezuelan President Hugo Chavez returned to the objective of brokering the release of hostages held by FARC rebels in Colombia. This mission saw some success with the release of two hostages -- Clara Rojas and Consuelo Gonzalez. Up to 700 people remained in captivity -- among them, close to 50 high profile individuals including the French-Colombian politician Ingrid Betancourt.

Chavez called on the international community to stop referring to FARC as a terrorist enclave, but at the same time noting that he did not support their tactics. To that end, he called on FARC to stop opposing the Colombian government by taking hostages, saying, "I don't believe in kidnapping and I don't believe in armed struggle." His Colombian counterpart, President Alvaro Uribe has stayed distant from the hostage release efforts. Uribe also criticized Chavez for holding talks with FARC, and emphatically stated that he viewed FARC rebels as terrorists.

The start of March 2008 saw relations devolve between Colombia and two of its neighbors -- Venezuela and Ecuador. A military offensive aimed against Marxist rebels (known as Revolutionary Armed Forces of Colombia or FARC) resulted in an incursion into Ecuadorian territory. The operation resulted in the death of a leading rebel within FARC, along with 16 others. While Colombian authorities hailed this action as a success, Ecuadorian President Rafael Correa condemned the Colombian government in Bogota for violating its sovereignty and lodged a formal protest. Meanwhile, Venezuelan President Hugo Chavez, who had been negotiating with FARC for the release of hostages held by the leftist rebels, railed against Colombian President Alvaro Uribe for invading Ecuador, characterizing him as "a criminal." Chavez also called for the Venezuelan embassy in Bogota to be closed and withdrew embassy personnel from Colombia. Moreover, he ordered Venezuela's military to take up positions along the border with Colombia, presumably as a warning to its neighbor that it would not tolerate a similar violation of its own sovereignty. The move marked a significant escalation of tensions in the region.

But a week later, relations between Venezuela and Colombia were somewhat soothed after a summit between the leaders of those two countries. At the summit, the leaders of both the countries agreed to a 20-point declaration by the Organization of American States (OAS), which included a commitment by Colombian President Uribe that his military forces would not violate borders with neighbors in the future. Venezuela then said that it would restore its diplomatic relations with Colombia. The Venezuelan Foreign Ministry issued a statement noting that the meeting was "a victory for peace and sovereignty... and demonstrated the importance of Latin American unity in overcoming conflicts." However, Colombia's relations with Ecuador remained strained, with Ecuador noting that more time was needed to resolve the situation, which involved a violation of its sovereignty.

In June 2008, Venezuelan President Hugo Chavez urged Colombia's Revolutionary Armed Forces of Colombia (FARC) rebels to end their four-decade struggle and release all their hostages. The Venezuelan leader, who has negotiated controversial talks with FARC aimed at releasing its hostages, characterized the extremist leftist militants as "out of step." Chavez also said, "The guerrilla war is history. At this moment in Latin America, an armed guerrilla movement is out of place." The call came a month after long-serving FARC leader, Manuel Marulanda, died and Alfonso Cano was named as his replacement. Perhaps believing that he might have an impact on the new leadership, Chavez said in his televised address, "This is my message for you, Cano: 'Come on, let all these people go.' There are old folk, women, sick people, soldiers who have been

prisoners in the mountain for 10 years."

Chavez' role in mediating the release of hostages has been regarded as controversial by some interests. Indeed, Colombian President Alvaro Uribe terminated his official role in these negotiations. But many of the Colombian victims' families welcomed Chavez' interest in the matter, and applauded his efforts when he successfully negotiated the release of two hostages, Clara Rojas and Consuelo Gonzalez.

In August 2009, Colombia and the United States concluded negotiations on a military cooperation agreement, which would provide for United States troops to access Colombian military bases for the purpose of combating terrorism and fighting the trafficking of narcotics in the region.

Responding to this plan for a sustained United States military presence in Colombia, Venezuela announced on August 17, 2009 that it would construct 70 "peace bases" along the border with Colombia. Francisco Arias Cardenas, Venezuelan Vice Foreign Minister for Latin America and the Caribbean, said that the plan was part of Venezuela's initiative to promote peace and prevent conflict. But it was clear that the move was a defensive one, aimed at responding to the presence of United States troops in a neighboring country, when Foreign Minister Arias explained at a news conference, "Each Venezuelan has to be a soldier to defend Venezuela."

The agreement between the United States and Colombia had already caused a diplomatic contretemps in the region, resulting in late July 2009 with indications from Venezuela that it would freeze its diplomatic ties with Colombia. Then, on September 1, 2009, Venezuelan President Hugo Chavez confirmed his country would end formal diplomatic relations with Colombia. President Chavez said the move was being made in response to Colombia's decision to allow United States forces to have greater access to its military bases. Both Colombia and the United States have insisted that the deal would pose no threat to neighboring countries, and had been forged simply to improve efforts against anti-narcotics trafficking. However, regional powers, including Venezuela, have reacted with concern to the move.

Tense relations between Colombia and Venezuela devolved in November 2009 when Colombia detained four members of the Venezuelan national guard on Colombian territory. Colombian authorities said the four were detained along a river in the border province of Vichada. The situation was not expected to last long since Colombian President Alvaro Uribe said they would be released and returned to Venezuela. Perhaps with an eye on calming the heightened tensions between the two countries, President Uribe said there was "unbreakable affection" between his country of Colombia and neighboring Venezuela. The incident came a week after Venezuelan President Hugo Chavez sent troops to the border region in an apparent response to an agreement forged between Colombia and the United States that would allow the American military to use Colombian bases in its anti-narcotics trafficking efforts. Venezuelan President Chavez has decried the move, charging that the agreement was part of the United States' agenda to ultimately invade



his country. This claim has been strongly denied by the United States.

### Other Regional Relations

Venezuela came into the international spotlight in May and June 2001 for allegedly covering up the whereabouts of Peruvian ex-Intelligence Chief Vladimir Montesinos, a fugitive of Peruvian law for a decade of embezzlement, threats, and bribery, among other offenses. The Venezuelan government went to great lengths to establish that they had not supported Montesinos' self-exile, despite an abundance of evidence that they had, in fact, done so. In 1992, when Montesinos was very much in control of the Peruvian government under the protection of former-President Alberto Fujimori, a group of Chavez's supporters had been granted asylum in Peru after the failure of their attempted military coup.

Also in regional relations, President Chavez paid multiple controversial visits to Cuba's Fidel Castro during his presidency, and has established close ties with the Cuban government.

In 2005, Venezuela and Jamaica signed an agreement by which the South American oil-producing giant would provide Jamaica with its energy supplies. Also in 2005, Venezuela agreed to provide Ecuador with energy supplies as that country grappled with unrest. In such ways, Venezuela has consolidated its regional relationships even as other powers, such as the United States, sought to isolate it.

In November 2005, President Chavez led a massive anti-Bush rally in Argentina at the summit of the Organization of American states. There, Chavez was a frequent critic of the Bush administration's policies and found a receptive audience among the massive crowds. On the agenda at the summit was the matter of the Free Trade of the Americas. The hemispheric free trade deal met with resistance from several countries, including economic power-houses such as Brazil, Venezuela and Argentina, but it was backed by the United States and supported by Mexico.

Relations between Mexico and Venezuela deteriorated in the aftermath of the Organization of American states summit in Argentina. The diplomatic imbroglio was sparked by the aforementioned United States-backed effort to launch the Free Trade of the Americas and Mexico's support therein. Venezuelan President Hugo Chavez claimed that Mexican President Vicente Fox had violated normal protocol by trying to force agreement on the contentious free trade deal, even when it was not on the agenda. While giving an address to business people and political supporters in the Venezuelan capital city of Caracas after the summit, Chavez said: "How sad that the president of a people like the Mexicans lets himself become the puppy dog of the empire." By "empire" he was referring to the United States. The Mexican government responded to the characterization by demanding an apology, and noted that the Venezuelan leader's words



struck at "the dignity of the Mexican people." Foreign ministers from both two countries met to discuss the dispute but no resolution was immediately forthcoming.

In July 2006, Venezuela moved to join Mercosur -- the South American trade bloc that already included Brazil, Argentina, Uruguay and Paraguay. Venezuelan President Hugo Chavez characterized the move as "historic." Meanwhile, observers were split on their assessments of the prospects for the newly-enlarged Mercosur. While some Venezuelans wondered if some business enterprises would be hurt by rivals within the bloc, others were hoping that it would herald more of an open-market shift. Meanwhile, still other observers wondered about the political and economic implications of Chavez' influence within Mercosur.

The issue of Venezuela's entry into the South American trade bloc known as Mercosur trade bloc came to the fore in November 2009. On Nov. 13, 2009, the Brazilian Senate postponed a vote on the matter. The delay was due to Venezuelan President Hugo Chavez' declaration that Venezuelans should prepare for war with Colombia. At issue for President Chavez was an agreement forged between Colombia and the United States that would allow the American military to use Colombian bases in its anti-narcotics trafficking efforts. President Chavez has argued that the agreement obfuscates the United States' deeper intent to grab a foothold in South America, including the possible invasion of Venezuela. Regardless, President Chavez' declaration was viewed by the Brazilian Senate as an exercise in hyperbole and fiery rhetoric, which tainted the support of some members of the body. Already, there has been strong criticisms in Brazil regarding President Chavez' suppression of independent media and somewhat autocratic tendencies in Venezuela. There was no new date set for a vote since the immediate effort was centered on calming the situation and dispelling doubts about Venezuela's entry into Mercosur.

#### United States (U.S).-Venezuelan Relations

U.S. relations with Venezuela have traditionally been close, with a strong mutual commitment to democracy. Until it slipped to top four in 2000, Venezuela was the number one supplier of foreign oil to the U.S. market. Major U.S. interests in Venezuela include promotion of U.S. exports and protection of U.S. investment; continuation of the economic reform program; preservation of Venezuela's constitutional democracy; closer counter narcotics cooperation; and continued access to a leading source of petroleum.

Underscoring the importance of this bilateral relationship, President Clinton's October 1997 visit launched a "Partnership for the 21st Century" to promote common solutions for energy development, trade and investment, and protection of the environment, as well as a strategic alliance against crime and drug trafficking.

The United States is Venezuela's most important trading partner, representing approximately half of

both imports and exports. In turn, Venezuela is the United States' third-largest export market in Latin America, purchasing U.S. machinery, transportation equipment, agricultural commodities and auto parts. Venezuela's opening of its petroleum sector to foreign investment in 1996 created extensive trade and investment opportunities for U.S. companies.

New legislation is expected to open up investment opportunities in natural gas and mining. The Department of State is committed to promoting the interests of U.S. companies in overseas markets.

Venezuela is a minor source country for opium poppy and coca but a major transit country for cocaine and heroin. Money laundering and judicial corruption are major concerns. The United States is working with Venezuela to combat drug trafficking. In 2000, the United States gave \$700,000 for counter narcotics assistance and about \$400,000 for Venezuelan participants in the International Military Education and Training Program. There is no USAID or Peace Corps mission in Venezuela. Close ties between the leaders of Cuba and Venezuela have been an issue for the U.S. In this regard, the quasi-coup d'etat against Chavez that occurred in the spring of 2002 was rumored to have been sanctioned by the U.S. While there is no conclusive evidence to prove this allegation, its existence suggests that there are real tensions between the two countries at this time.

Approximately 23,000 U.S. citizens living in Venezuela have registered with the U.S. Embassy, an estimated three-quarters of them residing in the Caracas area. An estimated 12,000 U.S. tourists visit Venezuela annually. About 500 U.S. companies are represented in the country, however, some U.S. companies removed some of their U.S. nationals working in Venezuela after Chavez won election, and again following the 2002 quasi coup d'etat.

Tensions between the Bush-led United States and Chavez' government in Venezuela continue to date. Chavez' left-leaning political stances, as well as his close relationship with Fidel Castro in Cuba (as noted above), are not viewed positively by the Bush administration. Meanwhile, Chavez government does not share the same outlook as the Bush administration on several policy matters.

In the backdrop of this tense situation has been the fact that the United States seems determined to isolate left-leaning Venezuela. Indeed, United States Secretary of State-designate Condoleezza Rice described the Venezuelan government as being a "negative influence" on the western hemisphere. In April 2005, Secretary Rice called for the sale of arms to Venezuela to be monitored. An unidentified Venezuelan official responded by noting that her statement was an untoward intrusion of Venezuelan sovereignty. For his part, Venezuelan President Hugo Chavez has described the Bush administration in the United States as having imperialist inclinations. He has also claimed periodically that the United States has plotted to oust him. Moreover, he has threatened to stop selling oil to the United States if that country's interference intensifies.

In July 2005, Venezuelan prosecutors convened an investigation into the activities of the United States Drug Enforcement Administration (DEA). By August 2005, Venezuelan President Hugo Chavez had accused the DEA of using its agents for purposes of spying. The Venezuela leader said, "The DEA was using the fight against drug trafficking as a mask, to support drug trafficking, to carry out intelligence in Venezuela against the government." In response, Chavez said that Venezuela would discontinue its agreement to work with the DEA to deal with narcotics trafficking. However, he said that Venezuela would continue to work with other international groups on the matter.

In August 2005, already-strained relations between Venezuela and the United States were further damaged when religious evangelist, Pat Robertson, called for the assassination of President Hugo Chavez on his religious television broadcast of the "700 Club." Robertson, a Christian fundamentalist and strong supporter of the Bush administration, said, "We have the ability to take him out, and I think the time has come that we exercise that ability."

The United States Department of State distanced itself from Robertson's call for the death of the Venezuelan leader by characterizing his comments as "inappropriate." The department also noted that Robertson's words did not reflect the policy of the United States. Donald Rumsfeld, the Defense Secretary of the United States said that Robertson's words were that of a private citizen. United States President George W. Bush offered no comment.

Of course, critics of the Bush administration charged that even though Robertson might be a private citizen, he is one with a public forum, and one known to be a close ally of the American president. As such, they have said that a clear response from the administration is necessitated at a time when bilateral relations have suffered. In fact, these sentiments were echoed by the Venezuelan government as well. In an address, Bernardo Alvarez, Venezuela's Ambassador to the United States said, "Mr Robertson has been one of this president's staunchest allies. His statement demands the strongest condemnation by the White House."

Only days prior to the conflagration involving Robertson, a Republican Senator of the United States and the Chairman of the Senate Judiciary Committee, Arlen Specter, sent a letter to the Department of Defense requesting improved relations with Venezuela, for the purpose of working cooperatively to deal with narcotics trafficking. The Venezuelan government had ceased cooperation with the United States DEA on this issue a month earlier. In his letter, Specter noted, "It may well be helpful to, at least, have a moratorium on adverse comments on Venezuela."

Robertson's remarks served only to reinforce the perception by the Venezuelan government that it is the target of an ongoing campaign of political aggression by Washington, and that it is intended to destabilize the country and ultimately remove Chavez from office.

In response, Chavez' government said it was exploring all possible legal options available. For his part, President Chavez said he did not "even know who that person is" when he was informed about Robertson's remarks. But Venezuelan Vice President Jose Vicente Rangel framed Robertson's words as a "criminal statement" and challenged Washington's response saying that it would put United States anti-terrorism policy to the test. In this regard Rangel said, "It's huge hypocrisy to maintain this discourse against terrorism and at the same time, in the heart of that country there are entirely terrorist statements like those."

As the fiasco continued to dominate the media, Robertson responded first by saying that his remarks were taken out of context. He also claimed he had never called for the actual assassination of Chavez but simply his ousting from office. Presumably confronted with the record clearly stating that he had indeed used the word assassination in his remarks about Chavez, he subsequently apologized.

The lack of response from the United States White House, however, prompted the Venezuelan government to say that it was still going to seek legal recourse. On Aug. 29, 2005, Venezuelan President Hugo Chavez said that if Washington failed to take legal measures against Robertson's "terrorist" proposal (i.e. calling for the assassination of a head of state), then he would take the case to the United Nations and the Organization of American States. Chavez also said Venezuela would not rule out calling for Robertson's extradition to Venezuela to face charges.

A day later, however, the Venezuelan leader took a different approach and said he would welcome improved bilateral ties with the United States. Standing with American civil rights leader, Rev. Jesse Jackson, Chavez said that he sought to improve relations between the two countries and offered inexpensive heating fuel -- at a 40 percent discount -- to impoverished United States residents in anticipation of winter. Chavez also offered food, potable water, fuel, and humanitarian aid to the devastated Gulf Coast residents in the aftermath of Hurricane Katrina. After being asked by Jackson to resume work with the DEA on narcotics trafficking, Chavez said he would consider it. For his part, Jackson said the political rhetoric had to stop and noted there was no evidence that Venezuela was a "destabilizing force" in the hemisphere, as suggested by the Bush administration. Earlier, Jackson, a religious pastor himself, condemned Pat Robertson's words.

On Sept. 16, 2005, Chavez addressed the United Nations General Assembly. In that address, the Venezuelan leader condemned the neo-imperialism, militarism and unbridled capitalism of the Bush administration in the United States. He also assailed the United States government for failing to protect the impoverished citizens of New Orleans from the aftermath of Hurricane Katrina. As well, he accused the United States of taking a contradictory stance on terrorism by failing to condemn the aforementioned calls by Robertson, for Chavez' own assassination. On this issue, Chavez said, "The only place where a person can ask for another head of state to be assassinated is the United States, which is what happened recently with the Reverend Pat Robertson, a very close friend of the White House. He publicly asked for my assassination and he's still walking the

streets."

After going past the five-minute limit placed on speakers, he was asked to quickly finish his statement. In response, he turned to Jan Eliasson of Sweden, the president of the General Assembly, and said, "I think the president of the United States spoke for twenty minutes here yesterday. I would ask your indulgence to let me finish my statement." At the end of his address, he was given the loudest applause of any world leader addressing the summit. Some observers said that his words apparently captured the collective global resentment toward the policies of the United States under the Bush administration. Others explained Chavez' popularity at the summit by noting that United Nations members tend to rally around certain members when they are faced with attacks. For example, when conservative lawmakers in the United States called for the resignation of general Secretary Kofi Annan, Annan was given a standing ovation as a gesture of support. When United States President Bill Clinton was facing attacks by the Republican opposition over the scandal involving Monica Lewinsky, he also received a standing ovation from the General Assembly.

Meanwhile, in the spring of 2005, the case of Luis Posada Carriles emerged and quickly embroiled Venezuela, Cuba and the United States. Luis Posada Carriles, along with Guillermo Novo Sampoll, Orlando Bosch and Gaspar Jiménez Escobedo founded the Coordination of United Revolutionary Organizations (CORU), which was believed to have been involved in terrorist activities aimed at ousting Cuban President Fidel Castro from power. Born in Cuba, Posada Carriles became a naturalized citizen of Venezuela and has been linked with several bloody political plots.

The case came to the fore after the Cuban-born militant and possible assassin, Luis Posada Carriles, was detained and held in the United States for charges of illegally entering the country across the Mexican border. Soon thereafter, Posada Carriles requested political asylum in the United States. In May 2005, Venezuela called for Posada Carriles to be extradited from the United States after the Venezuelan Supreme Court approved an extradition request for him. The United States Department of State Assistant Secretary responsible for Western Hemisphere Affairs, Roger Noriega, argued that Posada Carriles may not actually have been in the United States and that the charges against him "may be a completely manufactured issue." But two weeks later, the Miami Herald conducted an interview with Posada in South Florida, making clear that he was indeed on American soil. Later it was revealed that Posada Carriles was eventually arrested while trying to get out of the country, and was being held in Texas by the United States Department of Homeland Security.

The Venezuelan government wanted Carriles to stand trial for the bombing of an Air Cubana airliner traveling from Barbados to Cuba in 1976, which left all 76 people on board dead. But the United States said that it would not deport Carriles to a third country, which might very well hand him over to President Fidel Castro in Cuba. In response, President Hugo Chavez assured the United States authorities that he would not hand Carriles over to Castro. Still, he warned that if

the United States continued its path of intransigence on the matter, diplomatic ties between Caracas and Washington D.C. would have to be reconsidered.

There have been several claims made that the United States' reluctance to move against Posada Carriles was motivated by its policy toward Cuba, in conjunction with the government's own clandestine relationship with the man. Indeed, the National Security Archive, a non-governmental organization, was reported to have housed a significant collection of declassified documents pertaining to Posada Carriles' relationship with the United States. Among the documents was a 1965 FBI memorandum that discusses his early years, as well as a 1966 FBI document outlining Posada's relationship with the United States. That particular document suggested that Posada Carriles was a recipient of monthly payments from the United States Central Intelligence Agency (CIA) during the 1960s, and was being considered to lead a military alliance against Fidel Castro's government.

By the close of May 2005, United States officials had rejected Venezuela's request to detain and extradite Carriles. The United States Department of State was holding Posada Carriles on suspected immigration violations; it said there was insufficient evidence to arrest and extradite him in accordance with Venezuela's wishes.

In response to the decision by the United States, tens of thousands of Venezuelans demonstrated in the streets of the capital city of Caracas. The protest rally was largely peaceful with demonstrators dancing in the streets, blowing whistles and shouting anti-American slogans. Many Venezuelans believe the United States' position is rife with double standards, and some accuse United President George W. Bush of hypocrisy for allowing a possible terrorist into its jurisdiction even while he wages a "war on terror." Throughout, demonstrations were also going on in Cuba with Cubans at home calling for Posada Carriles to face justice.

The case of Posada Carriles has contributed to the devolution of already-strained relations between Venezuela and the United States. The diplomatic imbroglio over Posada Carriles has not helped the situation. In fact, a new problem emerged to exacerbate the situation when the United States canceled the tourist visa of Venezuelan Supreme Court President Omar Mora. In response, Venezuela warned that it would halt visits by American officials. The United States said that an administrative error precipitated the cancellation of Omar Mora's visa. It also noted that the cancellation was not political and that the Venezuelan Supreme Court President could re-apply for a new visa. The Venezuelan government, however, was not assuaged. Venezuelan Vice-President Jose Vicente Rangel characterized the incident as a "slight to Venezuela's dignity." Other Venezuelan officials, including Omar Mora himself, suggested that the cancellation of the visa was linked to Venezuela's calls on the United States to extradite Luis Posada Carriles.

Posada Carriles' immigration hearing was set for June 13, 2005. There, he renewed his request for political asylum in the United States, and also requested that he be transferred from Texas to



custody in Florida, where his family and attorneys were based. On June 21, 2005, the judge refuses Posada Carriles' request to be transferred to Florida and set a date for an immigration hearing before a Homeland Security judge in Texas. In that regard, Posada Carriles was expected to face a Homeland Security judge in the United States on August 29, 2005. Following that hearing, the Department of Homeland Security judge ruled that he could not be deported due to a possible threat of torture in Venezuela, if was, indeed, sent back to there.

It was reported in the Cuban media that on March 22, 2006, United States Immigration and Customs Enforcement (ICE) decided that Posada Carriles would continue to be detained because he continued "to present a danger to the community and a flight risk." The ICE also acknowledged that he had "a history of engaging in criminal activity, associating with individuals involved in criminal activity, and participating in violent acts that indicate a disregard for the safety of the general public." It was the first major admission on the part of the United States government regarding the potential criminal activities of Posada Carriles. Nevertheless, on April 27, 2006, the New York Times reported that Posada Carriles has applied to become a United States citizen.

In 2006, already-bad bilateral relations with the United States sunk to a new low after both countries expelled one another's diplomats after Caracas accused Washington D.C. of spying. Venezuela also warned that if Washington severed diplomatic ties with Caracas, it would respond by closing all Venezuelan refineries in the United States, effectively disrupting oil supplies, and potential leading to further price increases.

On April 7, 2006, a convoy carrying United States Ambassador William Brownfield was pelted with tomatoes and eggs in the Venezuelan capital city of Caracas. Reports also stated that individuals on motorcycles chased Brownfield's car. Police escorting the convoy did not intervene. It was believed that supporters of President Hugo Chavez may have been responsible.

In September 2006, Chavez addressed the United Nations General Assembly. In his speech he assailed the "imperialist" and hegemonic power of the United States, quoting famed American linguist Noam Chomsky in so doing. His reference to Chomsky apparently sparked renewed interest in the famed linguist's writings and philosophical stances. He also jokingly referred to United States President Bush, who had earlier addressed the assembly, as "the devil." The Bush administration characterized Chavez' statements before the United Nations as "unstatesmanlike." But in an interview with Time magazine, Chavez noted that Bush had also used vitriolic language against him. To this end, Chavez said, "Bush has called me worse things — tyrant, populist dictator, drug trafficker, to name a few. I'm not attacking Bush; I'm simply counter-attacking." The scenario highlighted continued poor bilateral relations between the two respective administrations, and was expected to negatively affect Venezuela's bid for a non-permanent seat on the United Nations Security Council.

The poor state of bilateral relations was not helped by the fact that only days later, Venezuelan

Foreign Minister Nicolas Maduro was detained at New York's John F. Kennedy airport for 90 minutes. Maduro was in the United States to attend the aforementioned United Nations General Assembly meeting but was stopped as he was trying to leave the country. According to various reports, after being detained, Maduro was questioned about his role in an attempted coup d'etat led by Chavez in 1992 by regular airport security. Diplomatic security then entered the fray, presumably to resolve the matter.

According to Maduro, however, the situation was not a simple one and entailed treatment disallowed under international law. Indeed, Maduro asserted that he was both strip-searched and subjected to verbal abuse. In remarks to the media, Maduro said, "We were detained during an hour and a half, threatened by police with being beaten. We hold the United States government responsible." Venezuelan President Chavez observed that Maduro's detention was a provocation of sorts. Officially, Venezuela responded to the incident by filing a formal complaint to both United States authorities and the United Nations.

For its part, United States authorities denied that Maduro had been detained, saying instead that he had simply been asked to comply with a second security screening. However, the United States Department of State later acknowledged the incident and subsequently issued an apology to the Venezuelan foreign minister. A spokesperson for the State Department said, "The state department regrets this incident. The United States government apologized to Foreign Minister Maduro and the Venezuelan government." Regardless, the apology did not alleviate the tensions between the two countries, with Foreign Minister Maduro saying that it was not enough.

In November 2006, Venezuela's bid to attain a non-permanent seat on the United Nations Security Council ended in failure when, after successive rounds of voting, it could not muster enough votes to outright eliminate Guatemala. Of course, Guatemala was in exactly the same position as well. The result was a blow to both Venezuela and Guatemala -- and by extension, the United States, which had strongly backed Guatemala against Venezuela. Consequently, the countries of the Western Hemisphere reconvened to submit a consensus candidate, and chose Panama. The choice of Panama, which was endorsed by the majority of countries in the region, was intended to symbolize the nexus of the various regions of the Americas.

Relations between the two countries remain poor until 2009 when the new Obama administration took power in the United States. Indeed, in April 2009, the Summit of the Americans in Trinidad and Tobago was marked by a convivial handshake between President Obama and Venezuelan President Hugo Chavez. The Venezuelan leader, known for his anti-American rhetoric, reportedly offered friendship to President Obama and also gave him a book as a gift, albeit one that detailed perceived ills of American hegemony. Nevertheless, President Chavez approached Secretary of State Hillary Clinton to tell her that he was restoring diplomatic representation in Washington. He also expressed hopes for improved bilateral relations on state television saying, "We ratify our willingness to begin what has started: cementing new relations. We have the very strong



willingness to work together."

Facing criticism at home by Republicans who did not look kindly on these encounters between President Obama and President Chavez, the United States leader said, "It's unlikely that as a consequence of me shaking hands or having a polite conversation with Mr. Chavez that we are endangering the strategic interests of the United States."

Addressing his policy of international engagement, President Barack Obama said on the closing day of the summit that it "strengthens our hand" by reaching out to enemies of the United States. At an outdoor news conference in Trinidad, the American president said that the United States should be a leader and not a lecturer of democracy. Explaining the Obama doctrine of engagement, he said, "We're not simply going to lecture you, but we're rather going to show through how we operate the benefits of these values and ideals."

In the third week of August 2009, Colombia and the United States concluded negotiations on a military cooperation agreement, which would provide for United States troops to access Colombian military bases for the purpose of combating terrorism and fighting the trafficking of narcotics in the region.

Responding to this plan for a sustained United States military presence in Colombia, Venezuela announced on August 17, 2009 that it would construct 70 "peace bases" along the border with Colombia. Francisco Arias Cardenas, Venezuelan Vice Foreign Minister for Latin America and the Caribbean, said that the plan was part of Venezuela's initiative to promote peace and prevent conflict. But it was clear that the move was a defensive one, aimed at responding to the presence of United States troops in a neighboring country, when Foreign Minister Arias explained at a news conference, "Each Venezuelan has to be a soldier to defend Venezuela."

The agreement between the United States and Colombia has already caused a diplomatic contretemps in the region, resulting in late July 2009 with indications from Venezuela that it would freeze its diplomatic ties with Colombia. Then, on September 1, 2009, Venezuelan President Hugo Chavez confirmed his country would end formal diplomatic relations with Colombia. President Chavez said the move was being made in response to Colombia's decision to allow United States forces to have greater access to its military bases. Both Colombia and the United States have insisted that the deal would pose no threat to neighboring countries, and had been forged simply to improve efforts against anti-narcotics trafficking. However, regional powers, including Venezuela, have reacted with concern to the move.

As of late 2009, as discussed above, Venezuela has strongly opposed an agreement forged between Colombia and the United States that would allow the American military to use Colombian bases in its anti-narcotics trafficking efforts. Venezuelan President Chavez has argued that the agreement obfuscates the United States' deeper intent to grab a foothold in South America,

including the possible invasion of Venezuela. President Chavez has also argued that the agreement obfuscates the United States' deeper intent to grab a foothold in South America, including the possible invasion of Venezuela. has decried the move, charging that the agreement was part of the United States' agenda to ultimately invade his country. This claim has been strongly denied by the United States.

### Other Significant Relations

Closer relations between Chavez' government and the government of China has been forged in recent years. A visit by Chavez to China in early 2005 has led to speculation about Venezuela's left-leaning foreign policy.

Spanish Defense Minister Jose Bono was expected to travel to Venezuela in early December 2005 for the signing of an arms contract between the two countries. In the deal worth more than \$1.5 billion, Madrid agreed to sell military patrol boats and transport planes to Caracas. Both countries noted that the agreement was intended to help Venezuela deal with drug gangs. Nevertheless, the United States expressed opposition to the deal since it regards the Venezuelan leader, President Hugo Chavez, to be a "destabilizing force" in the hemisphere.

To date, however, many countries in the hemisphere and elsewhere have not shared the view of the United States. Perhaps to underscore the significance with which the matter was being viewed, Washington also reminded Madrid that it was in the process of deciding whether or not it would allow Spain to sell aircrafts made with United States technology since they require an export license.

Nevertheless, in 2006, Spain rebuffed pressure from the United States to refrain from selling 12 military aircraft to Venezuela using American technology. Spain said that it would go ahead with the deal using European technology instead.

Also in 2006, President Hugo Chavez announced that he intended to purchase more weaponry for Venezuela in order to protect his country from potential invasion by hostile powers. Chavez noted that the 100,000 Kalashnikov assault rifles already on order from Russia were insufficient to meet this need. He also asserted that Venezuela would require a million armed men and women to protect the country.

Meanwhile, at a pilgrimage to honor the Virgin Mary in January 2006, the most senior Catholic clergyman in Venezuela, Cardinal Rosalio Castillo Lara, told worshippers that the country had "lost its democratic course and presents the semblance of a dictatorship." In response, Venezuelan President Hugo Chavez described the Cardinal's words as "a provocation" and demanded a full apology. He also characterized the incident as "shameful for the Catholic Church" and warned the

church to stay out of political affairs. Chavez also demanded an explanation from the Pope's representative in Caracas but said that the response offered by the Vatican's ambassador was not satisfactory.

November 2007 saw something of a diplomatic imbroglio unfold between Spain and Venezuela. First, on November 10, 2007, at the Ibero-American summit in Chile, Spain's King Juan Carlos told Venezuelan President Hugo Chavez to "shut up" after the Venezuela leader characterized Spain's former Prime Minister Jose Maria Aznar as "a fascist."

The Spanish's monarch's rebuke of President Chavez was met with approval at home in Spain both in the media and within government. While Spain's current head of government, Prime Minister Jose Luis Rodriguez Zapatero, has held closer philosophical ties with Chavez, he also took issue with Chavez' characterization of his predecessor saying, "Aznar was democratically elected by the Spanish people and was a legitimate representative of the Spanish people."

For his part, President Chavez responded by saying, "I think it's imprudent for a king to shout at a president to shut up - Mr. King, we are not going to shut up." President Chavez also called on King Juan Carlos to explain what he knew of the brief 2002 coup d'etat that took place in Venezuela. Specifically, the Venezuelan president asked whether or not the Spanish monarch sanctioned the appearance of Spain's ambassador with the interim Venezuelan President Pedro Carmona during the two-day coup in 2002.

July 2008 saw Venezuelan President Hugo Chavez enjoy a cordial visit with the King Juan Carlos at the Spanish monarch's summer home in Mallorca. It was the first time that the two met since their well-publicized spat at a conference in Chile in November 2007. At that conference, Chavez sparked diplomatic tensions by characterizing former Spanish Prime Minister Jose Maria Aznar as a fascist, thus prompting King Juan Carlos to say "Why don't you shut up?" The Venezuelan president responded by saying that he would not "shut up" as so ordered. Regardless, eight months later, the two apparently were on good terms once again.

On a visit to Russia in late September 2008, Venezuelan President Hugo Chavez met with his Russian counterpart, President Dmitry Medvedev, and agreed to work on energy cooperation. The two countries were already ensconced in a process of building economic links but Chavez and Medvedev were pursuing a pact that would include cooperation in the realm of energy production.

This cooperation was expected to concentrate on oil and gas production, but Chavez acknowledged that Russia had offered to assist Venezuela with a civilian nuclear power program as well. The Venezuelan leader noted that his country was only following in the footsteps of other Latin American countries, such as Brazil and Argentina, which already was on its way to nuclear energy production. He also emphasized that Venezuela was only looking to nuclear energy for medical purposes and power generation. Meanwhile, Prime Minister Vladimir Putin registered his

willingness to enter into nuclear energy cooperation with Venezuela.

Russia and Venezuela were additionally moving into the realm of closer military ties. To that latter end, Russian ships were en route to the Caribbean Sea off the coast of South America to participate in joint military exercises with the Venezuelans. Chavez was quick to note that the joint military exercises were not an indication of any military action saying, "We are not going to invade anyone, or engage in acts of aggression toward anyone." However, he indicated that the action was being taken to show that Venezuela took its sovereignty seriously. He said, "But no one should mistake our intention -- we are prepared to do everything necessary to defend Venezuelan sovereignty." By December 2008, Russian fleets arrived in Venezuelan waters for joint military exercises.

Meanwhile, prospects of a Russian loan to Venezuela to help finance the purchase of Russian arms were being discussed on September 9, 2009. Chief Russian foreign policy aide, Sergei Prikhodko, said that the Kremlin was considering such a loan to Venezuela. The announcement came as Venezuelan President Hugo Chavez arrived in Moscow for meetings with Russian President Dmitry Medvedev. In addition to the possibility of an arms deal, the meeting was intended to establish multiple areas for bilateral cooperation. To that end, President Medvedev's Press Secretary Natalya Timakova said, "There are plans for the conclusion of documents and agreements on oil and gas cooperation, on ecology in the oil and gas industry, and also an agreement between the Justice Ministries."

After his trip to Moscow, President Chavez confirmed in a weekly televised address that Russia had agreed to lend Venezuela over \$2 billion for the purchase of weapons, such as 100 tanks and a series of anti-aircraft rocket systems, and were intended to boost the country's defensive capacity. President Chavez noted that the anti-aircraft rocket systems would make it difficult for Venezuela to be attacked. He said, "With these rockets, it is going to be very difficult for them to come and bomb us. If that happens, they should know that we will soon have these systems installed, [and] for an enemy that appears on the horizon, there it goes." The move appeared to be in retaliation to the aforementioned deal struck between Colombia and the United States to allow American troops access to Colombian military bases.

Note: Both Russia and Venezuela have indicated a shared interest in opposing United States influence and hegemony on the global stage.

### Special Entry

Venezuela set to enter regional trade bloc Mercosur

In mid-2012, the impeachment of President Fernando Lugo in Paraguay was having a regional

effect in South America. Many of Paraguay's neighbors in the hemisphere believed that the right-wing opposition, which has been used to dominating the power ranks in Paraguay, has been trying to circumvent democracy by ousting the country's first left-wing president from office. The regional bloc, Mercosur, had moved to suspend Paraguay from its body, due to outrage over what it saw as an unconstitutional transition of power. But with Paraguay now out of the Mercosur scene, some left-leaning Mercosur powers (Brazil and Argentina) were using the opportunity to bring Venezuela into the fold -- a move long opposed by Paraguay. Indeed, the South American trading bloc would welcome Venezuela on July 31<sup>0</sup>, 2012 at a meeting in Brazil. In an interview with Telesur television, Venezuelan President Hugo Chavez said: "This is a historic day for ... integration/ This is win-win for everybody."

#### Update:

The death of President Hugo Chavez in 2013, followed by the election of Nicolas Maduro, augured little change in Venezuela's foreign policy. As such, fractious relations between Venezuela and the West, particularly the United States, was expected to continue.

Note that in 2014, as unrest rocked Venezuela, newly-elected President Nicolas Maduro placed the blame on external players, including the United States and Colombia, while blaming Panama and the Organization of American States for intervening into sovereign affairs by trying to help resolve the chaos. See "Political Conditions" for details.

#### Special Update on Relations with the United States

United States declares Venezuela a security threat; slaps sanctions on top officials

In March 2015, United States President Barack Obama signed an executive order declaring Venezuela to be a national security threat and ordering sanctions to be imposed on seven high-ranking officials. The affected Venezuelan officials included the head of the state intelligence service, the director of the national police; a state prosecutor, and military officers, making clear that the target of these sanctions were involved in the state security apparatus. All seven of the affected individuals would see their assets and interests, including property, in the United States frozen or blocked, while they would be prohibited from stepping foot on United States territory. As well, United States citizens and permanent residents would be banned from doing business with them.

In an ancillary move, the United States demanded that Venezuela release its political prisoners -- many of whom were opposition figures and were rounded up and jailed during mass-government protests in 2014, which left scores of people dead.

This tranche of sanctions would not affect the energy sector of Venezuela and were not of an economic nature. Stated differently, they were not intended to affect ordinary Venezuelan citizens. That being said, sanctions of this targeted nature typically precede harsher moves and could potentially presage economic sanctions of some sort to come.

Already suffering from economic crisis, due to the low price of oil in Venezuela's energy-dependent economy, and exacerbated by poor financial stewardship, President Nicolas Maduro has been under intense political pressure. Of course the price of oil was being decided by OPEC and was affecting all oil-producing countries across the world. But less diverse economies, and those already suffering from mismanagement, such as Venezuela, were feeling the pain more acutely. The addition of unilateral economic sanctions (imposed by the United States) down the line could prove extraordinarily damaging. But for now, the United States was limiting its moves to the security officials.

To this end, the Obama White House made clear that it was targeting persons deemed to have engaged in anti-democratic activities or abuses of human rights. In a statement, White House spokesperson Josh Earnest declared, "Venezuelan officials past and present who violate the human rights of Venezuelan citizens and engage in acts of public corruption will not be welcome here, and we now have the tools to block their assets and their use of U.S. financial systems." He continued, "We are deeply concerned by the Venezuelan government's efforts to escalate intimidation of its political opponents."

Bilateral ties between the United States and Venezuela have been poor since 2008 when the late Venezuelan President Hugo Chavez expelled then-United States Ambassador Patrick Duddy, thus spurring the United States to respond in kind by expelling the Venezuelan envoy, Bernardo Alvarez. Since that time, United States and Venezuela have not returned to a state of normal diplomatic relations. In fact, ties between the two countries deteriorated further as the new Venezuelan leader, Maduro, proceeded to blame the United States for all political and economic woes facing his country. Of note was the flare of protests in 2014 against the Maduro government, and led by opposition factions, and which Maduro claimed was being orchestrated by the United States. White House spokesperson Earnest addressed the tendency by Venezuela to blame the United States for its socio-economic and political ills, noting, "We've seen many times that the Venezuelan government tries to distract from its own actions by blaming the United States or other members of the international community for events inside Venezuela."

It should be noted that Venezuela recently demanded that Washington significantly reduce its diplomatic presence in Caracas by submitting a plan to reduce its staff from 100 to less than 20. It was apparent that Washington was reacting by taking measures of its own in the form of the sanctions.



For his part, President Maduro predictably responded to the announcement of these targeted sanctions with by casting the United States as an "imperialist" threat and accusing the United States of seeking to overthrow his government. During a two-hour long national speech, Maduro said, "President Barack Obama ... has personally decided to take on the task of defeating my government and intervening in Venezuela to control it." Thus, in an act of defiance, he also appointed one of the seven sanctioned individuals -- National Intelligence head Gustavo Gonzalez - - as his new interior minister. Of significance was the fact that the United States has accused Gonzalez of complicity in violence and human rights abuses against anti-government protesters in Venezuela.

Written by Dr. Denise Youngblood Coleman, Editor in Chief at CountryWatch; see Bibliography for research sources.

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## National Security

### External Threats

Venezuela does not face any immediate military threats, but is involved in boundary disputes with several neighboring countries. Likewise, inter-governmental relations between the United States and Venezuelahave been strained in recent years. The majority of the boundary disputes in which Venezuelais involved pertain to its maritime limits. The governments of Dominica, Saint Kitts and Nevis, Saint Lucia, and Saint Vincent and the Grenadines dispute Venezuela 's claim that Aves Islandmeets the United Nations Convention on the Law of the Sea (UNCLOS) criteria for habitation. The claim, which several non-Caribbean countries including the United States recognize, essentially allows Venezuelato extend its exclusive economic zone (EEZ) much further out to sea than it could if the island were uninhabited. The governments of Venezuela and Colombia disagree over their countries' maritime boundary in the Caribbean and the Gulf of Venezuela. Guyana and Barbados contest Trinidad and Tobago 's maritime border with Venezuela, claiming that it encroaches upon their respective sovereign waters. Both countries are expected to bring the matter before the United Nations Convention on the Law of the Sea (UNCLOS).

In addition to differences over its maritime boundaries, Venezuela 's territorial border with Guyanaremains unresolved. Since 1962, Venezuela has boldly laid claim to all land west of the Essequibo River, which amounts to over 60 percent of Guyana. The petition challenges a

settlement reached through arbitration in 1899. In 1966, both countries formally agreed to seek a peaceful resolution of the matter and to accept assistance from the office of the United Nations Secretary-General towards that end. As of October 2005, the two countries had not settled the matter.

Relations between the governments of Venezuela and the United States have been somewhat tumultuous in recent years. President Chavez has accused the U.S. government of a range of nefarious activities, which it denies, including supporting the 2002 coup and plotting to assassinate him. In turn, the U.S. government has accused the Chavez administration of undermining international efforts to combat transnational terrorism. Specifically, it alleges that the Venezuelan government has not effectively secured the zone along its border with Colombia, a haven for Colombian-based insurgent movements the National Liberation Army (ELN) and the Revolutionary Armed Forces of Colombia (FARC), has failed to stem the flow of Venezuelan arms to those groups, and has openly declared an ideological affinity with them (also see sections on insurgencies and terrorism). Despite the tension at the governmental level, commercial ties between the Venezuela and the U.S. have remained strong.

Tense relations between Colombia and Venezuela devolved in November 2009 when Colombia detained four members of the Venezuelan national guard on Colombian territory. Colombian authorities said the four were detained along a river in the border province of Vichada. The situation was not expected to last long since Colombian President Alvaro Uribe said they would be released and returned to Venezuela. Perhaps with an eye on calming the heightened tensions between the two countries, President Uribe said there was "unbreakable affection" between his country of Colombia and neighboring Venezuela. The incident came a week after Venezuelan President Hugo Chavez sent troops to the border region in an apparent response to an agreement forged between Colombia and the United States that would allow the American military to use Colombian bases in its anti-narcotics trafficking efforts. Venezuelan President Chavez has decried the move, charging that the agreement was part of the United States' agenda to ultimately invade his country. This claim has been strongly denied by the United States.

See "Political Conditions" for more details and recent developments.

## **Crime**

Venezuela is a significant hub of narcotics trafficking activity. It serves as an interim destination for Colombian cocaine, heroin and marijuana bound for the United States and Europe. Small amounts of poppy and coca are cultivated there. The drug trade has also precipitated the growth of another illicit industry in Venezuela, money laundering, especially along the border with Colombia and on Margarita Island. Outside of narcotics trafficking and related criminal activity, theft, credit card fraud, armed robbery, and kidnapping for ransom are prevalent throughout Venezuela. Piracy is



common along its coast and Caracas has one of the highest homicide rates in Latin America.

## **Insurgencies**

No domestic insurgencies threaten the Venezuelan government or its general population. Since taking office in February 1999, however, President Hugo Chavez has endured significant challenges to his authority, including a massive demonstration that culminated in a short-lived coup (April 2002), a major labor strike (December 2002 - May 2003), and a referendum to foster his departure before the end of his six-year term (August 2004). In August 2004, Chavez won the presidential recall referendum with 59 percent of the vote. Though his opponents contested the results and said that Chavez had rigged the ballot, international electoral observation missions carried out by the Organization of American States and the Carter Center found no indication of any actions along that vein.

Also, Colombian based insurgent movements - namely the National Liberation Army (ELN) and the Revolutionary Armed Forces of Colombia (FARC) - threaten security along Venezuela's border (also see sections on external threats and terrorism).

## **Terrorism**

Terrorism poses a credible risk to Venezuelan security. Throughout 2003, pro-Chavez as well as anti-Chavez domestic political organizations perpetrated a number of small-scale bombings there. Colombian based insurgent movements - namely the National liberation Army (ELN) and the Revolutionary Armed Forces of Colombia (FARC) - operate along the Venezuelan border. Both groups have engaged in acts of terrorism, including bombings, targeted assassinations, and kidnappings in Colombia. They are also believed to be responsible for cross-border abductions. The U.S. government has accused the Chavez administration of undermining international efforts to combat Colombian insurgent movements, in spite of the danger they pose to Venezuela. Specifically, it alleges that the Venezuelan government has not secured the zone along its border with Colombia; effectively providing FARC and ELN with a safe haven from which to operate; has failed to stem the flow of Venezuelan arms to those groups, and has openly declared an ideological affinity with them (also see sections on external threats and insurgencies). Outside of Colombian rebels, no transnational organizations have specifically threatened to attack targets inside of Venezuela. There were unconfirmed press reports in 2003 of the presence of Islamic militants there, however, particularly on Margarita Island.

Venezuelais party to four of the twelve international conventions and protocols pertaining to terrorism.

**Special Note:**

## Unrest in Venezuela

February 2014 saw protests erupt in Venezuela. Thousands of Venezuelans took to the streets in demonstrations to register their discontent over economic mismanagement, disturbingly high inflation, the alarming rise in the rate of crime, and electrical power shortages. The demonstrations led to clashes between protesters and police, and at least three people were reported to have died as a result. The Venezuelan opposition said the three victims died at the hands of pro-government militias known as "colectivos."

For its part, the government of Venezuela has placed the blame for the political turbulence rocking the country on a number of sources -- the political opposition, "saboteurs," "profit-hungry corrupt businessmen," "fascists," the former Uribe government of Colombia, and even United States agents in cahoots with local university personnel.

Aiming at one of the more accessible targets, a court in Venezuela issued an arrest warrant for opposition leader Leopoldo Lopez, who was the apparent organizer of the protests. According to the Venezuelan government, Lopez -- the former mayor of the Chacao district of eastern Caracas -- was responsible for inciting violence and was plotting a coup against President Nicolas Maduro. As such, Lopez was to be detained on multiple charges, including murder and terrorism.

It should be noted that Lopez was in hiding and released a videotaped message in which he denied committing any crimes and intimated that he would be present at forthcoming protests. Lopez also challenged the Venezuelan authorities to make good on the arrest warrant against him. The opposition leader said in the videotaped message: "I want to invite all of you to join me on a march on Tuesday from Venezuela Square [in central Caracas] towards the Justice Ministry building, which has become a symbol of repression, torture and lies." He also urged his supporters in attendance to wear white as a symbol of the commitment to peace. Lopez affirmed his presence at the forthcoming demonstration saying, "I will be there to show my face. I have nothing to fear. I have not committed any crime. If there is any order to illegally arrest me, well, I will be there."

Rival pro-government marches were also going on with supporters of President Maduro dressed in Venezuela's national colors of blue, yellow, and red. On Feb. 15, 2014, at one such pro-government march, Maduro himself addressed the crowds and instead of appealing for calm, he appeared to spark a political confrontation in the politically polarized country when he said, "I call all the people to the streets in order to defend peace." Maduro on this occasion also placed the blame for the unrest in Venezuela on "fascists," including the former center-right president of Colombia, Alvaro Uribe, who was politically opposed to Maduro's predecessor, the late President Hugo Chavez. Speaking of former President Uribe, Maduro charged, "Alvaro Uribe is behind

this, financing and directing these fascist movements."

Meanwhile, with an eye on quelling the spirit of discontent, the government moved to ban the media coverage of the protests and even went so far as to block access to the social media venue, Twitter. It should be noted that Twitter was used as a mechanism for communication and organization during popular social and political movements across the world, including the so-called "Arab Spring." Youth reformists in Tunisia, Libya, and Egypt all leveraged the technological capacity of Twitter to organize on behalf of their democratic aspirations. But in Venezuela, which prides itself as being a democracy, access to social media communication -- as well as orthodox media -- was being controlled by the government. Instead of facilitating the free expression of dissent, the Maduro government in Venezuela was actually exploiting the protest movement, and using it as a rationale to crack down on the opposition. Indeed, there were emerging fears that President Nicolas Maduro would extend emergency powers and move in the direction of mass arrests.

These developments highlighted already-simmering doubts about the capacity of President Nicolas Maduro to effectively govern in Venezuela. After the death of President Hugo Chavez, Maduro -- a former bus driver and union activist -- narrowly won the presidential election against Henry Capriles. That close election result revealed that the leftist Bolivarian Revolution championed by Chavez was, to some degree, supported by the late president's personal charisma and Maduro's identity as Chavez' successor was not a particularly marketable one. Stated differently, in the post-Chavez era, the leftist policies of the former Venezuelan leader were not quite as popular with Maduro as the standard bearer. Moreover, Maduro's inability to address the socio-economic problems facing Venezuela -- from rampant crime to shortages and inflation -- only emphasized the problems of political mismanagement and fueled the opposition's claims that leftist policies had brought Venezuela to the brink of collapse. As such, there was a clear opening for the opposition to achieve in a future election what had been denied in recent years: success at the ballot box. But in the meantime, Venezuela was dealing with a leader who showed signs of volatility, especially as his grip on power was being challenged in the public square. Some analysts were viewing Maduro as more emphatically autocratic than even Chavez and completely lacking the former president's charm.

Those doubts were heightened on Feb. 16, 2014, when President Maduro opted to expel three United States consular officials on the basis of claims that their actual purpose was to work in a clandestine manner at universities to spark unrest. Venezuelan authorities charged that the three diplomats recruited university students to lead demonstrations. Foreign Minister Elias Jaua further accused the three consular staffers of using visa visits to universities as a pretense for advocating student protests. He said, "They have been visiting universities with the pretext of granting visas. But that is a cover for making contacts with (student) leaders to offer them training and financing to create youth groups that generate violence."

In a televised address, President Maduro announced the rationale behind the expulsion of the three American diplomats as follows: "It's a group of U.S. functionaries who are in the universities. We've been watching them having meetings in the private universities for two months." Striking a nationalist and populist chord, Maduro added: "Venezuela doesn't take orders from anyone!" For its part, United States Department of State spokesperson, Jan Psaki, said, "The allegation that the United States is helping to organize protesters in Venezuela is baseless and false." President Barack Obama also entered the fray by criticizing the Maduro government for arresting protesters and urging the Venezuelan authorities to concentrate on the "legitimate grievances" of its people rather than "making up false accusations" about United States diplomats. He also called on all interested parties to engage in a real dialogue, saying, "All parties have an obligation to work together."

It should be noted that the United States was more concerned about the arrests of anti-government protestors and the apparent targeting of the opposition leader than the expulsion of its three consular officials. In a statement from the United States Department of State, Secretary of State John Kerry expressed his country's concerns about the devolving political landscape in Venezuela. His statement read as follows: "We are particularly alarmed by reports that the Venezuelan government has arrested or detained scores of anti-government protestors and issued an arrest warrant for opposition leader Leopoldo Lopez."

Note that on Feb. 18, 2014, Venezuela opposition leader Lopez turned himself into the National Guard. Lopez, who was wanted on charges of inciting murder and terrorism as well as sedition, conspiracy, and damage to public property, submitted to the authorities after addressed thousands of supporters at a mass gathering in Caracas. In his address, Lopez denied the charges against him and declared: "I present myself to an unjust judiciary. They want to jail Venezuelans who want peaceful, democratic change." Lopez, who had asked his supporters to take to the streets in protest, later instructed them not to place their lives at risk and refrain from marching towards areas where pro-Maduro rallies were taking place. He said via Twitter: "I will walk alone. I won't put any Venezuelan lives at risk. Go Venezuela!" Lopez also urged Venezuelans to continue the fight to liberate the country from the socialist government of Maduro.

President Maduro was himself addressing his own supporters at a rally and declaring that Lopez would face justice. The president said of the opposition leader: "He must answer before the prosecution, the courts, the laws his calls to sedition, his unawareness of the constitution." A Venezuelan court soon ordered that Lopez remain in custody pending further hearings.

Late on Feb. 19, 2014, violence was flaring on the streets of Caracas once again with several deaths reported. President Maduro continued to dismiss the opposition movement while asserting his authority. He declared, "We cannot underestimate those fascist groups whose boss is behind bars...I'm not playing with democracy. I do not accept that they challenge the Venezuelan people and our constitution." In a subsequent speech, Maduro also denounced the protests, accusing

right-wing groups backed by the United States of being behind the violence and seeking to destabilize Venezuela. He said, "We have a strong democracy. What we don't have in Venezuela is a democratic opposition."

It was not clear if the president of Venezuela himself had an understanding of the tenets of democracy when he threatened to expel the United States news cable network, CNN, from the country for its reporting of the protests. President Maduro warned that he would take action against CNN if it failed to "rectify its coverage." He said, "Enough war propaganda, I won't accept war propaganda against Venezuela. If they don't rectify themselves, out of Venezuela, CNN, out." The threat was not likely to be taken lightly as several days earlier, the government removed a Colombian news channel from the list of options offered by Venezuelan cable television outlets. Indeed, by Feb. 21, 2014, the government of Venezuela had revoked the accreditations of CNN reporters covering the crisis.

For his part, Venezuelan President Maduro called on United States President Barack Obama to assist in negotiations aimed at resolving the escalating tensions between the two countries. Maduro issued this invitation only after expelling two United States diplomats and the United States-based cable channel from Venezuela, and in the wake of accusations that United States operatives at universities were behind a plot to overthrow his government. Maduro said: "I call for a dialogue between Venezuela and the United States and its government...Let's initiate a high-level dialogue and let's put the truth out on the table." He suggested that such talks would be "difficult and complex" unless the United States accepted "the full autonomy and independence of Latin America."

On behalf of the United States, Secretary of State John Kerry disparaged the heavy-handed tactics of Maduro and the government of Venezuela, saying, "This is not how democracies behave." Secretary of State Kerry also addressed the unrest unfolding in Venezuela by saying, "The solution to Venezuela's problems can only be found through dialogue with all Venezuelans, engaging in a free exchange of opinions in a climate of mutual respect."

Meanwhile, the unrest in Venezuelan went on with more than a dozen people dying since the start of the crisis. February 20, 2014 saw protesters erect barricades in central districts of Caracas.

Opposition leader, Henrique Capriles, who lost a close presidential election to Maduro, was careful to use the political fracas rocking Venezuela to present himself as the moderate option in a country divided between the bluster of Maduro and the drama of Lopez. Capriles called for a peaceful demonstration in Caracas, expressly warning that participants should reject violence, saying, "In this turbulent hour, we call on the students and on those on the streets not to fall into the trap of violence." Capriles also noted that while he was ready for dialogue, the Maduro government was unwilling to compromise in the interests of the country.

By Feb. 22, 2014, as opposition activists gathered in the streets of Caracas, Capriles was reiterating his call for peaceful dissent, saying, "There are millions of reasons to protest, there are so many problems, so many people suffering. But this movement we have built must be different." Despite his plea for peaceful protests, the demonstrations turned violent as clashes broke out between Venezuelan police and opposition demonstrators in Caracas. Demonstrators hurled stones at police who fired tear gas at them. As well, unconfirmed reports were emerging from Venezuela about pro-government militias invading homes and attacking individuals suspected of participating in protest rallies.

On Feb. 25, 2014, the United States responded to Venezuela's aforementioned expulsion of three American consular officials by in turn expelling three Venezuelan diplomats. The United States cast the three Venezuelan diplomats as "personae non-gratae" and gave them 48 hours to leave the country.

By the start of March 2014, protests were ramping up once again in Venezuela with more than 1,000 anti-government demonstrators taking to the streets of Caracas despite the onset of Carnival celebrations.

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## Defense Forces

### Military Data

#### **Military Branches:**

Bolivarian National Armed Forces (Fuerza Armada Nacional Bolivariana, FANB): Bolivarian Army (Ejercito Bolivariano, EB), Bolivarian Navy (Armada Bolivariana, AB; includes Naval Infantry, Coast Guard, Naval Aviation), Bolivarian Military Aviation (Aviacion Militar Bolivariana, AMB; includes Air National Guard), Bolivarian National Guard (Guardia Nacional Bolivaria, GNB)

#### **Eligible age to enter service:**

all citizens of military service age (18-60 years old) are obligated to register for military service,

though mandatory recruitment is forbidden

**Mandatory Service Terms:**

minimum conscripted service obligation is 12 months

**Manpower in general population-fit for military service:**

N/A

**Manpower reaching eligible age annually:**

N/A

**Military Expenditures-Percent of GDP:**

1%





# **Chapter 3**

## **Economic Overview**

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## Economic Overview

### *Overview*

Venezuela's economy has been highly dependent on the petroleum sector, which accounts for about 30 percent of GDP, about 90 percent of export earnings, and more than half of the government revenues. During the period of 1991-1999, Venezuela's average GDP growth rate of 1.9 percent was the lowest among all South American economies. Rising oil prices in 2000 and 2001 stimulated GDP growth, but a disastrous national oil strike from December 2002 to February 2003 virtually shut down the oil industry and much of the rest of the economy, leading to a sharp decline in GDP growth. Economic growth has recovered strongly since 2004, driven by high oil revenues and a large increase in government spending. But large government spending, combined with minimum wage hikes, has created a consumption boom, leading to high inflation at double-digit levels.

Given its heavy dependence on oil, Venezuela's economy was hard hit by the global economic crisis with sharply falling world oil prices. Moreover, the radical and distorted economic policies characterized by expansion of the state-led development model, as well as price and exchange rate controls, only exacerbated the downturn in Venezuela. President Hugo Chavez's continued efforts to increase the government's control of the economy by nationalizing firms in the agribusiness, financial, construction, oil, and steel sectors have hurt the private investment environment, reduced productive capacity, and slowed non-petroleum exports. In 2010, Chavez closed the unofficial foreign exchange market in an effort to stem inflation and slow the currency's depreciation. Consumer prices, or inflation, rose 27.2 percent in 2010. By January 2011, Chavez announced the second devaluation of the bolivar within a one-year period. The year also started with the country dealing with macroeconomic imbalances resulting from the government's non-traditional economic policies, a housing crisis, and a continuing electricity crisis. Despite having cancer, President Chavez announced he would run again in the October 2012 presidential election, squashing hopes for policy reform. By October 2011, Venezuela had the highest inflation in the Americas. Chavez was hoping to end the year with inflation of 25 to 27 percent and vowed to slash the rate to single digits by 2014. At the same time, he wanted to create a new agency to limit profits for companies operating in the food and medicine industries. Overall, in 2011, the budget deficit reached around 5.2 percent of GDP, inflation around 28 percent, and public debt as a percent of GDP soared, despite record oil prices.

Price controls contributed to the curbing of inflation in 2012, although Venezuela's rates remained one of the highest rates in the world. In October 2012, President Chavez was re-elected to power

for a new six-year term with about 54.5 percent of the vote. Later that month, the government declared that it expected Venezuela's economy to grow by about 5 percent in 2012 and 6 percent in 2013.

In 2012, Venezuela continued to face a housing crisis, high inflation, an electricity crisis, and rolling food and goods shortages - all of which were fallout from the government's unorthodox economic policies. The budget deficit for the entire government reached 17 percent of GDP in 2012, and public debt as a percent of GDP climbed steeply to 49 percent, despite record oil prices.

Then, in March 2013, President Hugo Chavez died following a prolonged illness and after leading the nation for 14 years. Former vice president and ex-bus driver Nicolas Maduro took the helm in April 2013, inheriting economic problems such as a whopping 54 percent annual inflation rate – the highest since Chavez became president in 1999. Critics blamed the government's economic mismanagement, restricted access to foreign currency and the failure of its socialist policies for the high inflation.

By November 2013, the government was cracking down on alleged price-gouging at hundreds of shops and companies. In daily speeches, President Maduro referred to shop owners and companies as “barbaric” and “capitalist parasites.” He was working on creating a law to limit Venezuelan businesses' profits to between 15 and 30 percent. The drama in part led to J.P. Morgan moving Venezuela to “neutral” from “overweight” in its emerging market global bond portfolio.

In 2013, Venezuela continued to wrestle with housing and electricity crises, and rolling food and goods shortages, resulting from the government's unorthodox economic policies. The budget deficit for the public sector reached 17 percent of GDP in 2012 and was estimated to have been trimmed to under 10 percent of GDP in 2013.

In October 2014, a World Bank arbitration tribunal ordered Venezuela to pay Exxon Mobil Corp about \$1.6 billion to compensate for oil nationalization in 2007. The award was actually viewed as a victory for Venezuela, who said it would end up paying less than \$1 billion.

By October 2014, it was evident that Venezuela was facing a recession with a contracting economy. While there no official figures, empty store shelves, closed factory gates and idled construction projects indicated the economy was in trouble. Private industry groups estimated that the construction and manufacturing sectors contracted as much as 10 percent in the first half of 2014.

“The economy is sick,” Jorge Roig, president of the main private industry group Fedecamaras and a frequent critic of the socialist government, told Reuters. “Industries are working far below their capacity due to a lack of raw materials.” He went on to estimate that Venezuela's economy had contracted 4 percent so far this year.

While strong oil prices, heavy government spending and stronger results in other industries like banking and telecommunications have helped keep things from getting worse, it was clear the economy was struggling.

The United Nations Economic Commission for Latin America and the Caribbean said Venezuela would be the only economy in the region to shrink for the year. The central bank usually provides economic growth data for first quarter economic growth in May 2014 and the second quarter in July but had held off as of October 2014 with no explanations for the delays.

The country ended 2014 with a contraction in its GDP, high inflation, widespread shortages of consumer goods, and declining central bank international reserves. The International Monetary Fund was forecasting that GDP would shrink even further in 2015 and inflation climb even higher. Falling oil prices since 2014 have aggravated Venezuela's economic crisis. Insufficient access to dollars, price controls, and rigid labor regulations have led some US and multinational firms to reduce or shut down their Venezuelan operations. High costs for oil production and state oil company PDVSA's poor cash flow have slowed investment in the petroleum sector, resulting in a decline in oil production.

In early October 2015, Venezuela's government said Gross Domestic Product (GDP) indeed did decline by an estimated 4 percent in 2014 for the worst performance around Latin America, according to a U.S. Securities and Exchange Commission filing cited by Reuters. Earlier in the year, President Maduro's government had estimated a 3 percent decline in 2014. However, the central bank had not yet provided a GDP breakdown for the 2014 fourth quarter or any figures for 2015. Meanwhile, inflation was an estimated 68.5 percent for the year. Most economists were predicting a similar or worse GDP performance in 2015, with even higher inflation. The plunge in oil prices, which account for 96 percent of hard-currency revenues, was one factor behind the poor performance. While President Maduro blamed domestic political foes and opposition-aligned businessmen for the hoarding, price-gouging and smuggling, critics blamed more than a decade of hardline socialist policies plus hostility toward the private sector.

Imports were \$32.15 billion in the first nine months of last year, compared with \$53.02 billion in the whole of 2013, according to the filing. And, export revenue was \$60.50 billion between January-September of 2014 compared with \$88.96 billion throughout the previous year. The filing confirmed ally China had loaned Venezuela more than \$55 billion since 2007 in loans to be repaid with oil shipments.

"The Republic agreed a US\$10 billion loan with China in March 2015, and a further US\$5 billion loan with China in September 2015, to be used to finance oil projects," the filing also noted.

### ***Economic Performance***

Economic growth was robust from 2004 to 2007, underpinned by rising oil price. After slowing in

2008, real GDP growth turned negative in 2009 and 2010 reflecting the sharply falling oil prices as a result of the global economic crisis.

According to CountryWatch estimated calculations for 2014:

Real GDP growth rate was: 0.0 percent

The fiscal deficit/surplus as percent of GDP (%) was: -15.8 percent

Inflation was measured at: 22.5 percent

*Updated in 2015*

*\*Please note that the figures in our Economic Performance section are estimates or forecasts based on IMF-based data that are formulated using CountryWatch models of analysis.*

*Supplementary Sources: Roubini Global Economics, Forbes and Reuters*

## Nominal GDP and Components

Nominal GDP and Components					
	2011	2012	2013	2014	2015
Nominal GDP (LCU billions)	1,357.49	1,635.45	2,245.84	3,204.56	5,687.68
Nominal GDP Growth Rate (%)	33.501	20.476	37.323	42.689	77.487
Consumption (LCU billions)	748.816	969.378	1,461.82	2,085.85	3,921.72
Government Expenditure (LCU billions)	156.353	199.394	278.234	397.008	746.435
Gross Capital Formation (LCU billions)	313.205	434.977	612.418	873.851	1,015.19

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Exports of Goods & Services (LCU billions)	406.473	428.014	556.183	793.609	1,536.57
Imports of Goods & Services (LCU billions)	267.359	396.312	662.811	945.756	1,532.24

## Population and GDP Per Capita

Population and GDP Per Capita					
	2011	2012	2013	2014	2015
Population, total (million)	29.072	29.517	29.985	30.457	30.933
Population growth (%)	1.540	1.531	1.586	1.574	1.563
Nominal GDP per Capita (LCU 1000s)	46,693.97	55,407.09	74,898.91	105,215.99	183,871.08

## Real GDP and Inflation

Real GDP and Inflation					
	2011	2012	2013	2014	2015
Real Gross Domestic Product (LCU billions 2005 base)	58.138	61.409	63.404	60.778	53.770
Real GDP Growth Rate (%)	4.176	5.626	3.249	-4.1418	-11.5303
GDP Deflator (2005=100.0)	2,334.93	2,663.21	3,542.12	5,272.57	10,577.79
Inflation, GDP Deflator (%)	28.149	14.059	33.002	48.854	100.619



## Government Spending and Taxation

Government Spending and Taxation					
	2011	2012	2013	2014	2015
Government Fiscal Budget (billions)	535.834	654.390	835.335	1,365.83	2,415.40
Fiscal Budget Growth Rate (percentage)	66.872	22.126	27.651	63.507	76.844
National Tax Rate Net of Transfers (%)	27.881	23.530	23.004	27.918	18.106
Government Revenues Net of Transfers (LCU billions)	378.475	384.821	516.625	894.665	1,029.83
Government Surplus(-) Deficit(+) (LCU billions)	-157.3590	-269.5690	-318.7100	-471.1650	-1385.5630
Government Surplus(+) Deficit(-) (%GDP)	-11.5919	-16.4829	-14.1911	-14.7029	-24.3608

## Money Supply, Interest Rates and Unemployment

Money Supply, Interest Rates and Unemployment					
	2011	2012	2013	2014	2015
Money and Quasi-Money (M2) (LCU billions)	487.903	747.905	1,188.00	1,887.05	3,349.27
Money Supply Growth Rate (%)	49.205	53.290	58.843	58.843	77.487
Lending Interest Rate (%)	17.150	16.380	15.895	17.212	27.051
Unemployment Rate (%)	8.204	7.823	7.470	7.990	14.022

## Foreign Trade and the Exchange Rate

Foreign Trade and the Exchange Rate					
	2011	2012	2013	2014	2015
Official Exchange Rate (LCU/\$US)	4.561	5.481	10.282	15.537	43.136
Trade Balance NIPA (\$US billions)	30.502	5.784	-10.3708	-9.7924	0.1004
Trade Balance % of GDP	10.248	1.938	-4.7478	-4.7478	0.0762
Total Foreign Exchange Reserves (\$US billions)	27.935	29.469	20.275	13.950	18.085

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**Data in US Dollars**

Data in US Dollars					
	2011	2012	2013	2014	2015
Nominal GDP (\$US billions)	297.637	298.380	218.433	206.252	131.855
Exports (\$US billions)	89.121	78.089	54.095	51.078	35.622
Imports (\$US billions)	58.620	72.305	64.466	60.871	35.521

## Energy Consumption and Production Standard Units

Energy Consumption and Production Standard Units					
	2011	2012	2013	2014	2015
Petroleum Consumption (TBPd)	713.224	731.388	746.000	824.171	809.212
Petroleum Production (TBPd)	2,684.67	2,666.41	2,675.91	2,624.51	2,670.76
Petroleum Net Exports (TBPd)	1,971.45	1,935.02	1,929.91	1,800.34	1,861.55
Natural Gas Consumption (bcf)	796.918	868.855	834.847	837.566	828.768
Natural Gas Production (bcf)	734.173	805.183	772.121	761.700	818.601
Natural Gas Net Exports (bcf)	-62.7457	-63.6724	-62.7255	-75.8654	-10.1661
Coal Consumption (1000s st)	220.462	330.693	334.228	315.765	313.330
Coal Production (1000s st)	2,455.55	3,240.01	7,006.40	7,251.40	7,261.06
Coal Net Exports (1000s st)	2,235.08	2,909.32	6,672.17	6,935.64	6,947.73
Nuclear Production (bil kwh)	0.0000	0.0000	0.0000	0.0000	0.0000

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Hydroelectric Production (bil kwh)	82.833	81.188	82.957	81.993	81.714
Renewables Production (bil kwh)	0.0030	0.0052	0.0077	0.0199	0.0219

## Energy Consumption and Production QUADS

Energy Consumption and Production QUADS					
	2011	2012	2013	2014	2015
Petroleum Consumption (Quads)	1.523	1.562	1.593	1.760	1.728
Petroleum Production (Quads)	5.732	5.732	5.732	5.732	4.558
Petroleum Net Exports (Quads)	4.209	4.170	4.139	3.972	2.830
Natural Gas Consumption (Quads)	0.8129	0.8862	0.8515	0.8543	0.8453
Natural Gas Production (Quads)	0.7481	0.8186	0.7859	0.7881	0.7147
Natural Gas Net Exports (Quads)	-0.0647	-0.0676	-0.0656	-0.0662	-0.1307
Coal Consumption (Quads)	0.0044	0.0066	0.0067	0.0063	0.0063
Coal Production (Quads)	0.0501	0.0688	0.1473	0.1450	0.1309
Coal Net Exports (Quads)	0.0457	0.0622	0.1406	0.1387	0.1247
Nuclear Production (Quads)	0.0000	0.0000	0.0000	0.0000	0.0000
Hydroelectric Production (Quads)	0.8283	0.8119	0.8296	0.8199	0.8171
Renewables Production (Quads)	0.0000	0.0001	0.0001	0.0002	0.0002

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## World Energy Price Summary

World Energy Price Summary					
	2011	2012	2013	2014	2015
Petroleum-WTI (\$/bbl)	95.054	94.159	97.943	93.112	48.709
Natural Gas-Henry Hub (\$/mmbtu)	3.999	2.752	3.729	4.369	2.614
Coal Thermal-Australian (\$/mt)	121.448	96.364	84.562	70.130	57.511



## CO2 Emissions

CO2 Emissions					
	2011	2012	2013	2014	2015
Petroleum Based (mm mt C)	0.0484	0.0484	0.0477	0.0495	0.0507
Natural Gas Based (mm mt C)	12.929	14.096	13.545	13.589	13.446
Coal Based (mm mt C)	0.1263	0.1895	0.1915	0.1810	0.1796
Total CO2 Emissions (mm mt C)	13.104	14.334	13.784	13.819	13.676

## Agriculture Consumption and Production

Agriculture Consumption and Production					
	2011	2012	2013	2014	2015
Corn Total Consumption (1000 metric tons)	2,995.19	4,381.04	4,851.39	4,899.68	3,890.29
Corn Production (1000 metric tons)	1,813.64	2,101.45	2,447.25	2,305.80	2,149.02
Corn Net Exports (1000 metric tons)	-1181.5499	-2279.5924	-2404.1415	-2593.8838	-1741.2659
Soybeans Total Consumption (1000 metric tons)	187.495	182.321	265.302	289.092	224.879
Soybeans Production (1000 metric tons)	49.842	23.068	17.571	4.324	3.849
Soybeans Net Exports (1000 metric tons)	-137.6527	-159.2529	-247.7312	-284.7684	-221.0297

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Rice Total Consumption (1000 metric tons)	1,111.23	1,394.73	1,353.58	1,158.06	893.746
Rice Production (1000 metric tons)	816.804	1,045.86	1,083.54	1,157.60	1,140.17
Rice Net Exports (1000 metric tons)	-294.4301	-348.8684	-270.0401	-0.4552	246.424
Coffee Total Consumption (metric tons)	90,705.00	120,931.00	103,234.00	105,992.19	86,746.94
Coffee Production (metric tons)	69,772.43	70,420.96	75,614.14	78,368.64	74,363.64
Coffee Net Exports (metric tons)	-20932.5679	-50510.0408	-27619.8551	-27623.5567	-12383.2996
Cocoa Beans Total Consumption (metric tons)	21,501.00	21,120.00	28,553.00	33,156.93	32,426.65
Cocoa Beans Production (metric tons)	23,109.79	25,134.08	33,137.28	37,216.61	37,708.39
Cocoa Beans Net Exports	1,608.79	4,014.08	4,584.28	4,059.68	5,281.74

	2011	2012	2013	2014	2015
(metric tons)					
Wheat Total Consumption (1000 metric tons)	1,610.02	1,495.14	1,470.70	1,462.60	1,076.61
Wheat Production (1000 metric tons)	0.3821	0.2192	0.1607	0.1615	0.1344
Wheat Net Exports (1000 metric tons)	-1609.6408	-1494.9248	-1470.5363	-1462.4352	-1076.4720

## World Agriculture Pricing Summary

World Agriculture Pricing Summary					
	2011	2012	2013	2014	2015
Corn Pricing Summary (\$/metric ton)	291.684	298.417	259.389	192.881	169.750
Soybeans Pricing Summary (\$/metric ton)	540.667	591.417	538.417	491.771	390.417
Rice Pricing Summary (\$/metric ton)	458.558	525.071	473.989	425.148	386.033
Coffee Pricing Summary (\$/kilogram)	5.976	4.111	3.076	4.424	3.526
Cocoa Beans Pricing Summary (\$/kilogram)	2.980	2.392	2.439	3.062	3.135
Wheat Pricing Summary (\$/metric ton)	316.264	313.242	312.248	284.895	203.177

## Metals Consumption and Production

Metals Consumption and Production					
	2011	2012	2013	2014	2015
Copper Consumption (1000 mt)	4,592.51	4,251.10	5,193.39	4,679.00	4,679.00
Copper Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Copper Net Exports (1000 mt)	-4592.5110	-4251.0990	-5193.3880	-4678.9993	-4678.9993
Zinc Consumption (1000 mt)	10,985.57	8,247.07	9,780.90	9,671.18	9,671.18
Zinc Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Zinc Exports (1000 mt)	-10985.5670	-8247.0670	-9780.8990	-9671.1777	-9671.1777
Lead Consumption (1000 mt)	7,895.57	10,011.80	2,488.91	6,798.76	6,798.76
Lead Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Lead Exports (1000 mt)	-7895.5720	-10011.7970	-2488.9110	-6798.7600	-6798.7600
Tin Consumption (1000 mt)	379.076	231.922	195.612	268.870	268.870
Tin Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Tin Exports (1000 mt)	-379.0760	-231.9220	-195.6120	-268.8700	-268.8700
Nickel Consumption (1000 mt)	13,446.17	8,145.89	6,773.20	5,607.69	4,609.63
Nickel Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Nickel Exports (1000 mt)	-13446.1710	-8145.8940	-6773.2014	-5607.6923	-4609.6296
Gold Consumption (kg)	16,717.40	14,601.84	14,822.56	14,962.48	11,382.96
Gold Production (kg)	10,847.21	8,432.07	8,364.06	8,181.24	7,884.61
Gold Exports (kg)	-5870.1950	-6169.7726	-6458.5070	-6781.2332	-3498.3527

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Silver Consumption (mt)	12,213.00	19,137.00	14,550.00	15,537.00	11,154.67
Silver Production (mt)	33,416.02	35,062.30	35,629.15	36,871.61	33,885.99
Silver Exports (mt)	21,203.02	15,925.30	21,079.15	21,334.61	22,731.32



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**World Metals Pricing Summary**

World Metals Pricing Summary					
	2011	2012	2013	2014	2015
Copper (\$/mt)	8,828.19	7,962.35	7,332.10	6,863.40	5,510.46
Zinc (\$/mt)	2,193.90	1,950.41	1,910.26	2,160.97	1,931.68
Tin (\$/mt)	26,053.68	21,125.99	22,282.80	21,898.87	16,066.63
Lead (\$/mt)	2,400.81	2,064.64	2,139.79	2,095.46	1,787.82
Nickel (\$/mt)	22,910.36	17,547.55	15,031.80	16,893.38	11,862.64
Gold (\$/oz)	1,569.21	1,669.52	1,411.46	1,265.58	1,160.66
Silver (\$/oz)	35.224	31.137	23.850	19.071	15.721

## Economic Performance Index

### Economic Performance Index

The Economic Performance rankings are calculated by CountryWatch's editorial team, and are based on criteria including sustained economic growth, monetary stability, current account deficits, budget surplus, unemployment and structural imbalances. Scores are assessed from 0 to 100 using this aforementioned criteria as well as CountryWatch's proprietary economic research data and models.

	Bank stability risk	Monetary/ Currency stability	Government Finances	Empl./ Unempl.	Econ.GNP growth or decline/ forecast
	0 - 100	0 - 100	0 - 100	0 - 100	%
<b>North Americas</b>					
Canada	92	69	35	38	3.14%
United States	94	76	4	29	3.01%
<b>Western Europe</b>					
Austria	90	27	30	63	1.33%
Belgium	88	27	19	23	1.15%
Cyprus	81	91	16	80	-0.69%
Denmark	97	70	45	78	1.20%
Finland	89	27	41	33	1.25%

France	87	27	18	27	1.52%
Germany	86	27	22	21	1.25%
Greece	79	27	5	24	-2.00%
Iceland	90	17	2	34	-3.04%
Italy	85	27	37	24	0.84%
Ireland	92	27	11	10	-1.55%
Luxembourg	99	27	28	66	2.08%
Malta	77	27	41	51	0.54%
Netherlands	91	27	26	74	1.30%
Norway	98	44	10	76	1.08%
Portugal	77	27	13	20	0.29%
Spain	83	27	9	3	-0.41%
Sweden	94	72	54	32	1.23%
Switzerland	97	86	55	77	1.53%
United Kingdom	85	12	9	37	1.34%
<b>Central and Eastern Europe</b>					
Albania	44	60	33	6	2.30%
Armenia	45	59	49	30	1.80%

Azerbaijan	56	4	84	99	2.68%
Belarus	59	21	83	98	2.41%
Bosnia and Herzegovina	34	68	69	N/A	0.50%
Bulgaria	58	75	88	49	0.20%
Croatia	69	68	94	9	0.18%
Czech Republic	80	89	29	70	1.67%
Estonia	72	90	66	92	0.80%
Georgia	36	60	53	56	2.00%
Hungary	70	66	26	54	-0.16%
Latvia	67	100	65	44	-3.97%
Lithuania	65	91	87	79	-1.65%
Macedonia (FYR)	53	69	56	2	2.03%
Moldova	23	36	81	67	2.50%
Poland	74	74	38	12	2.72%
Romania	62	56	70	62	0.75%
Russia	73	18	90	8	4.00%
Serbia	48	49	52	5	1.97%

Montenegro	39	27	73	1	-1.70%
Slovak Republic	80	62	30	14	4.06%
Slovenia	81	27	36	65	1.12%
Ukraine	41	11	57	N/A	3.68%
Africa					
Algeria	57	18	96	7	4.55%
Angola	49	1	97	N/A	7.05%
Benin	19	91	20	N/A	3.22%
Botswana	68	58	76	N/A	6.33%
Burkina Faso	16	91	13	N/A	4.41%
Burundi	2	91	6	N/A	3.85%
Cameroon	26	91	91	N/A	2.58%
Cape Verde	52	87	4	N/A	4.96%
Central African Republic	9	91	32	N/A	3.18%
Chad	22	91	89	N/A	4.42%
Congo	52	87	87	N/A	12.13%
Côte d'Ivoire	25	91	82	28	2.98%
Dem. Republic					

Congo	4	91	47	N/A	5.44%
Djibouti	31	76	50	N/A	4.47%
Egypt	37	20	24	69	5.01%
Equatorial Guinea	82	91	85	N/A	0.94%
Eritrea	1	3	1	18	1.81%
Ethiopia	6	45	8	N/A	6.96%
Gabon	64	91	96	N/A	5.36%
Gambia	8	48	86	N/A	4.82%
Ghana	9	11	69	N/A	4.50%
Guinea	10	7	91	N/A	3.03%
Guinea-Bissau	5	91	46	N/A	3.47%
Kenya	20	41	59	N/A	4.11%
Lesotho	13	40	12	N/A	2.98%
Liberia	12	73	74	N/A	5.92%
Libya	73	2	94	N/A	5.22%
Madagascar	4	22	24	N/A	-1.02%
Malawi	7	25	55	N/A	5.96%
Mali	20	91	82	N/A	5.12%

Mauritania	15	13	93	N/A	4.58%
Mauritius	65	52	56	55	4.10%
Morocco	37	72	48	26	3.23%
Mozambique	12	23	71	N/A	6.45%
Namibia	40	39	62	N/A	1.70%
Niger	10	91	21	N/A	4.41%
Nigeria	30	6	61	N/A	6.98%
Rwanda	21	40	68	N/A	5.39%
Sao Tome & Principe	1	61	100	N/A	3.40%
Senegal	24	91	63	N/A	3.44%
Seychelles	60	67	97	N/A	4.01%
Sierra Leone	5	10	39	N/A	4.77%
Somalia	2	38	59	N/A	3.19%
South Africa	61	37	70	N/A	2.59%
Sudan	16	5	73	N/A	5.52%
Swaziland	32	44	79	N/A	1.09%
Tanzania	15	45	32	N/A	6.17%
Togo	8	91	92	N/A	2.56%

Tunisia	50	61	44	39	4.00%
Uganda	11	17	54	N/A	5.59%
Zambia	29	20	49	N/A	5.84%
Zimbabwe	0	8	16	N/A	2.24%
<b>South and Central America</b>					
Argentina	66	3	80	36	3.50%
Belize	47	76	80	N/A	1.00%
Bolivia	32	51	61	81	3.99%
Brazil	71	47	78	11	5.50%
Chile	78	25	92	73	4.72%
Columbia	47	52	34	47	2.25%
Costa Rica	60	42	39	57	3.45%
Ecuador	43	76	75	64	2.51%
El Salvador	35	76	67	N/A	1.04%
Guatemala	46	59	58	N/A	2.52%
Honduras	27	47	58	N/A	2.00%
Mexico	69	42	52	61	4.07%
Nicaragua	23	49	42	N/A	1.75%



Panama	66	76	72	45	5.00%
Paraguay	35	46	66	16	5.27%
Peru	59	66	75	22	6.33%
Suriname	58	26	81	59	4.02%
Uruguay	70	26	27	N/A	5.71%
Venezuela	55	1	28	13	-2.63%
<b>Caribbean</b>					
Antigua & Barbuda	72	76	15	N/A	-2.01%
Bahamas	74	76	45	87	-0.50%
Barbados	67	76	33	15	-0.50%
Bermuda	N/A	N/A	N/A	N/A	N/A
Cuba	45	76	18	95	0.25%
Dominica	53	76	65	N/A	1.40%
Dominican Republic	54	39	43	4	3.50%
Grenada	63	76	48	N/A	0.80%
Guyana	28	56	17	N/A	4.36%
Haiti	11	27	89	N/A	-8.50%
Jamaica	42	9	85	19	-0.28%

St Lucia	55	76	67	N/A	1.14%
St Vincent & Grenadines	49	76	95	N/A	0.50%
Trinidad & Tobago	82	37	77	72	2.13%
<b>Middle East</b>					
Bahrain	84	76	62	91	3.48%
Iran	51	19	40	58	3.01%
Iraq	48	9	8	N/A	7.27%
Israel	87	62	12	48	3.20%
Jordan	41	51	3	N/A	4.10%
Kuwait	96	4	99	N/A	3.10%
Lebanon	63	54	2	N/A	6.00%
Oman	76	16	88	N/A	4.71%
Qatar	99	16	83	N/A	18.54%
Saudi Arabia	76	8	98	N/A	3.70%
Syria	61	24	40	N/A	5.00%
Turkey	75	23	27	60	5.20%
United Arab Emirates	96	24	98	94	1.29%

Yemen	28	2	78	N/A	7.78%
<b>Asia</b>					
Afghanistan	17	70	74	N/A	8.64%
Bangladesh	13	43	25	N/A	5.38%
Bhutan	24	55	5	N/A	6.85%
Brunei	78	19	99	75	0.48%
Cambodia	18	67	42	N/A	4.77%
China	54	90	19	68	11.03%
Hong Kong	89	76	14	82	5.02%
India	31	38	34	35	8.78%
Indonesia	42	46	37	31	6.00%
Japan	88	89	6	71	1.90%
Kazakhstan	62	13	76	42	2.40%
Korea North	18	65	23	N/A	1.50%
Korea South	83	63	22	85	4.44%
Kyrgyz Republic	24	15	84	88	4.61%
Laos	17	54	7	N/A	7.22%
Macao	91	76	14	82	3.00%

Malaysia	68	65	44	90	4.72%
Maldives	44	55	17	N/A	3.45%
Mongolia	33	5	77	93	7.22%
Myanmar	3	41	72	N/A	5.26%
Nepal	3	14	25	N/A	2.97%
Pakistan	19	15	31	41	3.00%
Papua New Guinea	75	50	11	N/A	7.96%
Philippines	30	48	53	43	3.63%
Singapore	93	75	63	40	5.68%
Sri Lanka	38	22	10	N/A	5.50%
Taiwan	84	88	35	89	6.50%
Tajikistan	6	6	60	97	4.00%
Thailand	56	64	90	96	5.46%
Turkmenistan	51	53	68	N/A	12.00%
Uzbekistan	40	10	60	100	8.00%
Vietnam	25	12	20	N/A	6.04%
<b>Pacific</b>					
Australia	96	63	31	46	2.96%

Fiji	46	53	3	N/A	2.06%
Marshall Islands	27	76	46	N/A	1.08%
Micronesia (Fed. States)	N/A	N/A	N/A	N/A	N/A
New Caledonia	96	73	51	52	2.00%
New Zealand	98	73	51	52	2.00%
Samoa	34	88	64	N/A	-2.77%
Solomon Islands	14	71	1	N/A	3.36%
Tonga	26	57	38	N/A	0.60%
Vanuatu	33	58	47	N/A	3.80%

Source:

CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

Updated:

This material was produced in 2010; it is subject to updating in 2012.

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# **Chapter 4**

## **Investment Overview**

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## Foreign Investment Climate

### Background

Venezuela remains highly dependent on oil revenues, which account for roughly 95% of export earnings, about 55% of the federal budget revenues, and around 30% of GDP. A nationwide strike between December 2002 and February 2003 had far-reaching economic consequences - real GDP declined in 2002 and 2003 - but economic output recovered strongly through 2008. Fueled by high oil prices, record government spending helped to boost GDP in 2006, 2007, and 2008, before a sharp drop in oil prices caused a contraction in 2009-10. This spending, combined with recent minimum wage hikes and improved access to domestic credit, created a consumption boom which came at the cost of higher inflation in 2008, and slowing only slightly in 2010, despite the lengthy downturn. Imports also jumped significantly before the recession of 2009. President Hugo CHAVEZ's continued efforts to increase the government's control of the economy by nationalizing firms in the agribusiness, financial, construction, oil, and steel sectors have hurt the private investment environment, reduced productive capacity, and slowed non-petroleum exports. In the first half of 2010 Venezuela faced the prospect of lengthy nationwide blackouts when its main hydroelectric power plant - which provides more than 35% of the country's electricity - nearly shut down. In May, 2010, CHAVEZ closed the unofficial foreign exchange market - the "parallel" market - in an effort to stem inflation and slow the currency's depreciation. In June 2010, the government created the "Transaction System for Foreign Currency Denominated Securities" (SITME) to replace the "parallel" market. In December 2010, CHAVEZ eliminated the dual exchange rate system and unified the exchange rate at 4.3 bolivars per dollar. In January 2011, CHAVEZ announced the second devaluation of the bolivar within twelve months. In December 2010, the National Assembly passed a package of five organic laws designed to complete the transformation of the Venezuelan economy in line with CHAVEZ's vision of 21st century socialism. These laws likely will be implemented in 2011. Venezuela began 2011 wrestling with macroeconomic imbalances resulting from the government's unorthodox economic policies, a housing crisis, and a continuing electricity crisis.

### Foreign Investment Assessment

Venezuela encourages foreign investment in most sectors and the government of President Hugo

Chavez has promoted foreign investment to revitalize the economy. But the investment climate took a negative turn during the second half of 1998 and the first half of 1999 when the economy fell into a recession due largely to a drastic drop in crude oil prices. The domestic recession continued despite a strong rise in crude oil prices from late 1999 and onward. Many investors, both domestic and foreign, have proceeded with caution, unsure of how the constitutional reform process begun by the Chavez government in 1999 would affect the overall regulatory system and political landscape. Indeed, the climate for foreign investment has not always been the most hospitable and some critics have charged that the regulatory system is less than transparent, not always business-friendly, and subject to corruption. They also criticize Chavez' nationalist orientation which often trumps the market economy. Meanwhile, political instability in recent years, exemplified by an unsuccessful coup d'etat by rightist factions, as well as devolving relations with the United States' Bush administration, could very well negatively affect foreign investment in Venezuela for years to come. Nevertheless, despite Chavez' leftist stance, he has maintained good relations with neighboring countries, thus suggesting that foreign investment may well increase from sources other than the United States.

### **Labor Force**

Labor force: 11.38 million

Labor force - by occupation: agriculture 13%, industry 23%, services 64%

### **Agriculture and Industry**

Agriculture - products: corn, sorghum, sugarcane, rice, bananas, vegetables, coffee; beef, pork, milk, eggs; fish

Industries: petroleum, iron ore mining, construction materials, food processing, textiles, steel, aluminum, motor vehicle assembly

### **Import Commodities and Import Partners**

Imports - commodities: raw materials, machinery and equipment, transport equipment, construction materials

Imports - partners: US 28.8%, Colombia 7%, Brazil 6.6%, Mexico 4.3%

### **Export Commodities and Export Partners**

Exports - commodities: petroleum, bauxite and aluminum, steel, chemicals, agricultural products,

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basic manufactures

Exports - partners: US 52.9%, Netherlands Antilles 5%, Dominican Republic 3%

## Telephone System

Telephones - main lines in use: 2,841,800

Telephones - mobile cellular: 6,463,600

*general assessment:* modern and expanding

*domestic:* domestic satellite system with 3 earth stations; recent substantial improvement in telephone service in rural areas; substantial increase in digitalization of exchanges and trunk lines; installation of a national interurban fiber-optic network capable of digital multimedia services

*international:* country code - 58

satellite earth stations - 1 Intelsat (Atlantic Ocean) and 1 PanAmSat; participating with Colombia, Ecuador, Peru, and Bolivia in the construction of an international fiber-optic network

## Internet Users

Internet hosts: 35,301

Internet users: 1,274,400

## Roads, Airports, Ports and Harbors

Railways: total: 682 km

Highways: total: 96,155 km

Ports and harbors: Amuay, Bajo Grande, El Tablazo, La Guaira, La Salina, Maracaibo, Matanzas, Palua, Puerto Cabello, Puerto la Cruz, Puerto Ordaz, Puerto Sucre, Punta Cardon

Airports: 368, with paved runways: total: 127

## Legal System and Considerations

Based on Napoleonic code; judicial review of legislative acts in Cassation Court. In the business arena, the Commercial Arbitration Law holds sway. Under this law, arbitration agreements involving national or international firms are automatically binding, thus eliminating the need for judicial mediation. As such, arbitration shows great promise as a dispute settlement mechanism. Finally, Venezuela has ratified a series of international agreements on arbitration. Venezuela is a

member of the New York Convention on the Recognition and Enforcement of Foreign Arbitrage Awards, and all of Venezuela's bilateral investment treaties provide for international arbitration of investment disputes under the auspices of the World Bank's International Center for the Settlement of Investment Disputes (ICSID).

### **Corruption Perception Ranking**

See full list, as reported by Transparency International, located elsewhere in this Country Review.

### **Cultural Considerations**

As in all parts of Latin America, formality is the norm. In business, always address people by their title and last name until invited to do otherwise. In personal settings, greetings among Latin Americans are lengthy endeavors involving many inquiries about health, travels, relatives, friends or acquaintances. Quick greetings are interpreted as disrespectful and thoughtless.

### **For more information see:**

United States Department of State Commercial Guides

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### **Foreign Investment Index**

#### **Foreign Investment Index**

**The Foreign Investment Index** is a proprietary index measuring attractiveness to international investment flows. The Foreign Investment Index is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on a given country's economic stability (sustained economic growth, monetary stability, current account deficits, budget surplus), economic risk (risk of non-servicing of payments for goods or services, loans and trade-related finance, risk of sovereign default), business and investment climate (property rights, labor force and laws, regulatory transparency, openness to foreign investment, market conditions, and stability of government). Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of foreign investment viability, while a score of 10 marks the highest level of foreign investment viability, according to this proprietary index.

Country	Assessment
Afghanistan	2
Albania	4.5
Algeria	6
Andorra	9
Angola	4.5-5
Antigua	8.5
Argentina	5
Armenia	5
Australia	9.5
Austria	9-9.5
Azerbaijan	5
Bahamas	9
Bahrain	7.5
Bangladesh	4.5
Barbados	9

Belarus	4
Belgium	9
Belize	7.5
Benin	5.5
Bhutan	4.5
Bolivia	4.5
Bosnia-Herzegovina	5
Botswana	7.5-8
Brazil	8
Brunei	7
Bulgaria	5.5
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5
Cameroon	5
Canada	9.5
Cape Verde	6

Central African Republic	3
Chad	4
Chile	9
China	7.5
China: Hong Kong	8.5
China: Taiwan	8.5
Colombia	7
Comoros	4
Congo DRC	4
Congo RC	5
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7
Cuba	4.5
Cyprus	7
Czech Republic	8.5
Denmark	9.5
Djibouti	4.5

Dominica	6
Dominican Republic	6.5
East Timor	4.5
Ecuador	5.5
Egypt	4.5-5
El Salvador	6
Equatorial Guinea	4.5
Eritrea	3.5
Estonia	8
Ethiopia	4.5
Fiji	5
Finland	9
Former Yugoslav Rep. of Macedonia	5
France	9-9.5
Gabon	5.5
Gambia	5
Georgia	5
Germany	9-9.5

Ghana	5.5
Greece	5
Grenada	7.5
Guatemala	5.5
Guinea	3.5
Guinea-Bissau	3.5
Guyana	4.5
Haiti	4
Holy See (Vatican)	n/a
Hong Kong (China)	8.5
Honduras	5.5
Hungary	8
Iceland	8-8.5
India	8
Indonesia	5.5
Iran	4
Iraq	3
Ireland	8

Israel	8.5
Italy	8
Jamaica	5.5
Japan	9.5
Jordan	6
Kazakhstan	6
Kenya	5
Kiribati	5.5
Korea, North	1
Korea, South	9
Kosovo	4.5
Kuwait	8.5
Kyrgyzstan	4.5
Laos	4
Latvia	7
Lebanon	5
Lesotho	5.5
Liberia	3.5



Libya	3
Liechtenstein	9
Lithuania	7.5
Luxembourg	9-9.5
Madagascar	4.5
Malawi	4.5
Malaysia	8.5
Maldives	6.5
Mali	5
Malta	9
Marshall Islands	5
Mauritania	4.5
Mauritius	7.5-8
Mexico	6.5-7
Micronesia	5
Moldova	4.5-5
Monaco	9
Mongolia	5

Montenegro	5.5
Morocco	7.5
Mozambique	5
Namibia	7.5
Nauru	4.5
Nepal	4
Netherlands	9-9.5
New Zealand	9.5
Nicaragua	5
Niger	4.5
Nigeria	4.5
Norway	9-9.5
Oman	8
Pakistan	4
Palau	4.5-5
Panama	7
Papua New Guinea	5
Paraguay	6

Peru	6
Philippines	6
Poland	8
Portugal	7.5-8
Qatar	9
Romania	6-6.5
Russia	6
Rwanda	4
Saint Kitts and Nevis	8
Saint Lucia	8
Saint Vincent and Grenadines	7
Samoa	7
San Marino	8.5
Sao Tome and Principe	4.5-5
Saudi Arabia	7
Senegal	6
Serbia	6
Seychelles	5

Sierra Leone	4
Singapore	9.5
Slovak Republic (Slovakia)	8.5
Slovenia	8.5-9
Solomon Islands	5
Somalia	2
South Africa	8
Spain	7.5-8
Sri Lanka	5.5
Sudan	4
Suriname	5
Swaziland	4.5
Sweden	9.5
Switzerland	9.5
Syria	2.5
Tajikistan	4
Taiwan (China)	8.5
Tanzania	5

Thailand	7.5-8
Togo	4.5-5
Tonga	5.5-6
Trinidad and Tobago	8-8.5
Tunisia	6
Turkey	6.5-7
Turkmenistan	4
Tuvalu	7
Uganda	5
Ukraine	4.5-5
United Arab Emirates	8.5
United Kingdom	9
United States	9
Uruguay	6.5-7
Uzbekistan	4
Vanuatu	6
Venezuela	5
Vietnam	5.5

Yemen	3
Zambia	4.5-5
Zimbabwe	3.5

### Editor's Note:

As of 2015, the global economic crisis (emerging in 2008) had affected many countries across the world, resulting in changes to their rankings. Among those countries affected were top tier economies, such as the [United Kingdom](#), [Iceland](#), [Switzerland](#) and [Austria](#). However, in all these cases, their rankings have moved back upward in the last couple of years as anxieties have eased. Other top tier countries, such as [Spain](#), [Portugal](#), [Ireland](#), and [Italy](#), suffered some effects due to debt woes and the concomitant effect on the euro zone. Greece, another euro zone nation, was also downgraded due to its sovereign debt crisis; however, Greece's position on the precipice of default incurred a sharper downgrade than the other four euro zone countries mentioned above. Cyprus' exposure to Greek bank yielded a downgrade in its case. Slovenia and [Latvia](#) have been slightly downgraded due to a mix of economic and political concerns but could easily be upgraded in a future assessment, should these concerns abate. Meanwhile, the crisis in eastern [Ukraine](#) fueled downgrades in that country and neighboring [Russia](#).

Despite the "trifecta of tragedy" in [Japan](#) in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both [India](#) and China retain their rankings; [India](#) holds a slightly higher ranking than [China](#) due to its record of democratic representation and accountability.

There were shifts in opposite directions for [Mali](#) and [Nigeria](#) versus the [Central African Republic](#), [Burkina Faso](#), and [Burundi](#). [Mali](#) was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Likewise, a new government in [Nigeria](#) generated a slight upgrade as the country attempts to confront corruption, crime, and terrorism. But the [Central African Republic](#) was downgraded due to the takeover of the government by Seleka rebels and the continued decline into lawlessness in that country. Likewise, the attempts by the leaders of [Burundi](#) and [Burkina Faso](#) to hold onto power by by-passing the constitution raised eyebrows and resulted in downgrades.

Political unrest in [Libya](#) and [Algeria](#) have contributed to a decision to marginally downgrade these

countries as well. [Syria](#) incurred a sharper downgrade due to the devolution into de facto civil war and the dire security threat posed by Islamist terrorists. [Iraq](#) saw a similar downgrade as a result of the takeover of wide swaths of territory and the threat of genocide at the hands of Islamist terrorists. [Yemen](#), likewise, has been downgraded due to political instability at the hands of secessionists, terrorists, Houthi rebels, and the intervention of external parties. Conversely, [Egypt](#) and [Tunisia](#) saw slight upgrades as their political environments stabilize.

At the low end of the spectrum, devolving security conditions and/or economic crisis have resulted in countries like [Pakistan](#), [Afghanistan](#), [Somalia](#), and [Zimbabwe](#) maintaining their low ratings.

The [United States](#) continues to retain its previous slight downgrade due to the enduring threat of default surrounding the debt ceiling in that country, matched by a conflict-ridden political climate. In the case of [Mexico](#), there is limited concern about default, but increasing alarm over the security situation in that country and the government's ability to contain it. In [Argentina](#), a default to bond holders resulted in a downgrade to that country. Finally, a small but significant upgrade was attributed to [Cuba](#) due to its recent pro-business reforms and its normalization of ties with the United States.

Source:

CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

Updated:

2015

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## Corruption Perceptions Index

Corruption Perceptions Index

Transparency International: [Corruption Perceptions Index](#)

Editor's Note:

Transparency International's [Corruption Perceptions Index](#) is a composite index which ranks countries in terms of the degree to which corruption is perceived to exist among public officials. This index indicates the views of national and international business people and analysts about the levels of corruption in each country. The highest (and best) level of transparency is indicated by

the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

Rank	Country/Territory	CPI 2009 Score	Surveys Used	Confidence Range
1	New Zealand	9.4	6	9.1 - 9.5
2	Denmark	9.3	6	9.1 - 9.5
3	Singapore	9.2	9	9.0 - 9.4
3	Sweden	9.2	6	9.0 - 9.3
5	Switzerland	9.0	6	8.9 - 9.1
6	Finland	8.9	6	8.4 - 9.4
6	Netherlands	8.9	6	8.7 - 9.0
8	Australia	8.7	8	8.3 - 9.0
8	Canada	8.7	6	8.5 - 9.0
8	Iceland	8.7	4	7.5 - 9.4
11	Norway	8.6	6	8.2 - 9.1
12	Hong Kong	8.2	8	7.9 - 8.5
12	Luxembourg	8.2	6	7.6 - 8.8
14	Germany	8.0	6	7.7 - 8.3
14	Ireland	8.0	6	7.8 - 8.4



16	Austria	7.9	6	7.4 - 8.3
17	Japan	7.7	8	7.4 - 8.0
17	United Kingdom	7.7	6	7.3 - 8.2
19	United States	7.5	8	6.9 - 8.0
20	Barbados	7.4	4	6.6 - 8.2
21	Belgium	7.1	6	6.9 - 7.3
22	Qatar	7.0	6	5.8 - 8.1
22	Saint Lucia	7.0	3	6.7 - 7.5
24	France	6.9	6	6.5 - 7.3
25	Chile	6.7	7	6.5 - 6.9
25	Uruguay	6.7	5	6.4 - 7.1
27	Cyprus	6.6	4	6.1 - 7.1
27	Estonia	6.6	8	6.1 - 6.9
27	Slovenia	6.6	8	6.3 - 6.9
30	United Arab Emirates	6.5	5	5.5 - 7.5
31	Saint Vincent and the Grenadines	6.4	3	4.9 - 7.5
32	Israel	6.1	6	5.4 - 6.7
32	Spain	6.1	6	5.5 - 6.6

34	Dominica	5.9	3	4.9 - 6.7
35	Portugal	5.8	6	5.5 - 6.2
35	Puerto Rico	5.8	4	5.2 - 6.3
37	Botswana	5.6	6	5.1 - 6.3
37	Taiwan	5.6	9	5.4 - 5.9
39	Brunei Darussalam	5.5	4	4.7 - 6.4
39	Oman	5.5	5	4.4 - 6.5
39	Korea (South)	5.5	9	5.3 - 5.7
42	Mauritius	5.4	6	5.0 - 5.9
43	Costa Rica	5.3	5	4.7 - 5.9
43	Macau	5.3	3	3.3 - 6.9
45	Malta	5.2	4	4.0 - 6.2
46	Bahrain	5.1	5	4.2 - 5.8
46	Cape Verde	5.1	3	3.3 - 7.0
46	Hungary	5.1	8	4.6 - 5.7
49	Bhutan	5.0	4	4.3 - 5.6
49	Jordan	5.0	7	3.9 - 6.1
49	Poland	5.0	8	4.5 - 5.5

52	Czech Republic	4.9	8	4.3 - 5.6
52	Lithuania	4.9	8	4.4 - 5.4
54	Seychelles	4.8	3	3.0 - 6.7
55	South Africa	4.7	8	4.3 - 4.9
56	Latvia	4.5	6	4.1 - 4.9
56	Malaysia	4.5	9	4.0 - 5.1
56	Namibia	4.5	6	3.9 - 5.1
56	Samoa	4.5	3	3.3 - 5.3
56	Slovakia	4.5	8	4.1 - 4.9
61	Cuba	4.4	3	3.5 - 5.1
61	Turkey	4.4	7	3.9 - 4.9
63	Italy	4.3	6	3.8 - 4.9
63	Saudi Arabia	4.3	5	3.1 - 5.3
65	Tunisia	4.2	6	3.0 - 5.5
66	Croatia	4.1	8	3.7 - 4.5
66	Georgia	4.1	7	3.4 - 4.7
66	Kuwait	4.1	5	3.2 - 5.1
69	Ghana	3.9	7	3.2 - 4.6

69	Montenegro	3.9	5	3.5 - 4.4
71	Bulgaria	3.8	8	3.2 - 4.5
71	FYR Macedonia	3.8	6	3.4 - 4.2
71	Greece	3.8	6	3.2 - 4.3
71	Romania	3.8	8	3.2 - 4.3
75	Brazil	3.7	7	3.3 - 4.3
75	Colombia	3.7	7	3.1 - 4.3
75	Peru	3.7	7	3.4 - 4.1
75	Suriname	3.7	3	3.0 - 4.7
79	Burkina Faso	3.6	7	2.8 - 4.4
79	China	3.6	9	3.0 - 4.2
79	Swaziland	3.6	3	3.0 - 4.7
79	Trinidad and Tobago	3.6	4	3.0 - 4.3
83	Serbia	3.5	6	3.3 - 3.9
84	El Salvador	3.4	5	3.0 - 3.8
84	Guatemala	3.4	5	3.0 - 3.9
84	India	3.4	10	3.2 - 3.6
84	Panama	3.4	5	3.1 - 3.7

84	Thailand	3.4	9	3.0 - 3.8
89	Lesotho	3.3	6	2.8 - 3.8
89	Malawi	3.3	7	2.7 - 3.9
89	Mexico	3.3	7	3.2 - 3.5
89	Moldova	3.3	6	2.7 - 4.0
89	Morocco	3.3	6	2.8 - 3.9
89	Rwanda	3.3	4	2.9 - 3.7
95	Albania	3.2	6	3.0 - 3.3
95	Vanuatu	3.2	3	2.3 - 4.7
97	Liberia	3.1	3	1.9 - 3.8
97	Sri Lanka	3.1	7	2.8 - 3.4
99	Bosnia and Herzegovina	3.0	7	2.6 - 3.4
99	Dominican Republic	3.0	5	2.9 - 3.2
99	Jamaica	3.0	5	2.8 - 3.3
99	Madagascar	3.0	7	2.8 - 3.2
99	Senegal	3.0	7	2.5 - 3.6
99	Tonga	3.0	3	2.6 - 3.3
99	Zambia	3.0	7	2.8 - 3.2

106	Argentina	2.9	7	2.6 - 3.1
106	Benin	2.9	6	2.3 - 3.4
106	Gabon	2.9	3	2.6 - 3.1
106	Gambia	2.9	5	1.6 - 4.0
106	Niger	2.9	5	2.7 - 3.0
111	Algeria	2.8	6	2.5 - 3.1
111	Djibouti	2.8	4	2.3 - 3.2
111	Egypt	2.8	6	2.6 - 3.1
111	Indonesia	2.8	9	2.4 - 3.2
111	Kiribati	2.8	3	2.3 - 3.3
111	Mali	2.8	6	2.4 - 3.2
111	Sao Tome and Principe	2.8	3	2.4 - 3.3
111	Solomon Islands	2.8	3	2.3 - 3.3
111	Togo	2.8	5	1.9 - 3.9
120	Armenia	2.7	7	2.6 - 2.8
120	Bolivia	2.7	6	2.4 - 3.1
120	Ethiopia	2.7	7	2.4 - 2.9
120	Kazakhstan	2.7	7	2.1 - 3.3

120	Mongolia	2.7	7	2.4 - 3.0
120	Vietnam	2.7	9	2.4 - 3.1
126	Eritrea	2.6	4	1.6 - 3.8
126	Guyana	2.6	4	2.5 - 2.7
126	Syria	2.6	5	2.2 - 2.9
126	Tanzania	2.6	7	2.4 - 2.9
130	Honduras	2.5	6	2.2 - 2.8
130	Lebanon	2.5	3	1.9 - 3.1
130	Libya	2.5	6	2.2 - 2.8
130	Maldives	2.5	4	1.8 - 3.2
130	Mauritania	2.5	7	2.0 - 3.3
130	Mozambique	2.5	7	2.3 - 2.8
130	Nicaragua	2.5	6	2.3 - 2.7
130	Nigeria	2.5	7	2.2 - 2.7
130	Uganda	2.5	7	2.1 - 2.8
139	Bangladesh	2.4	7	2.0 - 2.8
139	Belarus	2.4	4	2.0 - 2.8
139	Pakistan	2.4	7	2.1 - 2.7

139	Philippines	2.4	9	2.1 - 2.7
143	Azerbaijan	2.3	7	2.0 - 2.6
143	Comoros	2.3	3	1.6 - 3.3
143	Nepal	2.3	6	2.0 - 2.6
146	Cameroon	2.2	7	1.9 - 2.6
146	Ecuador	2.2	5	2.0 - 2.5
146	Kenya	2.2	7	1.9 - 2.5
146	Russia	2.2	8	1.9 - 2.4
146	Sierra Leone	2.2	5	1.9 - 2.4
146	Timor-Leste	2.2	5	1.8 - 2.6
146	Ukraine	2.2	8	2.0 - 2.6
146	Zimbabwe	2.2	7	1.7 - 2.8
154	Côte d'Ivoire	2.1	7	1.8 - 2.4
154	Papua New Guinea	2.1	5	1.7 - 2.5
154	Paraguay	2.1	5	1.7 - 2.5
154	Yemen	2.1	4	1.6 - 2.5
158	Cambodia	2.0	8	1.8 - 2.2
158	Central African Republic	2.0	4	1.9 - 2.2



158	Laos	2.0	4	1.6 - 2.6
158	Tajikistan	2.0	8	1.6 - 2.5
162	Angola	1.9	5	1.8 - 1.9
162	Congo Brazzaville	1.9	5	1.6 - 2.1
162	Democratic Republic of Congo	1.9	5	1.7 - 2.1
162	Guinea-Bissau	1.9	3	1.8 - 2.0
162	Kyrgyzstan	1.9	7	1.8 - 2.1
162	Venezuela	1.9	7	1.8 - 2.0
168	Burundi	1.8	6	1.6 - 2.0
168	Equatorial Guinea	1.8	3	1.6 - 1.9
168	Guinea	1.8	5	1.7 - 1.8
168	Haiti	1.8	3	1.4 - 2.3
168	Iran	1.8	3	1.7 - 1.9
168	Turkmenistan	1.8	4	1.7 - 1.9
174	Uzbekistan	1.7	6	1.5 - 1.8
175	Chad	1.6	6	1.5 - 1.7
176	Iraq	1.5	3	1.2 - 1.8
176	Sudan	1.5	5	1.4 - 1.7

178	Myanmar	1.4	3	0.9 - 1.8
179	Afghanistan	1.3	4	1.0 - 1.5
180	Somalia	1.1	3	0.9 - 1.4

### Methodology:

As noted above, the highest (and best) level of transparency with the least perceived corruption is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

According to Transparency International, the [Corruption Perceptions Index](#) (CPI) table shows a country's ranking and score, the number of surveys used to determine the score, and the confidence range of the scoring.

The rank shows how one country compares to others included in the index. The CPI score indicates the perceived level of public-sector corruption in a country/territory.

The CPI is based on 13 independent surveys. However, not all surveys include all countries. The surveys used column indicates how many surveys were relied upon to determine the score for that country.

The confidence range indicates the reliability of the CPI scores and tells us that allowing for a margin of error, we can be 90% confident that the true score for this country lies within this range.

### Note:

Kosovo, which separated from the Yugoslav successor state of [Serbia](#), is not listed above. No calculation is available for [Kosovo](#) at this time, however, a future corruption index by Transparency International may include the world's newest country in its tally. Taiwan has been listed above despite its contested status; while Taiwan claims sovereign status, [China](#) claims ultimate jurisdiction over Taiwan. Hong Kong, which is also under the rubric of Chinese sovereignty, is listed above. Note as well that Puerto Rico, which is a [United States](#) domain, is also included in the list above. These inclusions likely have to do with the size and fairly autonomous status of their economies.

### Source:

Transparency International's Corruption Perception Index; available at URL: <http://www.transparency.org>

Updated:

Uploaded in 2011 using most recent ranking available; reviewed in 2015.

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## Competitiveness Ranking

### Competitiveness Ranking

Editor's Note:

The Global Competitiveness Report's competitiveness ranking is based on the Global Competitiveness Index (GCI), which was developed for the World Economic Forum. The GCI is based on a number of competitiveness considerations, and provides a comprehensive picture of the competitiveness landscape in countries around the world. The competitiveness considerations are: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation. The rankings are calculated from both publicly available data and the Executive Opinion Survey.

Country/Economy	GCI 2010 Rank	GCI 2010 Score	GCI 2009 Rank	Change 2009-2010
Switzerland	1	5.63	1	0
Sweden	2	5.56	4	2
Singapore	3	5.48	3	0
United States	4	5.43	2	-2
Germany	5	5.39	7	2

Japan	6	5.37	8	2
Finland	7	5.37	6	-1
Netherlands	8	5.33	10	2
Denmark	9	5.32	5	-4
Canada	10	5.30	9	-1
Hong Kong SAR	11	5.30	11	0
United Kingdom	12	5.25	13	1
Taiwan, China	13	5.21	12	-1
Norway	14	5.14	14	0
France	15	5.13	16	1
Australia	16	5.11	15	-1
Qatar	17	5.10	22	5
Austria	18	5.09	17	-1
Belgium	19	5.07	18	-1
Luxembourg	20	5.05	21	1
Saudi Arabia	21	4.95	28	7
Korea, Rep.	22	4.93	19	-3
New Zealand	23	4.92	20	-3

Israel	24	4.91	27	3
United Arab Emirates	25	4.89	23	-2
Malaysia	26	4.88	24	-2
China	27	4.84	29	2
Brunei Darussalam	28	4.75	32	4
Ireland	29	4.74	25	-4
Chile	30	4.69	30	0
Iceland	31	4.68	26	-5
Tunisia	32	4.65	40	8
Estonia	33	4.61	35	2
Oman	34	4.61	41	7
Kuwait	35	4.59	39	4
Czech Republic	36	4.57	31	-5
Bahrain	37	4.54	38	1
Thailand	38	4.51	36	-2
Poland	39	4.51	46	7
Cyprus	40	4.50	34	-6
Puerto Rico	41	4.49	42	1

Spain	42	4.49	33	-9
Barbados	43	4.45	44	1
Indonesia	44	4.43	54	10
Slovenia	45	4.42	37	-8
Portugal	46	4.38	43	-3
Lithuania	47	4.38	53	6
Italy	48	4.37	48	0
Montenegro	49	4.36	62	13
Malta	50	4.34	52	2
India	51	4.33	49	-2
Hungary	52	4.33	58	6
Panama	53	4.33	59	6
South Africa	54	4.32	45	-9
Mauritius	55	4.32	57	2
Costa Rica	56	4.31	55	-1
Azerbaijan	57	4.29	51	-6
Brazil	58	4.28	56	-2
Vietnam	59	4.27	75	16

Slovak Republic	60	4.25	47	-13
Turkey	61	4.25	61	0
Sri Lanka	62	4.25	79	17
Russian Federation	63	4.24	63	0
Uruguay	64	4.23	65	1
Jordan	65	4.21	50	-15
Mexico	66	4.19	60	-6
Romania	67	4.16	64	-3
Colombia	68	4.14	69	1
Iran	69	4.14	n/a	n/a
Latvia	70	4.14	68	-2
Bulgaria	71	4.13	76	5
Kazakhstan	72	4.12	67	-5
Peru	73	4.11	78	5
Namibia	74	4.09	74	0
Morocco	75	4.08	73	-2
Botswana	76	4.05	66	-10
Croatia	77	4.04	72	-5

Guatemala	78	4.04	80	2
Macedonia, FYR	79	4.02	84	5
Rwanda	80	4.00	n/a	n/a
Egypt	81	4.00	70	-11
El Salvador	82	3.99	77	-5
Greece	83	3.99	71	-12
Trinidad and Tobago	84	3.97	86	2
Philippines	85	3.96	87	2
Algeria	86	3.96	83	-3
Argentina	87	3.95	85	-2
Albania	88	3.94	96	8
Ukraine	89	3.90	82	-7
Gambia, The	90	3.90	81	-9
Honduras	91	3.89	89	-2
Lebanon	92	3.89	n/a	n/a
Georgia	93	3.86	90	-3
Moldova	94	3.86	n/a	n/a
Jamaica	95	3.85	91	-4



Serbia	96	3.84	93	-3
Syria	97	3.79	94	-3
Armenia	98	3.76	97	-1
Mongolia	99	3.75	117	18
Libya	100	3.74	88	-12
Dominican Republic	101	3.72	95	-6
Bosnia and Herzegovina	102	3.70	109	7
Benin	103	3.69	103	0
Senegal	104	3.67	92	-12
Ecuador	105	3.65	105	0
Kenya	106	3.65	98	-8
Bangladesh	107	3.64	106	-1
Bolivia	108	3.64	120	12
Cambodia	109	3.63	110	1
Guyana	110	3.62	104	-6
Cameroon	111	3.58	111	0
Nicaragua	112	3.57	115	3
Tanzania	113	3.56	100	-13

Ghana	114	3.56	114	0
Zambia	115	3.55	112	-3
Tajikistan	116	3.53	122	6
Cape Verde	117	3.51	n/a	n/a
Uganda	118	3.51	108	-10
Ethiopia	119	3.51	118	-1
Paraguay	120	3.49	124	4
Kyrgyz Republic	121	3.49	123	2
Venezuela	122	3.48	113	-9
Pakistan	123	3.48	101	-22
Madagascar	124	3.46	121	-3
Malawi	125	3.45	119	-6
Swaziland	126	3.40	n/a	n/a
Nigeria	127	3.38	99	-28
Lesotho	128	3.36	107	-21
Côte d'Ivoire	129	3.35	116	-13
Nepal	130	3.34	125	-5
Mozambique	131	3.32	129	-2

Mali	132	3.28	130	-2
Timor-Leste	133	3.23	126	-7
Burkina Faso	134	3.20	128	-6
Mauritania	135	3.14	127	-8
Zimbabwe	136	3.03	132	-4
Burundi	137	2.96	133	-4
Angola	138	2.93	n/a	n/a
Chad	139	2.73	131	-8

#### Methodology:

The competitiveness rankings are calculated from both publicly available data and the Executive Opinion Survey, a comprehensive annual survey conducted by the World Economic Forum together with its network of Partner Institutes (leading research institutes and business organizations) in the countries covered by the Report.

Highlights according to WEF --

- The [United States](#) falls two places to fourth position, overtaken by [Sweden](#) and [Singapore](#) in the rankings of the World Economic Forum's Global Competitiveness Report 2010-2011
- The People's Republic of [China](#) continues to move up the rankings, with marked improvements in several other Asian countries
- [Germany](#) moves up two places to fifth place, leading the Eurozone countries
- [Switzerland](#) tops the rankings

#### Source:

World Economic Forum; available at URL: <http://www.weforum.org>

#### Updated:

2011 using most recent ranking available; reviewed in 2015.

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## **Taxation**

### Corporate tax

Corporate taxes are subject to progressive rates of up to 34 percent.

### Individual tax

Individual tax rates are progressive rates and range as high as 34 percent.

### Capital gains

Capital gains are treated as income.

### Indirect tax

A value-added tax (VAT) applies to most transactions at a standard rate of 15 percent. The lower 8 percent rate applies to the sale of some products and certain professional services. Exports are zero-rated, while exemptions are applied to transportation, food, as well as some educational and health services.

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## **Stock Market**

The Bolsa de Valores de Caracas officially began trading in 1947. By the end of the 1990's, the

exchange had 87 listed companies.

Foreign investors must register with the Technical Office of Foreign Currency Administration. There is no foreign investment ceiling for listed stocks. Foreign investment is restricted in media and nationally regulated professional services.

For more information on the Bolsa de Valores de Caracas, see URL: <http://www.caracasstock.com/newpage/english/english.htm>.

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## Partner Links

Partner Links

# **Chapter 5**

## **Social Overview**

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## People

### **Population**

Venezuela's total population numbers about 30 million. About 85 percent of the population lives in urban areas in the northern portion of the country. While almost half of Venezuela's land area lies south of the Orinoco River, this region contains only five percent of the populace.

### **Cultural Demography**

Venezuela's predominantly mestizo population, made up of a mixture of Spanish and indigenous ancestry, is reflective of the country's Spanish colonial past in conjunction with its pre-colonial history, when the region was inhabited by Caribs and Arawaks. About 68 percent of the population is mestizo. In addition, there are other European, Jewish, Arabic, African and indigenous minorities.

Most Venezuelans are Roman Catholics, a remnant of the Spanish colonial legacy. At the same time, there are smaller communities of Protestant denominations, Jews and Muslims. Most Protestant denominations tend to be of the evangelical variety. Among the indigenous population, traditional religious practices prevail.

Spanish is the official language, although ethnic languages of the European, Jewish, Arabic and indigenous populations are also spoken. Indigenous languages, however, account for less than 1 percent of the languages of this country, and are confined to isolated areas.

### **Health and Welfare**

The country enjoys a relatively high rate of literacy in the region of Latin America, at 93 percent, according to recent estimates. Basic education consists of nine years of compulsory schooling. The best known and oldest university is the Central University of Venezuela in Caracas.

In terms of health and welfare, the infant mortality rate is 22.52 deaths per 1,000 live births,

according to recent estimates. In recent years, life expectancy has been calculated to be 73 years of age for the entire population.

## **Human Development**

A notable measure of human development is the Human Development Index (HDI), which is formulated by the United Nations Development Program. The HDI is a composite of several indicators, which measure a country's achievements in three main arenas of human development: longevity, knowledge and education, as well as economic standard of living. In a recent ranking of 169 countries, the HDI places Venezuela in the high human development category, at 75th place.

Note: Although the concept of human development is complicated and cannot be properly captured by values and indices, the HDI, which is calculated and updated annually, offers a wide-ranging assessment of human development in certain countries, not based solely upon traditional economic and financial indicators.

Written by Dr. Denise Youngblood Coleman, Editor in Chief at CountryWatch; see Bibliography for list of research sources.

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## **Human Development Index**

Human Development Index

### **Human Development Index (Ranked Numerically)**

The [Human Development Index](#) (HDI) is used to measure quality of life in countries across the world. The HDI has been compiled since 1990 by the United Nations Development Programme (UNDP) on a regular basis. The HDI is a composite of several indicators, which measure a country's achievements in three main arenas of human development: longevity, education, and economic standard of living. Although the concept of human development is complicated and cannot be properly captured by values and indices, the HDI offers a wide-ranging assessment of human development in certain countries, not based solely upon traditional economic and financial indicators. For more information about the methodology used to calculate the HDI, please see the "Source Materials" in the appendices of this review.



<b>Very High Human Development</b>	<b>High Human Development</b>	<b>Medium Human Development</b>	<b>Low Human Development</b>
1. Norway	43. Bahamas	86. Fiji	128. Kenya
2. Australia	44. Lithuania	87. Turkmenistan	129. Bangladesh
3. New Zealand	45. Chile	88. Dominican Republic	130. Ghana
4. United States	46. Argentina	89. China	131. Cameroon
5. Ireland	47. Kuwait	90. El Salvador	132. Myanmar (Burma)
6. Liechtenstein	48. Latvia	91. Sri Lanka	133. Yemen
7. Netherlands	49. Montenegro	92. Thailand	134. Benin
8. Canada	50. Romania	93. Gabon	135. Madagascar
9. Sweden	51. Croatia	94. Suriname	136. Mauritania
10. Germany	52. Uruguay	95. Bolivia	137. Papua New Guinea
11. Japan	53. Libya	96. Paraguay	138. Nepal
12. South Korea	54. Panama	97. Philippines	139. Togo
13. Switzerland	55. Saudi Arabia	98. Botswana	140. Comoros
14. France	56. Mexico	99. Moldova	141. Lesotho

15. Israel	57. Malaysia	100. Mongolia	142. Nigeria
16. Finland	58. Bulgaria	101. Egypt	143. Uganda
17. Iceland	59. Trinidad and Tobago	102. Uzbekistan	144. Senegal
18. Belgium	60. Serbia	103. Micronesia	145. Haiti
19. Denmark	61. Belarus	104. Guyana	146. Angola
20. Spain	62. Costa Rica	105. Namibia	147. Djibouti
21. Hong King	63. Peru	106. Honduras	148. Tanzania
22. Greece	64. Albania	107. Maldives	149. Cote d'Ivoire
23. Italy	65. Russian Federation	108. Indonesia	150. Zambia
24. Luxembourg	66. Kazakhstan	109. Kyrgyzstan	151. Gambia
25. Austria	67. Azerbaijan	110. South Africa	152. Rwanda
26. United Kingdom	68. Bosnia and Herzegovina	111. Syria	153. Malawi
27. Singapore	69. Ukraine	112. Tajikistan	154. Sudan
28. Czech Republic	70. Iran	113. Vietnam	155. Afghanistan
29. Slovenia	71. The former Yugoslav Republic of Macedonia	114. Morocco	156. Guinea
30. Andorra	72. Mauritius	115. Nicaragua	157. Ethiopia
			158. Sierra

31. Slovakia	73. Brazil	116. Guatemala	Leone
32. United Arab Emirates	74. Georgia	117. Equatorial Guinea	159. Central African Republic
33. Malta	75. Venezuela	118. Cape Verde	160. Mali
34. Estonia	76. Armenia	119. India	161. Burkina Faso
35. Cyprus	77. Ecuador	120. East Timor	162. Liberia
36. Hungary	78. Belize	121. Swaziland	163. Chad
37. Brunei	79. Colombia	122. Laos	164. Guinea-Bissau
38. Qatar	80. Jamaica	123. Solomon Islands	165. Mozambique
39. Bahrain	81. Tunisia	124. Cambodia	166. Burundi
40. Portugal	82. Jordan	125. Pakistan	167. Niger
41. Poland	83. Turkey	126. Congo RC	168. Congo DRC
42. Barbados	84. Algeria	127. Sao Tome and Principe	169. Zimbabwe
	85. Tonga		

### Methodology:

For more information about the methodology used to calculate the HDI, please see the "Source Materials" in the appendices of this Country Review.

Reference:

As published in United Nations Development Programme's Human Development Report 2010.

Source:

United Nations Development Programme's [Human Development Index](http://hdr.undp.org/en/statistics/) available at URL: <http://hdr.undp.org/en/statistics/>

Updated:

Uploaded in 2011 using ranking available; reviewed in 2015

## Life Satisfaction Index

### Life Satisfaction Index

#### Life Satisfaction Index

Created by Adrian G. White, an Analytic Social Psychologist at the University of Leicester, the "Satisfaction with Life Index" measures subjective life satisfaction across various countries. The data was taken from a metastudy (see below for source) and associates the notion of subjective happiness or life satisfaction with qualitative parameters such as health, wealth, and access to basic education. This assessment serves as an alternative to other measures of happiness that tend to rely on traditional and quantitative measures of policy on quality of life, such as GNP and GDP. The methodology involved the responses of 80,000 people across the globe.

Rank	Country	Score
1	Denmark	273.4
2	Switzerland	273.33

3	Austria	260
4	Iceland	260
5	The Bahamas	256.67
6	Finland	256.67
7	Sweden	256.67
8	Iran	253.33
9	Brunei	253.33
10	Canada	253.33
11	Ireland	253.33
12	Luxembourg	253.33
13	Costa Rica	250
14	Malta	250
15	Netherlands	250
16	Antiguaand Barbuda	246.67
17	Malaysia	246.67
18	New Zealand	246.67
19	Norway	246.67
20	Seychelles	246.67

21	Saint Kitts and Nevis	246.67
22	United Arab Emirates	246.67
23	United States	246.67
24	Vanuatu	246.67
25	Venezuela	246.67
26	Australia	243.33
27	Barbados	243.33
28	Belgium	243.33
29	Dominica	243.33
30	Oman	243.33
31	Saudi Arabia	243.33
32	Suriname	243.33
33	Bahrain	240
34	Colombia	240
35	Germany	240
36	Guyana	240
37	Honduras	240
38	Kuwait	240

39	Panama	240
40	Saint Vincent and the Grenadines	240
41	United Kingdom	236.67
42	Dominican Republic	233.33
43	Guatemala	233.33
44	Jamaica	233.33
45	Qatar	233.33
46	Spain	233.33
47	Saint Lucia	233.33
48	Belize	230
49	Cyprus	230
50	Italy	230
51	Mexico	230
52	Samoa	230
53	Singapore	230
54	Solomon Islands	230
55	Trinidad and Tobago	230
56	Argentina	226.67

57	Fiji	223.33
58	Israel	223.33
59	Mongolia	223.33
60	São Tomé and Príncipe	223.33
61	El Salvador	220
62	France	220
63	Hong Kong	220
64	Indonesia	220
65	Kyrgyzstan	220
66	Maldives	220
67	Slovenia	220
68	Taiwan	220
69	East Timor	220
70	Tonga	220
71	Chile	216.67
72	Grenada	216.67
73	Mauritius	216.67
74	Namibia	216.67



75	Paraguay	216.67
76	Thailand	216.67
77	Czech Republic	213.33
78	Philippines	213.33
79	Tunisia	213.33
80	Uzbekistan	213.33
81	Brazil	210
82	China	210
83	Cuba	210
84	Greece	210
85	Nicaragua	210
86	Papua New Guinea	210
87	Uruguay	210
88	Gabon	206.67
89	Ghana	206.67
90	Japan	206.67
91	Yemen	206.67
92	Portugal	203.33

93	Sri Lanka	203.33
94	Tajikistan	203.33
95	Vietnam	203.33
96	Bhutan	200
97	Comoros	196.67
98	Croatia	196.67
99	Poland	196.67
100	Cape Verde	193.33
101	Kazakhstan	193.33
102	South Korea	193.33
103	Madagascar	193.33
104	Bangladesh	190
105	Republic of the Congo	190
106	The Gambia	190
107	Hungary	190
108	Libya	190
109	South Africa	190
110	Cambodia	186.67

111	Ecuador	186.67
112	Kenya	186.67
113	Lebanon	186.67
114	Morocco	186.67
115	Peru	186.67
116	Senegal	186.67
117	Bolivia	183.33
118	Haiti	183.33
119	Nepal	183.33
120	Nigeria	183.33
121	Tanzania	183.33
122	Benin	180
123	Botswana	180
124	Guinea-Bissau	180
125	India	180
126	Laos	180
127	Mozambique	180
128	Palestinian Authority	180

129	Slovakia	180
130	Myanmar	176.67
131	Mali	176.67
132	Mauritania	176.67
133	Turkey	176.67
134	Algeria	173.33
135	Equatorial Guinea	173.33
136	Romania	173.33
137	Bosnia and Herzegovina	170
138	Cameroon	170
139	Estonia	170
140	Guinea	170
141	Jordan	170
142	Syria	170
143	Sierra Leone	166.67
144	Azerbaijan	163.33
145	Central African Republic	163.33
146	Republic of Macedonia	163.33

147	Togo	163.33
148	Zambia	163.33
149	Angola	160
150	Djibouti	160
151	Egypt	160
152	Burkina Faso	156.67
153	Ethiopia	156.67
154	Latvia	156.67
155	Lithuania	156.67
156	Uganda	156.67
157	Albania	153.33
158	Malawi	153.33
159	Chad	150
160	Côte d'Ivoire	150
161	Niger	150
162	Eritrea	146.67
163	Rwanda	146.67
164	Bulgaria	143.33

165	Lesotho	143.33
166	Pakistan	143.33
167	Russia	143.33
168	Swaziland	140
169	Georgia	136.67
170	Belarus	133.33
171	Turkmenistan	133.33
172	Armenia	123.33
173	Sudan	120
174	Ukraine	120
175	Moldova	116.67
176	Democratic Republic of the Congo	110
177	Zimbabwe	110
178	Burundi	100

### Commentary:

European countries, such as [Denmark](#), [Iceland](#), [Finland](#), [Sweden](#), [Switzerland](#), [Austria](#) resided at the top of the ranking with highest levels of self-reported life satisfaction. Conversely, European countries such as [Latvia](#), [Lithuania](#), [Moldova](#), [Belarus](#) and [Ukraine](#) ranked low on the index. African countries such as Democratic Republic of Congo, [Zimbabwe](#) and [Burundi](#) found themselves at the very bottom of the ranking, and indeed, very few African countries could be

found in the top 100. [Japan](#) was at the mid-way point in the ranking, however, other Asian countries such as [Brunei](#) and [Malaysia](#) were in the top tier, while [Pakistan](#) was close to the bottom with a low level of self-identified life satisfaction. As a region, the Middle East presented a mixed bag with Saudi Arabians reporting healthy levels of life satisfaction and Egyptians near the bottom of the ranking. As a region, Caribbean countries were ranked highly, consistently demonstrating high levels of life satisfaction. The findings showed that health was the most crucial determining factor in life satisfaction, followed by prosperity and education.

Source:

White, A. (2007). A Global Projection of Subjective Well-being: A Challenge To Positive Psychology? *Psychiatry* 56, 17-20. The data was extracted from a meta-analysis by Marks, Abdallah, Simms & Thompson (2006).

Uploaded:

Based on study noted above in "Source" ; reviewed in 2015

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## Happy Planet Index

### Happy Planet Index

The Happy Planet Index (HPI) is used to measure human well-being in conjunction with environmental impact. The HPI has been compiled since 2006 by the New Economics Foundation. The index is a composite of several indicators including subjective life satisfaction, life expectancy at birth, and ecological footprint per capita.

As noted by NEFA, the HPI "reveals the ecological efficiency with which human well-being is delivered." Indeed, the index combines environmental impact with human well-being to measure the environmental efficiency with which, country by country, people live long and happy lives. The countries ranked highest by the HPI are not necessarily the ones with the happiest people overall, but the ones that allow their citizens to live long and fulfilling lives, without negatively impacting this opportunity for either future generations or citizens of other countries. Accordingly, a country like the [United States](#) will rank low on this list due to its large per capital ecological footprint, which uses more than its fair share of resources, and will likely cause planetary damage.

It should be noted that the HPI was designed to be a counterpoint to other well-established indices of countries' development, such as Gross Domestic Product (GDP), which measures overall national wealth and economic development, but often obfuscates the realities of countries with stark variances between the rich and the poor. Moreover, the objective of most of the world's people is not to be wealthy but to be happy. The HPI also differs from the [Human Development Index](#) (HDI), which measures quality of life but not ecology, since it [HPI] also includes sustainability as a key indicator.

Rank	Country	HPI
1	Costa Rica	76.1
2	Dominican Republic	71.8
3	Jamaica	70.1
4	Guatemala	68.4
5	Vietnam	66.5
6	Colombia	66.1
7	Cuba	65.7
8	El Salvador	61.5
9	Brazil	61.0
10	Honduras	61.0
11	Nicaragua	60.5
12	Egypt	60.3



13	Saudi Arabia	59.7
14	Philippines	59.0
15	Argentina	59.0
16	Indonesia	58.9
17	Bhutan	58.5
18	Panama	57.4
19	Laos	57.3
20	China	57.1
21	Morocco	56.8
22	Sri Lanka	56.5
23	Mexico	55.6
24	Pakistan	55.6
25	Ecuador	55.5
26	Jordan	54.6
27	Belize	54.5
28	Peru	54.4
29	Tunisia	54.3
30	Trinidad and Tobago	54.2

31	Bangladesh	54.1
32	Moldova	54.1
33	Malaysia	54.0
34	Tajikistan	53.5
35	India	53.0
36	Venezuela	52.5
37	Nepal	51.9
38	Syria	51.3
39	Burma	51.2
40	Algeria	51.2
41	Thailand	50.9
42	Haiti	50.8
43	Netherlands	50.6
44	Malta	50.4
45	Uzbekistan	50.1
46	Chile	49.7
47	Bolivia	49.3
48	Armenia	48.3

49	Singapore	48.2
50	Yemen	48.1
51	Germany	48.1
52	Switzerland	48.1
53	Sweden	48.0
54	Albania	47.9
55	Paraguay	47.8
56	Palestinian Authority	47.7
57	Austria	47.7
58	Serbia	47.6
59	Finland	47.2
60	Croatia	47.2
61	Kyrgyzstan	47.1
62	Cyprus	46.2
63	Guyana	45.6
64	Belgium	45.4
65	Bosnia and Herzegovina	45.0
66	Slovenia	44.5

67	Israel	44.5
68	South Korea	44.4
69	Italy	44.0
70	Romania	43.9
71	France	43.9
72	Georgia	43.6
73	Slovakia	43.5
74	United Kingdom	43.3
75	Japan	43.3
76	Spain	43.2
77	Poland	42.8
78	Ireland	42.6
79	Iraq	42.6
80	Cambodia	42.3
81	Iran	42.1
82	Bulgaria	42.0
83	Turkey	41.7
84	Hong Kong	41.6

85	Azerbaijan	41.2
86	Lithuania	40.9
87	Djibouti	40.4
88	Norway	40.4
89	Canada	39.4
90	Hungary	38.9
91	Kazakhstan	38.5
92	Czech Republic	38.3
93	Mauritania	38.2
94	Iceland	38.1
95	Ukraine	38.1
96	Senegal	38.0
97	Greece	37.6
98	Portugal	37.5
99	Uruguay	37.2
100	Ghana	37.1
101	Latvia	36.7
102	Australia	36.6

103	New Zealand	36.2
104	Belarus	35.7
105	Denmark	35.5
106	Mongolia	35.0
107	Malawi	34.5
108	Russia	34.5
109	Chad	34.3
110	Lebanon	33.6
111	Macedonia	32.7
112	Republic of the Congo	32.4
113	Madagascar	31.5
114	United States	30.7
115	Nigeria	30.3
116	Guinea	30.3
117	Uganda	30.2
118	South Africa	29.7
119	Rwanda	29.6
120	Democratic Republic of the Congo	29.0

121	Sudan	28.5
122	Luxembourg	28.5
123	United Arab Emirates	28.2
124	Ethiopia	28.1
125	Kenya	27.8
126	Cameroon	27.2
127	Zambia	27.2
128	Kuwait	27.0
129	Niger	26.9
130	Angola	26.8
131	Estonia	26.4
132	Mali	25.8
133	Mozambique	24.6
134	Benin	24.6
135	Togo	23.3
136	Sierra Leone	23.1
137	Central African Republic	22.9
138	Burkina Faso	22.4

139	Burundi	21.8
140	Namibia	21.1
141	Botswana	20.9
142	Tanzania	17.8
143	Zimbabwe	16.6

**Source:** *This material is derived from the Happy Planet Index issued by the New Economics Foundation (NEF).*

**Methodology:** *The methodology for the calculations can be found at URL: <http://www.happyplanetindex.org/>*

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## Status of Women

### Gender Related Development Index (GDI) Rank:

58th out of 140

### Gender Empowerment Measure (GEM) Rank:

64th out of 80

### Female Population:

13.2 million

### Female Life Expectancy at birth:



76 years

**Total Fertility Rate:**

2.8

**Maternal Mortality Ratio (2000):**

96

**Total Number of Women Living with HIV/AIDS:**

13,000-100,000

**Ever Married Women, Ages 15-19 (%):**

18%

**Mean Age at Time of Marriage:**

22

**Contraceptive Use Among Married Women, Any Method (%):**

N/A

**Female Adult Literacy Rate:**

92.7%

**Combined Female Gross enrollment ratio for Primary, Secondary and Tertiary schools:**

76%

**Female-Headed Households (%):**

21%

**Economically Active Females (%):**

44.2%

**Female Contributing Family Workers (%):**

N/A

**Female Estimated Earned Income:**

\$2,890

**Seats in Parliament held by women (%):***Lower or Single House:* 9.7%*Upper House or Senate:* N/A**Year Women Received the Right to Vote:**

1946

**Year Women Received the Right to Stand for Election:**

1946

\*The Gender Development Index (GDI) is a composite index which measures the average achievement in a country. While very similar to the Human Development Index in its use of the same variables, the GDI adjusts the average achievement of each country in terms of life expectancy, enrollment in schools, income, and literacy in accordance to the disparities between males and females.

\*The Gender Empowerment Measure (GEM) is a composite index measuring gender inequality in three of the basic dimensions of empowerment; economic participation and decision-making, political participation and decision-making, and power over economic resources.

\*Total Fertility Rate (TFR) is defined as the average number of babies born to women during their reproductive years. A TFR of 2.1 is considered the replacement rate; once a TFR of a population reaches 2.1 the population will remain stable assuming no immigration or emigration takes place. When the TFR is greater than 2.1 a population will increase and when it is less than 2.1 a population will eventually decrease, although due to the age structure of a population it will take years before a low TFR is translated into lower population.

\*Maternal Mortality Rate is the number of deaths to women per 100,000 live births that resulted from conditions related to pregnancy and or delivery related complications.

\*Economically Active Females are the share of the female population, ages 15 and above, whom supply, or are able to supply, labor for the production of goods and services.

\*Female Contributing Family Workers are those females who work without pay in an economic enterprise operated by a relative living in the same household.

\*Estimated Earned Income is measured according to Purchasing Power Parity (PPP) in US dollars.

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## Global Gender Gap Index

### Global Gender Gap Index

#### Editor's Note:

The Global Gender Gap Index by the World Economic Forum ranks most of the world's countries in terms of the division of resources and opportunities among males and females. Specifically, the ranking assesses the gender inequality gap in these four arenas:

1. Economic participation and opportunity (salaries and high skilled employment participation levels)
2. Educational attainment (access to basic and higher level education)
3. Political empowerment (representation in decision-making structures)
4. Health and survival (life expectancy and sex ratio)

	2010 rank	2010 score	2010 rank among 2009 countries	2009 rank	2009 score	2008 rank	2008 score	2007 rank
Country								
Iceland	1	0.8496	1	1	0.8276	4	0.7999	4

Norway	2	0.8404	2	3	0.8227	1	0.8239	2
Finland	3	0.8260	3	2	0.8252	2	0.8195	3
Sweden	4	0.8024	4	4	0.8139	3	0.8139	1
New Zealand	5	0.7808	5	5	0.7880	5	0.7859	5
Ireland	6	0.7773	6	8	0.7597	8	0.7518	9
Denmark	7	0.7719	7	7	0.7628	7	0.7538	8
Lesotho	8	0.7678	8	10	0.7495	16	0.7320	26
Philippines	9	0.7654	9	9	0.7579	6	0.7568	6
Switzerland	10	0.7562	10	13	0.7426	14	0.7360	40
Spain	11	0.7554	11	17	0.7345	17	0.7281	10
South Africa	12	0.7535	12	6	0.7709	22	0.7232	20
Germany	13	0.7530	13	12	0.7449	11	0.7394	7
Belgium	14	0.7509	14	33	0.7165	28	0.7163	19
United Kingdom	15	0.7460	15	15	0.7402	13	0.7366	11
Sri Lanka	16	0.7458	16	16	0.7402	12	0.7371	15
Netherlands	17	0.7444	17	11	0.7490	9	0.7399	12
Latvia	18	0.7429	18	14	0.7416	10	0.7397	13

United States	19	0.7411	19	31	0.7173	27	0.7179	31
Canada	20	0.7372	20	25	0.7196	31	0.7136	18
Trinidad and Tobago	21	0.7353	21	19	0.7298	19	0.7245	46
Mozambique	22	0.7329	22	26	0.7195	18	0.7266	43
Australia	23	0.7271	23	20	0.7282	21	0.7241	17
Cuba	24	0.7253	24	29	0.7176	25	0.7195	22
Namibia	25	0.7238	25	32	0.7167	30	0.7141	29
Luxembourg	26	0.7231	26	63	0.6889	66	0.6802	58
Mongolia	27	0.7194	27	22	0.7221	40	0.7049	62
Costa Rica	28	0.7194	28	27	0.7180	32	0.7111	28
Argentina	29	0.7187	29	24	0.7211	24	0.7209	33
Nicaragua	30	0.7176	30	49	0.7002	71	0.6747	90
Barbados	31	0.7176	31	21	0.7236	26	0.7188	n/a
Portugal	32	0.7171	32	46	0.7013	39	0.7051	37
Uganda	33	0.7169	33	40	0.7067	43	0.6981	50
Moldova	34	0.7160	34	36	0.7104	20	0.7244	21
Lithuania	35	0.7132	35	30	0.7175	23	0.7222	14

Bahamas	36	0.7128	36	28	0.7179	n/a	n/a	n/a
Austria	37	0.7091	37	42	0.7031	29	0.7153	27
Guyana	38	0.7090	38	35	0.7108	n/a	n/a	n/a
Panama	39	0.7072	39	43	0.7024	34	0.7095	38
Ecuador	40	0.7072	40	23	0.7220	35	0.7091	44
Kazakhstan	41	0.7055	41	47	0.7013	45	0.6976	32
Slovenia	42	0.7047	42	52	0.6982	51	0.6937	49
Poland	43	0.7037	43	50	0.6998	49	0.6951	60
Jamaica	44	0.7037	44	48	0.7013	44	0.6980	39
Russian Federation	45	0.7036	45	51	0.6987	42	0.6994	45
France	46	0.7025	46	18	0.7331	15	0.7341	51
Estonia	47	0.7018	47	37	0.7094	37	0.7076	30
Chile	48	0.7013	48	64	0.6884	65	0.6818	86
Macedonia, FYR	49	0.6996	49	53	0.6950	53	0.6914	35
Bulgaria	50	0.6983	50	38	0.7072	36	0.7077	25
Kyrgyz Republic	51	0.6973	51	41	0.7058	41	0.7045	70
Israel	52	0.6957	52	45	0.7019	56	0.6900	36

Croatia	53	0.6939	53	54	0.6944	46	0.6967	16
Honduras	54	0.6927	54	62	0.6893	47	0.6960	68
Colombia	55	0.6927	55	56	0.6939	50	0.6944	24
Singapore	56	0.6914	56	84	0.6664	84	0.6625	77
Thailand	57	0.6910	57	59	0.6907	52	0.6917	52
Greece	58	0.6908	58	85	0.6662	75	0.6727	72
Uruguay	59	0.6897	59	57	0.6936	54	0.6907	78
Peru	60	0.6895	60	44	0.7024	48	0.6959	75
China	61	0.6881	61	60	0.6907	57	0.6878	73
Botswana	62	0.6876	62	39	0.7071	63	0.6839	53
Ukraine	63	0.6869	63	61	0.6896	62	0.6856	57
Venezuela	64	0.6863	64	69	0.6839	59	0.6875	55
Czech Republic	65	0.6850	65	74	0.6789	69	0.6770	64
Tanzania	66	0.6829	66	73	0.6797	38	0.7068	34
Romania	67	0.6826	67	70	0.6805	70	0.6763	47
Malawi	68	0.6824	68	76	0.6738	81	0.6664	87
Paraguay	69	0.6804	69	66	0.6868	100	0.6379	69
Ghana	70	0.6782	70	80	0.6704	77	0.6679	63

Slovak Republic	71	0.6778	71	68	0.6845	64	0.6824	54
Vietnam	72	0.6776	72	71	0.6802	68	0.6778	42
Dominican Republic	73	0.6774	73	67	0.6859	72	0.6744	65
Italy	74	0.6765	74	72	0.6798	67	0.6788	84
Gambia, The	75	0.6762	75	75	0.6752	85	0.6622	95
Bolivia	76	0.6751	76	82	0.6693	80	0.6667	80
Brueni Darussalem	77	0.6748	77	94	0.6524	99	0.6392	n/a
Albania	78	0.6726	78	91	0.6601	87	0.6591	66
Hungary	79	0.6720	79	65	0.6879	60	0.6867	61
Madagascar	80	0.6713	80	77	0.6732	74	0.6736	89
Angola	81	0.6712	81	106	0.6353	114	0.6032	110
Bangladesh	82	0.6702	82	93	0.6526	90	0.6531	100
Malta	83	0.6695	83	88	0.6635	83	0.6634	76
Armenia	84	0.6669	84	90	0.6619	78	0.6677	71
Brazil	85	0.6655	85	81	0.6695	73	0.6737	74
Cyprus	86	0.6642	86	79	0.6706	76	0.6694	82



Indonesia	87	0.6615	87	92	0.6580	93	0.6473	81
Georgia	88	0.6598	88	83	0.6680	82	0.6654	67
Tajikistan	89	0.6598	89	86	0.6661	89	0.6541	79
El Salvador	90	0.6596	90	55	0.6939	58	0.6875	48
Mexico	91	0.6577	91	98	0.6503	97	0.6441	93
Zimbabwe	92	0.6574	92	95	0.6518	92	0.6485	88
Belize	93	0.6536	93	87	0.6636	86	0.6610	94
Japan	94	0.6524	94	101	0.6447	98	0.6434	91
Mauritius	95	0.6520	95	96	0.6513	95	0.6466	85
Kenya	96	0.6499	96	97	0.6512	88	0.6547	83
Cambodia	97	0.6482	97	104	0.6410	94	0.6469	98
Malaysia	98	0.6479	98	100	0.6467	96	0.6442	92
Maldives	99	0.6452	99	99	0.6482	91	0.6501	99
Azerbaijan	100	0.6446	100	89	0.6626	61	0.6856	59
Senegal	101	0.6414	101	102	0.6427	n/a	n/a	n/a
Suriname	102	0.6407	102	78	0.6726	79	0.6674	56
United Arab Emirates	103	0.6397	103	112	0.6198	105	0.6220	105
Korea, Rep.	104	0.6342	104	115	0.6146	108	0.6154	97

Kuwait	105	0.6318	105	105	0.6356	101	0.6358	96
Zambia	106	0.6293	106	107	0.6310	106	0.6205	101
Tunisia	107	0.6266	107	109	0.6233	103	0.6295	102
Fiji	108	0.6256	108	103	0.6414	n/a	n/a	n/a
Guatemala	109	0.6238	109	111	0.6209	112	0.6072	106
Bahrain	110	0.6217	110	116	0.6136	121	0.5927	115
Burkina Faso	111	0.6162	111	120	0.6081	115	0.6029	117
India	112	0.6155	112	114	0.6151	113	0.6060	114
Mauritania	113	0.6152	113	119	0.6103	110	0.6117	111
Cameroon	114	0.6110	114	118	0.6108	117	0.6017	116
Nepal	115	0.6084	115	110	0.6213	120	0.5942	125
Lebanon*	116	0.6084	n/a	n/a	n/a	n/a	n/a	n/a
Qatar	117	0.6059	116	125	0.5907	119	0.5948	109
Nigeria	118	0.6055	117	108	0.6280	102	0.6339	107
Algeria	119	0.6052	118	117	0.6119	111	0.6111	108
Jordan	120	0.6048	119	113	0.6182	104	0.6275	104
Ethiopia	121	0.6019	120	122	0.5948	122	0.5867	113
Oman	122	0.5950	121	123	0.5938	118	<a href="#">0.5960</a>	119

Iran	123	0.5933	122	128	0.5839	116	0.6021	118
Syria	124	0.5926	123	121	0.6072	107	0.6181	103
Egypt	125	0.5899	124	126	0.5862	124	0.5832	120
Turkey	126	0.5876	125	129	0.5828	123	0.5853	121
Morocco	127	0.5767	126	124	0.5926	125	0.5757	122
Benin	128	0.5719	127	131	0.5643	126	0.5582	123
Saudi Arabia	129	0.5713	128	130	0.5651	128	0.5537	124
Côte d'Ivoire*	130	0.5691	n/a	n/a	n/a	n/a	n/a	n/a
Mali	131	0.5680	129	127	0.5860	109	0.6117	112
Pakistan	132	0.5465	130	132	0.5458	127	0.5549	126
Chad	133	0.5330	131	133	0.5417	129	0.5290	127
Yemen	134	0.4603	132	134	0.4609	130	0.4664	128
Belarus	n/a	n/a	n/a	34	0.7141	33	0.7099	23
Uzbekistan	n/a	n/a	n/a	58	0.6913	55	0.6906	41

\*new country 2010

Commentary:

According to the report's index, Nordic countries, such as [Iceland](#), [Norway](#), [Finland](#), and [Sweden](#) have continued to dominate at the top of the ranking for gender equality. Meanwhile, [France](#) has seen a notable decline in the ranking, largely as a result of decreased number of women holding ministerial portfolios in that country. In the Americas, the [United States](#) has risen in the ranking to top the region, predominantly as a result of a decreasing wage gap, as well as higher number of women holding key positions in the current Obama administration. [Canada](#) has continued to remain as one of the top ranking countries of the Americas, followed by the small Caribbean island nation of Trinidad and Tobago, which has the distinction of being among the top three countries of the Americans in the realm of gender equality. [Lesotho](#) and South African ranked highly in the index, leading not only among African countries but also in global context. Despite [Lesotho](#) still lagging in the area of life expectancy, its high ranking was attributed to high levels of female participation in the labor force and female literacy. The [Philippines](#) and [Sri Lanka](#) were the top ranking countries for gender equality for Asia, ranking highly also in global context. The [Philippines](#) has continued to show strong performance in all strong performance on all four dimensions (detailed above) of the index. Finally, in the Arab world, the [United Arab Emirates](#) held the highest-rank within that region of the world; however, its placement near the bottom of the global list highlights the fact that Arab countries are generally poor performers when it comes to the matter of gender equality in global scope.

Source:

This data is derived from the latest edition of The Global Gender Gap Report by the World Economic Forum.

Available at URL:

<http://www.weforum.org/en/Communities/Women%20Leaders%20and%20Gender%20Parity/Gende>

Updated:

Based on latest available data as set forth in chart; reviewed in 2014

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## Culture and Arts

**Content coming soon.**

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## Etiquette

### Cultural Dos and Taboos

1. A firm handshake with direct eye contact is the customary form of greeting. Men will need to wait for a woman to extend her hand first if she wants her hand shaken. Friends and relatives will often greet each other with a kiss and/or a hug -- called the *abrazo* in Spanish. Men, however, do not usually hug other men. A pat on the shoulder is a sign of friendship.
2. Generally, greetings among Latin Americans are lengthy endeavors involving both greetings and many inquiries about health, travels, relatives, friends or acquaintances. Quick greetings are interpreted as disrespectful and thoughtless.
3. As in all parts of Latin America, formality is the norm. Always address people by their title and last name until invited to do otherwise.
4. Yawning or coughing in public, especially while in conversation, is very rude. Always cover the mouth if you must yawn or cough.
5. Eating in public is also not advised.
6. Never stand with your hands on your hips, as this will be perceived as a sign you are angry. While such aggressive stances are normal in North America, they do not translate well elsewhere.
7. Of course, one should also expect Latin Americans to communicate in close proximity than in North America. Try not to be too uncomfortable with this distinction.
8. Sit only on chairs and couches, not on tables and other things unintended for seating. Also, do not rest your feet on tables or pieces of furniture.
9. Sports (especially soccer which is called "*futball*" locally), sightseeing, culture, literature, dance, music, family and travel make excellent topics of conversation. Try to be informed about the local cultural life in this regard.

10. Like other Latin Americans, Venezuelans have a tradition of hospitality and may invite guests to their homes. Dinner is normally eaten between 7:00 and 9:00 P.M., but a dinner party will begin and end later. A dinner party will end soon after the meal, but a cocktail party may go until later. One should not, however, drop in for an unscheduled visit at someone's home.

11. Dining is formal with diners keeping wrists on the table and elbows off the table. The fork should remain consistently in the left hand and the knife should be used in the right hand. The "fork flip-over" from left-to-right, common in North American usage, is inappropriate in Latin America.

12. Note that business is not usually discussed at social dinners, although business dinners at restaurants do occur frequently. Know the difference between a social occasion and a business lunch and expect differences in conversation accordingly.

13. If you are invited to dinner, it is appropriate to bring a gift for the host or hostess. Flowers, expensive and imported chocolates, pastries, cognacs, whiskey and other upper tier brands of liquor make fine gifts. Inappropriate gifts include knives (they symbolize the dissolution of a friendship) or certain kinds of flowers (some flowers may be associated with funerals). A wrapped gift may not be opened in the presence of the giver for fear of appearing greedy, but if you are the recipient of a gift, profuse appreciation is expected.

14. Dress is generally casual but very fashionable and one should always dress with good taste. Latin Americans are very conscious of self-presentation. Business attire is somewhat more orthodox, including suits for both men and women. Shorts should be confined to private homes and are not generally worn on the street.

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## Travel Information

### **Please Note:**

**This is a generalized travel guide and it is intended to coalesce several resources, which a traveler might find useful, regardless of a particular destination. As such, it does not include travel warnings for specific "hot spot" destinations.**

**For travel alerts and warnings, please see the United States Department of State's listings available at URL:**

**<http://travel.state.gov/content/passports/english/alertswarnings.html>**

**Please note that travel to the following countries, based on these warnings, is ill-advised, or should be undertaken with the utmost precaution:**

**Afghanistan, Algeria, Burundi, Cameroon, Central African Republic, Chad, Colombia, Democratic Republic of Congo, Djibouti, El Salvador, Eritrea, Ethiopia, Guinea, Honduras, Iraq, Iran, Lebanon, Liberia, Libya, Mali, Mauritania, Mexico, Nepal, Niger, Nigeria, North Korea, Pakistan, Palestinian Territories of West Bank and Gaza, Philippines areas of Sulu Archipelago, Mindanao, and southern Sulu Sea, Saudi Arabia, Sierra Leone, Somalia, South Sudan, Sudan, Syria, Ukraine, Venezuela, and Yemen.**

**\*\*\***

**Please Note:**

**The Department of State has issued this Travel Warning to inform U.S. citizens about the security situation in Venezuela. Tens of thousands of U.S. citizens safely visit Venezuela each year for study, tourism, business, and volunteer work. Violent crime in Venezuela is pervasive, however, both in the capital, Caracas, and in the interior. Kidnappings are also a serious concern throughout the country. Common criminals are increasingly involved in kidnappings and may deal with victims' families directly. In addition, there is cross-border violence, kidnappings, drug trafficking, and smuggling along Venezuela's western border. The Department of State considers the criminal threat to U.S. government personnel in Venezuela sufficiently serious to require them to live and work under strict security restrictions.**

**\*\*\***

**International Travel Guide**

**Note to Travelers**

Venezuela is a middle-income country with a well-developed transportation infrastructure. Scheduled air service and good all-weather roads, although sometimes poorly marked and congested around urban centers, connect major cities and all regions of the country. Venezuela's tourism infrastructure varies in quality according to location and price. The capital city is Caracas.

## Note to Foreign Nationals

Foreign nationals living in or visiting [Venezuela](#) are strongly encouraged to register at the consular section of their country's Embassy in Caracas or the Consular Agency in Maracaibo and obtain updated information on travel and security within [Venezuela](#).

## Entry Requirements

A valid passport and a visa or tourist card are required.

## Note to [United States](#) Citizens

Tourist cards are issued on flights from the [United States](#) to [Venezuela](#) for persons staying less than ninety days. Venezuelan immigration authorities have been requiring that [United States](#) passports have at least 6 months validity remaining from the date of arrival in [Venezuela](#). Some citizens have been turned back to the [United States](#) for having less than 6 months validity. Passports should also be in good condition, as some [United States](#) citizens have been detained overnight for having otherwise valid passports in poor condition. For current information concerning entry, tax, and customs requirements for [Venezuela](#), travelers may contact the Venezuelan Embassy at 1099 30th St. N.W., Washington D.C. 20007, tel: (202) 342-2214. Travelers may also contact the Venezuelan consulates in New York, Miami, Chicago, New Orleans, Boston, Houston, San Francisco or San Juan.

Note also that [United States](#) citizens who do not have Venezuelan "cedulas" (national identity cards) must carry their passports with them at all times. Photocopies of passports, which should be safeguarded in a separate location, prove valuable in facilitating their replacement should they be lost or stolen.

## Checklist for Travelers

1. Take out travel insurance to cover hospital treatment or medical evacuation. Overseas medical costs are expensive to most international travelers, where one's domestic, nationalized or even private health insurance plans will not provide coverage outside one's home country. Learn about "reciprocal insurance plans" that some international health care companies might offer.
2. Make sure that one's travel insurance is appropriate. If one intends to indulge in adventurous activities, such as parasailing, one should be sure that one is fully insured in such cases. Many



traditional insurance policies do not provide coverage in cases of extreme circumstances.

- 3.** Take time to learn about one's destination country and culture. Read and learn about the place one is traveling. Also check political, economic and socio-cultural developments at the destination by reading country-specific travel reports and fact sheets noted below.
- 4.** Get the necessary visas for the country (or countries) one intends to visit - but be aware that a visa does not guarantee entry. A number of useful sites regarding visa and other entry requirements are noted below.
- 5.** Keep in regular contact with friends and relatives back at home by phone or email, and be sure to leave a travel itinerary.
- 6.** Protect one's personal information by making copies of one's passport details, insurance policy, travelers checks and credit card numbers. Taking copies of such documents with you, while leaving another collection copies with someone at home is also good practice for travelers. Taking copies of one's passport photograph is also recommended.
- 7.** Stay healthy by taking all possible precautions against illness. Also, be sure to take extra supplies of prescription drugs along for the trip, while also taking time to pack general pharmaceutical supplies, such as aspirin and other such painkillers, bandages, stomach ailment medication, anti-inflammatory medication and anti-bacterial medication.
- 8.** Do not carry illicit drugs. Understand that the punishment for possession or use of illegal drugs in some countries may be capital punishment. Make sure your prescription drugs are legal in the countries you plan to visit.
- 9.** Know the laws of one's destination country and culture; be sure to understand the repercussions of breaking those laws and regulations. Often the transparency and freedoms of the juridical system at home is not consistent with that of one's destination country. Become aware of these complexities and subtleties before you travel.
- 10.** For longer stays in a country, or where the security situation is volatile, one should register one's self and traveling companions at the local embassy or consulate of one's country of citizenship.
- 11.** Women should take care to be prepared both culturally and practically for traveling in a different country and culture. One should be sure to take sufficient supplies of personal feminine products and prescription drugs. One should also learn about local cultural standards for women, including norms of dressing. Be aware that it is simply inappropriate and unsafe for women to travel alone in some countries, and take the necessary precautions to avoid risk-filled situations.

**12.** If one is traveling with small children, one should pack extra supplies, make arrangements with the travel carrier for proper seating that would adequately accommodate children, infants or toddlers. Note also that whether one is male or female, traveling with children means that one's hands are thus not free to carry luggage and bags. Be especially aware that this makes one vulnerable to pickpockets, thieves and other sorts of crime.

**13.** Make proper arrangements for accommodations, well in advance of one's arrival at a destination. Some countries have limited accommodation, while others may have culturally distinctive facilities. Learning about these practicalities before one travels will greatly aid the enjoyment of one's trip.

**14.** Travel with different forms of currency and money (cash, traveler's checks and credit cards) in anticipation that venues may not accept one or another form of money. Also, ensuring that one's financial resources are not contained in one location, or by one person (if one is traveling with others) can be a useful measure, in the event that one loses a wallet or purse.

**15.** Find out about transportation in the destination country. In some places, it might be advisable to hire a local driver or taxi guide for safety reasons, while in other countries, enjoying one's travel experience may well be enhanced by renting a vehicle and seeing the local sights and culture independently. Costs may also be prohibitive for either of these choices, so again, prior planning is suggested.

### **Tips for Travelers**

- Register with your country's embassy when you arrive in [Venezuela](#) and inform them of your travel plans.
- Caracas is a dangerous city. Don't walk about at night, dress down and don't carry lots of money.
- Travel in organized groups whenever possible, using reputable air and bus companies. Avoid the border area with [Colombia](#) if at all possible. Beware pirate taxis operating from Caracas airport - the driver might rob you at gunpoint. Only take taxis from official ranks when traveling within major towns and cities and be extremely cautious when hailing taxis in the street. Avoid travel by road outside urban centers after dark.
- Carry your passport at all times or you might get arrested for being without proper identification. Enter next of kin details into the back of your passport.
- Make sure you have adequate travel insurance. Medical treatment in [Venezuela](#) is very expensive

so check you are fully covered. Visitors do not qualify for free medical treatment.

- Seek medical advice on vaccinations before traveling.
- Make sure you have enough funds for your stay. In major cities credit cards and traveler's checks are widely accepted. Otherwise travel with US Dollars in cash. Beware credit card fraud, which is a serious problem in [Venezuela](#).
- Check with your embassy, consulate, or appropriate government institution related to travel before traveling.
- Don't get involved with drugs. Drug trafficking is a serious crime and drug smugglers face minimum 10-year prison sentences in dreadful conditions. Don't carry anything through Customs for anyone else. Pack your bags yourself and keep them with you at all times.
- Don't overstay the three months permitted to visitors or you may be arrested and fined.

### **Business Culture: Information for Business Travelers**

Those companies interested in selling to the Venezuelan Government should note that, according to Venezuelan law, all correspondence must be in Spanish. Companies that write to a government agency in English will probably not receive a reply. Government officials are not permitted to conduct official business in any language other than Spanish.

Venezuelan importers prefer to buy directly from the manufacturer, instead of going through intermediaries.

Weekends and holidays are generally off-limits for business meetings with Venezuelans; these times are reserved for family. Christmas holidays last from December 15 through January 15. No business travel should be attempted during this period.

For more general information on etiquette in [Venezuela](#) see the CountryWatch Cultural [Etiquette](#) page.

### **Online Resources Regarding Entry Requirements and Visas**

Foreign Entry Requirements for Americans from the [United States](#) Department of State  
[http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1765.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1765.html)

Visa Services for Non-Americans from the [United States](#) Department of State  
[http://travel.state.gov/visa/visa\\_1750.html](http://travel.state.gov/visa/visa_1750.html)

Visa Bulletins from the [United States](#) Department of State  
[http://travel.state.gov/visa/frvi/bulletin/bulletin\\_1360.html](http://travel.state.gov/visa/frvi/bulletin/bulletin_1360.html)

Visa Waivers from the [United States](#) Department of State  
[http://travel.state.gov/visa/temp/without/without\\_1990.html](http://travel.state.gov/visa/temp/without/without_1990.html) - new

Passport and Visa Information from the Government of the United Kingdom  
<http://www.bia.homeoffice.gov.uk/>

Visa Information from the Government of Australia  
<http://www.dfat.gov.au/visas/index.html>

Passport Information from the Government of Australia  
<https://www.passports.gov.au/Web/index.aspx>

Passport Information from the Government of Canada  
[http://www.voyage.gc.ca/preparation\\_information/passport\\_passeport-eng.asp](http://www.voyage.gc.ca/preparation_information/passport_passeport-eng.asp)

Visa Information from the Government of Canada  
[http://www.voyage.gc.ca/preparation\\_information/visas-eng.asp](http://www.voyage.gc.ca/preparation_information/visas-eng.asp)

Online Visa Processing by Immigration Experts by VisaPro  
<http://www.visapro.com>

Sources: [United States](#) Department of State, [United Kingdom](#) Foreign and Commonwealth Office, Government of Australia: Department of Foreign Affairs and Trade, Government of [Canada](#) Department of Foreign Affairs and International Trade

Useful Online Resources for Travelers

Country-Specific Travel Information from United States  
[http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1765.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1765.html)

Travel Advice by Country from Government of United Kingdom

<http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/>

General Travel Advice from Government of Australia

<http://www.smartraveller.gov.au/zw-cgi/view/Advice/General>

Travel Bulletins from the Government of Australia

<http://www.smartraveller.gov.au/zw-cgi/view/TravelBulletins/>

Travel Tips from Government of Australia

<http://www.smartraveller.gov.au/tips/index.html>

Travel Checklist by Government of Canada

[http://www.voyage.gc.ca/preparation\\_information/checklist\\_sommaire-eng.asp](http://www.voyage.gc.ca/preparation_information/checklist_sommaire-eng.asp)

Travel Checklist from Government of United Kingdom

<http://www.fco.gov.uk/en/travelling-and-living-overseas/staying-safe/checklist>

Your trip abroad from [United States](#) Department of State

[http://travel.state.gov/travel/tips/brochures/brochures\\_1225.html](http://travel.state.gov/travel/tips/brochures/brochures_1225.html)

A safe trip abroad from [United States](#) Department of State

[http://travel.state.gov/travel/tips/safety/safety\\_1747.html](http://travel.state.gov/travel/tips/safety/safety_1747.html)

Tips for expatriates abroad from [United States](#) Department of State

[http://travel.state.gov/travel/living/residing/residing\\_1235.html](http://travel.state.gov/travel/living/residing/residing_1235.html)

Tips for students from [United States](#) Department of State

[http://travel.state.gov/travel/living/studying/studying\\_1238.html](http://travel.state.gov/travel/living/studying/studying_1238.html) <http://travel.state.gov/travel/tips/broc>

Medical information for travelers from [United States](#) Department of State

[http://travel.state.gov/travel/tips/health/health\\_1185.html](http://travel.state.gov/travel/tips/health/health_1185.html)

US Customs Travel information

<http://www.customs.gov/xp/cgov/travel/>

Sources: [United States](#) Department of State; [United States](#) Customs Department, [United Kingdom](#) Foreign and Commonwealth Office, Foreign and Commonwealth Office, Government of Australia; Government of Canada: Department of Foreign Affairs and International Trade

Other Practical Online Resources for Travelers

Foreign Language Phrases for Travelers

<http://www.travlang.com/languages/>

<http://www.omniglot.com/language/phrases/index.htm>

World Weather Forecasts

<http://www.intellicast.com/>

<http://www.wunderground.com/>

<http://www.worldweather.org/>

Worldwide Time Zones, Map, World Clock

<http://www.timeanddate.com/>

<http://www.worldtimezone.com/>

International Airport Codes

<http://www.world-airport-codes.com/>

International Dialing Codes

<http://www.kropla.com/dialcode.htm>

<http://www.countrycallingcodes.com/>

International Phone Guide

<http://www.kropla.com/phones.htm>

International Mobile Phone Guide

<http://www.kropla.com/mobilephones.htm>

International Internet Café Search Engine

<http://cybercaptive.com/>

Global Internet Roaming

<http://www.kropla.com/roaming.htm>

World Electric Power Guide

<http://www.kropla.com/electric.htm>

<http://www.kropla.com/electric2.htm>

World Television Standards and Codes

<http://www.kropla.com/tv.htm>

International Currency Exchange Rates

<http://www.xe.com/ucc/>

### Banking and Financial Institutions Across the World

<http://www.123world.com/banks/index.html>

### International Credit Card or Automated Teller Machine (ATM) Locator

<http://visa.via.infonow.net/locator/global/>

<http://www.mastercard.com/us/personal/en/cardholderservices/atmlocations/index.html>

### International Chambers of Commerce

<http://www.123world.com/chambers/index.html>

### World Tourism Websites

<http://123world.com/tourism/>

### Diplomatic and Consular Information

#### United States Diplomatic Posts Around the World

<http://www.usembassy.gov/>

#### United Kingdom Diplomatic Posts Around the World

<http://www.fco.gov.uk/en/about-the-fco/embassies-and-posts/find-an-embassy-overseas/>

#### Australia's Diplomatic Posts Around the World

<http://www.dfat.gov.au/missions/>

<http://www.dfat.gov.au/embassies.html>

#### Canada's Embassies and High Commissions

<http://www.international.gc.ca/ciw-cdm/embassies-ambassades.aspx>

#### Resources for Finding Embassies and other Diplomatic Posts Across the World

<http://www.escapeartist.com/embassy1/embassy1.htm>

### Safety and Security

#### Travel Warnings by Country from Government of Australia

<http://www.smarttraveller.gov.au/zw-cgi/view/Advice/>

#### Travel Warnings and Alerts from United States Department of State

[http://travel.state.gov/travel/cis\\_pa\\_tw/tw/tw\\_1764.html](http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html)

[http://travel.state.gov/travel/cis\\_pa\\_tw/pa/pa\\_1766.html](http://travel.state.gov/travel/cis_pa_tw/pa/pa_1766.html)

Travel Reports and Warnings by Government of Canada

[http://www.voyage.gc.ca/countries\\_pays/menu-eng.asp](http://www.voyage.gc.ca/countries_pays/menu-eng.asp)

[http://www.voyage.gc.ca/countries\\_pays/updates\\_mise-a-jour-eng.asp](http://www.voyage.gc.ca/countries_pays/updates_mise-a-jour-eng.asp)

Travel Warnings from Government of United Kingdom

<http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/>

<http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?action=noTravelAll#noTravelAll>

Sources: [United Kingdom](#) Foreign and Commonwealth Office, the [United States](#) Department of State, the Government of Canada: Department of Foreign Affairs and International Trade, Government of Australia: Department of Foreign Affairs and Trade

Other Safety and Security Online Resources for Travelers

[United States](#) Department of State Information on Terrorism

<http://www.state.gov/s/ct/>

Government of the [United Kingdom](#) Resource on the Risk of Terrorism

<http://www.fco.gov.uk/servlet/Front?>

[pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1044011304926](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1044011304926)

Government of [Canada](#) Terrorism Guide

<http://www.international.gc.ca/crime/terrorism-terrorisme.aspx?lang=eng>

Information on Terrorism by Government of Australia

<http://www.dfat.gov.au/icat/index.html>

FAA Resource on Aviation Safety

<http://www.faasafety.gov/>

In-Flight Safety Information for Air Travel (by British Airways crew trainer, Anna Warman)

<http://www.warman.demon.co.uk/anna/inflight.html>

Hot Spots: Travel Safety and Risk Information

<http://www.airsecurity.com/hotspots/HotSpots.asp>

Information on [Human Rights](#)

<http://www.state.gov/g/drl/hr/>



Sources: The [United States](#) Department of State, the [United States](#) Customs Department, the Government of [Canada](#), the Government of [United Kingdom](#), the Government of [Australia](#), the Federal Aviation Authority, Anna Warman's In-flight Website, Hot Spots Travel and Risk Information

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## **Diseases/Health Data**

**Please Note: Most of the entry below constitutes a generalized health advisory, which a traveler might find useful, regardless of a particular destination.**

**As a supplement, however, the reader will also find below a list of countries flagged with current health notices and alerts issued by the Centers for Disease Control and Prevention (CDC). Please note that travel to the following countries, based on these 3 levels of warnings, is ill-advised, or should be undertaken with the utmost precaution:**

**Level 3 (highest level of concern; avoid non-essential travel) --**

**Guinea - Ebola**

**Liberia - Ebola**

**Nepal - Earthquake zone**

**Sierra Leone - Ebola**

**Level 2 (intermediate level of concern; use utmost caution during travel) --**

**Cameroon - Polio**

**Somalia - Polio**

**Vanuatu - Tropical Cyclone zone**

**Throughout Middle East and Arabia Peninsula - MERS ((Middle East Respiratory Syndrome)**

**Level 1 (standard level of concern; use practical caution during travel) -**

**Australia - Ross River disease**

**Bosnia-Herzegovina - Measles**

**Brazil - Dengue Fever**

**Brazil - Malaria**

**Brazil - Zika**

**China - H7N9 Avian flu**

**Cuba - Cholera**

**Egypt - H5N1 Bird flu**

**Ethiopia - Measles**

**Germany - Measles**

**Japan - Hand, foot, and mouth disease (HFMD)**

**Kyrgyzstan - Measles**

**Malaysia -Dengue Fever**

**Mexico - Chikungunya**

**Mexico - Hepatitis A**

**Nigeria - Meningitis**

**Philippines - Measles**

**Scotland - Mumps**

**Singapore - Hand, foot, and mouth disease (HFMD)**

**South Korea - MERS ((Middle East Respiratory Syndrome)**

**Throughout Caribbean - Chikungunya**

**Throughout Central America - Chikungunya**

**Throughout South America - Chikungunya**

**Throughout Pacific Islands - Chikungunya**

**For specific information related to these health notices and alerts please see the CDC's listing available at URL:**

**<http://wwwnc.cdc.gov/travel/notices>**

**\*\*\***

**Health Information for travelers to Venezuela**

Food and waterborne diseases are the number one cause of illness in travelers. Travelers' diarrhea can be caused by viruses, bacteria, or parasites, which are found universally throughout the region and can contaminate food or water. Infections may cause diarrhea and vomiting (*E. coli*, *Salmonella*, cholera, and parasites), fever (typhoid fever and toxoplasmosis), or liver damage

(hepatitis). Make sure your food and drinking water are safe (see below).

Malaria is a preventable infection that can be fatal if left untreated. Prevent infection by taking prescription antimalarial drugs and protecting yourself against mosquito bites (see below). Malaria risk in this region exists in some urban and many rural areas, depending on elevation. For specific locations, see Malaria Information for Travelers to Tropical South America (<http://www.cdc.gov/travel/regionalmalaria/tropsam.htm>).

A certificate of yellow fever vaccination may be required for entry into certain of these countries. For detailed information, see Comprehensive Yellow Fever Vaccination Requirements (<http://www.cdc.gov/travel/yelfever.htm>).

If you visit the Andes Mountains, ascend gradually to allow time for your body to adjust to the high altitude, which can cause insomnia, headaches, nausea, and altitude sickness. In addition, use sunblock rated at least 15 SPF, because the risk of sunburn is greater at high altitudes.

Dengue, filariasis, leishmaniasis, onchocerciasis, and American trypanosomiasis (Chagas disease) are other diseases carried by insects that also occur in this region. Protecting yourself against insect bites (see below) will help to prevent these diseases.

Because motor vehicle crashes are a leading cause of injury among travelers, walk and drive defensively. Avoid nighttime travel if possible and always use seat belts.

### **CDC Recommends the Following Vaccines (as Appropriate for Age):**

See your doctor at least 4-6 weeks before your trip to allow time for immunizations to take effect.

- Hepatitis A or immune globulin (IG).
- Hepatitis B, if you might be exposed to blood (for example, health-care workers), have sexual contact with the local population, stay >6 months in the region, or be exposed through medical treatment.
- Rabies, if you might be exposed to wild or domestic animals through your work or recreation.
- Typhoid, particularly if you are visiting developing countries in this region.
- Yellow fever vaccination, if you will be traveling outside urban areas.
- As needed, booster doses for tetanus-diphtheria and measles. Hepatitis B vaccine is now recommended for all infants and for children ages 11-12 years who did not complete the series as infants.

### **To Stay Healthy, Do:**

- Wash hands frequently with soap and water.
- Drink only bottled or boiled water, or carbonated (bubbly) drinks in cans or bottles. Avoid tap

water, fountain drinks, and ice cubes. If this is not possible, make water safer by BOTH filtering through an "absolute 1-micron or less" filter AND adding iodine tablets to the filtered water. "Absolute 1-micron filters" are found in camping/outdoor supply stores.

- Eat only thoroughly cooked food or fruits and vegetables you have peeled yourself. Remember: boil it, cook it, peel it, or forget it.
- If you will be visiting an area where there is risk for malaria, take your malaria prevention medication before, during, and after travel, as directed. (See your doctor for a prescription.)
- Protect yourself from insects by remaining in well-screened areas, using repellents (applied sparingly at >4-hour intervals) and permethrin-impregnated mosquito nets, and wearing long-sleeved shirts and long pants from dusk through dawn.
- To prevent fungal and parasitic infections, keep feet clean and dry, and do not go barefoot.
- Always use condoms to reduce the risk of HIV and other sexually transmitted diseases.

### **To Avoid Getting Sick:**

- Don't eat food purchased from street vendors.
- Don't drink beverages with ice.
- Don't eat dairy products unless you know they have been pasteurized.
- Don't share needles with anyone.
- Don't handle animals (especially monkeys, dogs, and cats), to avoid bites and serious diseases (including rabies and plague). (For more information, please see the Animal-Associated Hazards on the Making Travel Safe page at URL <http://www.cdc.gov/travel/safety.htm>.)
- Don't swim in fresh water. Salt water is usually safer. (For more information, please see the Swimming Precautions on the Making Travel Safe page.)

### **What You Need To Bring with You:**

- Long-sleeved shirt and long pants to wear while outside whenever possible, to prevent illnesses carried by insects (e.g., malaria, dengue, filariasis, leishmaniasis, and onchocerciasis).
- Insect repellent containing DEET (diethylmethylnolamides), in 30%-35% strength for adults and 6%-10% for children, as well as a bed net impregnated with the insecticide permethrin. (Bed nets can be purchased in camping or military supply stores.) Bed nets may also protect against insect bites that transmit Chagas disease.
- Over-the-counter antidiarrheal medicine to take if you have diarrhea.
- Iodine tablets and water filters to purify water if bottled water is not available. See Do's above for more detailed information about water filters.
- Sunblock, sunglasses, hat.
- Prescription medications: make sure you have enough to last during your trip, as well as a copy of the prescription(s).

### **After You Return Home:**

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If you have visited an area where there is risk for malaria, continue taking your malaria medication weekly for 4 weeks after you leave the area. If you become ill with a fever-even as long as a year after your trip-tell your doctor that you traveled to a malaria-infected area.

**For More Information:**

Ask your doctor or check the CDC web for more information about how to protect yourself against diseases that occur in Tropical South America, such as:

**For information about diseases-**

Carried by Insects

Dengue, Malaria, Yellow Fever

Carried in Food or Water

Cholera, *Escherichia coli*, diarrhea, Hepatitis A, Schistosomiasis, Typhoid Fever

Person-to-Person Contact

Hepatitis B, HIV/AIDS

For more information about these and other diseases, please check the Diseases (<http://www.cdc.gov/travel/diseases.htm>) section and the Health Topics A - Z (<http://www.cdc.gov/health/diseases.htm>).

In recent years, there have been increased yellow fever activity in Brazil in the states of Minas Gerais, Rondonia, Goias, and Bahia. For more information and recommendations, see the following websites:

Yellow Fever Disease and Vaccine Information

(<http://www.cdc.gov/travel/yfever.htm>)

World Health Organization Disease Outbreak News

(<http://www.who.int/disease-outbreak-news/>)

*Note:*

*Venezuela is located in the tropical South American health region.*

*Sources:*

*The Center for Disease Control Destinations Website:*

<http://www.cdc.gov/travel/destinat.htm>

# **Chapter 6**

## **Environmental Overview**

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## Environmental Issues

### General Overview:

Venezuela is home to a wealth of natural resources and bio-diversity. The country also has the highest per capita income in South America, as a result of a highly industrialized, predominantly energy-driven, economy. Despite times of economic decline as a result of falling oil prices, Venezuela has retained its economic and industrial strength in the region.

Its level of industrial development, however, has also given rise to a number of environmentally - related problems. Of these challenges, the rate of deforestation is very severe and merits concern. In addition, its areas of flatlands are being exhausted as a consequence of overgrazing. Soil degradation is severe as a result of both these two features. In addition, urban and industrial pollution is prevalent.

### Current Issues:

- Sewage pollution of Lago de Valencia
- Oil and urban pollution of Lago de Maracaibo
- Deforestation
- Soil degradation
- Urban and industrial pollution, especially along the Caribbean coast

### Total Greenhouse Gas Emissions (Mtc):

64.7

### Country Rank (GHG output):

27th



### **Natural Hazards:**

- flooding
- rockslides
- mudslides
- periodic drought

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## **Environmental Policy**

### **Regulation and Jurisdiction:**

The regulation and protection of the environment in Venezuela is under the jurisdiction of the following:

- Minister of the Environment
- Ministry of Agriculture and Livestock

### **Major Non-Governmental Organizations:**

- Asociación Educativa Para la Conservación de la Naturaleza (EcoNatura)
- Fundación para la Defensa de la Naturaleza
- Fundación Servicio para el Agricultor (Service Foundation for Agriculture)
- La Fundación Venezolana para la Conservación de la Diversidad Biológica (Venezuelan Foundation for Biodiversity Conservation)
- PROVITA
- Sociedad Conservacionista Audubon de Venezuela (Venezuelan Audubon Society)

### **International Environmental Accords:**

*Party to:*

- Antarctic Treaty
- Biodiversity
- Climate Change

- Climate Change-Kyoto Protocol
- Desertification
- Endangered Species
- Hazardous Wastes
- Marine Life Conservation
- Nuclear Test Ban
- Ozone Layer Protection
- Ship Pollution
- Tropical Timber 83
- Tropical Timber 94
- Wetlands

*Signed but not ratified:*

- None

*Kyoto Protocol Status (year ratified):*

2005

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## Greenhouse Gas Ranking

Greenhouse Gas Ranking

### GHG Emissions Rankings

Country Rank	Country
1	United States
2	China

4	Russia
5	Japan
6	India
7	Germany
8	United Kingdom
9	Canada
10	Korea, South
11	Italy
12	Mexico
13	France
14	South Africa
15	Iran
16	Indonesia
17	Australia
18	Spain
19	Brazil
20	Saudi Arabia
21	Ukraine

22	Poland
23	Taiwan
24	Turkey
25	Thailand
26	Netherlands
27	Kazakhstan
28	Malaysia
29	Egypt
30	Venezuela
31	Argentina
32	Uzbekistan
33	Czech Republic
34	Belgium
35	Pakistan
36	Romania
37	Greece
38	United Arab Emirates
39	Algeria

40	Nigeria
41	Austria
42	Iraq
43	Finland
44	Philippines
45	Vietnam
46	Korea, North
47	Israel
48	Portugal
49	Colombia
50	Belarus
51	Kuwait
52	Hungary
53	Chile
54	Denmark
55	Serbia & Montenegro
56	Sweden
57	Syria

58	Libya
59	Bulgaria
60	Singapore
61	Switzerland
62	Ireland
63	Turkmenistan
64	Slovakia
65	Bangladesh
66	Morocco
67	New Zealand
68	Oman
69	Qatar
70	Azerbaijan
71	Norway
72	Peru
73	Cuba
74	Ecuador
75	Trinidad & Tobago

76	Croatia
77	Tunisia
78	Dominican Republic
79	Lebanon
80	Estonia
81	Yemen
82	Jordan
83	Slovenia
84	Bahrain
85	Angola
86	Bosnia & Herzegovina
87	Lithuania
88	Sri Lanka
89	Zimbabwe
90	Bolivia
91	Jamaica
92	Guatemala
93	Luxembourg

94	Myanmar
95	Sudan
96	Kenya
97	Macedonia
98	Mongolia
99	Ghana
100	Cyprus
101	Moldova
102	Latvia
103	El Salvador
104	Brunei
105	Honduras
106	Cameroon
107	Panama
108	Costa Rica
109	Cote d'Ivoire
110	Kyrgyzstan
111	Tajikistan



112	Ethiopia
113	Senegal
114	Uruguay
115	Gabon
116	Albania
117	Nicaragua
118	Botswana
119	Paraguay
120	Tanzania
121	Georgia
122	Armenia
123	Congo, RC
124	Mauritius
125	Nepal
126	Mauritius
127	Nepal
128	Mauritania
129	Malta

130	Papua New Guinea
131	Zambia
132	Suriname
133	Iceland
134	Togo
135	Benin
136	Uganda
137	Bahamas
138	Haiti
139	Congo, DRC
140	Guyana
141	Mozambique
142	Guinea
143	Equatorial Guinea
144	Laos
145	Barbados
146	Niger
147	Fiji

148	Burkina Faso
149	Malawi
150	Swaziland
151	Belize
152	Afghanistan
153	Sierra Leone
154	Eritrea
155	Rwanda
156	Mali
157	Seychelles
158	Cambodia
159	Liberia
160	Bhutan
161	Maldives
162	Antigua & Barbuda
163	Djibouti
164	Saint Lucia
165	Gambia

166	Guinea-Bissau
167	Central African Republic
168	Palau
169	Burundi
170	Grenada
171	Lesotho
172	Saint Vincent & the Grenadines
173	Solomon Islands
174	Samoa
175	Cape Verde
176	Nauru
177	Dominica
178	Saint Kitts & Nevis
179	Chad
180	Tonga
181	Sao Tome & Principe
182	Comoros
183	Vanuatu

185	Kiribati
Not Ranked	Andorra
Not Ranked	East Timor
Not Ranked	Holy See
Not Ranked	Hong Kong
Not Ranked	Liechtenstein
Not Ranked	Marshall Islands
Not Ranked	Micronesia
Not Ranked	Monaco
Not Ranked	San Marino
Not Ranked	Somalia
Not Ranked	Tuvalu

\* European Union is ranked 3rd

Cook Islands are ranked 184th

Niue is ranked 186th

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## Global Environmental Snapshot

### Introduction

The countries of the world face many environmental challenges in common. Nevertheless, the

nature and intensity of problem vary from region to region, as do various countries' respective capacities, in terms of affluence and infrastructure, to remediate threats to environmental quality.

Consciousness of perils affecting the global environment came to the fore in the last third or so of the 20<sup>th</sup> century has continued to intensify well into the new millennium. According to the United Nations Environment Programme, considerable environmental progress has been made at the level of institutional developments, international cooperation accords, and public participation. Approximately two-dozen international environmental protection accords with global implications have been promulgated since the late 1970s under auspices of the United Nations and other international organizations, together with many additional regional agreements. Attempts to address and rectify environmental problems take the form of legal frameworks, economic instruments, environmentally sound technologies and cleaner production processes as well as conservation efforts. Environmental impact assessments have increasingly been applied across the globe.

Environmental degradation affects the quality, or aesthetics, of human life, but it also displays potential to undermine conditions necessary for the sustainability of human life. Attitudes toward the importance of environmental protection measures reflect ambivalence derived from this bifurcation. On one hand, steps such as cleaning up pollution, dedicating parkland, and suchlike, are seen as embellishments undertaken by wealthy societies already assured they can successfully perform those functions deemed, ostensibly, more essential-for instance, public health and education, employment and economic development. On the other hand, in poorer countries, activities causing environmental damage-for instance the land degradation effects of unregulated logging, slash-and-burn agriculture, overgrazing, and mining-can seem justified insofar as such activities provide incomes and livelihoods.

Rapid rates of resource depletion are associated with poverty and high population growth, themselves correlated, whereas consumption per capita is much higher in the most developed countries, despite these nations' recent progress in energy efficiency and conservation. It is impossible to sequester the global environmental challenge from related economic, social and political challenges.

First-tier industrialized countries have recently achieved measurable decreases in environmental pollution and the rate of resource depletion, a success not matched in middle income and developing countries. It is believed that the discrepancy is due to the fact that industrialized countries have more developed infrastructures to accommodate changes in environmental policy, to apply environmental technologies, and to invest in public education. The advanced industrialized countries incur relatively lower costs in alleviating environmental problems, in comparison to developing countries, since in the former even extensive environmental programs represent a rather minuscule percentage of total expenditures. Conversely, budget constraints, lagged provision of basic services to the population, and other factors such as debt service and militarization may

preclude institution of minimal environmental protection measures in the poorest countries.

A synopsis for the current situation facing each region of the world follows:

### **Regional Synopsis: Africa**

The African continent, the world's second-largest landmass, encompasses many of the world's least developed countries. By global standards, urbanization is comparatively low but rising at a rapid rate. More heavily industrialized areas at the northern and southern ends of the continent experience the major share of industrial pollution. In other regions the most serious environmental problems typically stem from inefficient subsistence farming methods and other forms of land degradation, which have affected an increasingly extensive area under pressure of a widely impoverished, fast-growing population. Africa's distribution of natural resources is very uneven. It is the continent at greatest risk of desertification, especially in the Sahel region at the edge of the Sahara but also in other dry-range areas. Yet at the same time, Africa also harbors some of the earth's richest and most diverse biological zones.

#### **Key Points:**

Up to half a billion hectares of African land are moderately to severely degraded, an occurrence reflecting short-fallow shifting cultivation and overgrazing as well as a climatic pattern of recurrent droughts.

Soil degradation is severe along the expanse directly south of the Sahara, from the west to the east coasts. Parts of southern Africa, central-eastern Africa, and the neighboring island of Madagascar suffer from serious soil degradation as well.

Africa contains about 17 percent of the world's forest cover, concentrated in the tropical belt of the continent. Many of the forests, however, are severely depleted, with an estimated 70 percent showing some degree of degradation.

Population growth has resulted in continuing loss of arable land, as inefficient subsistence farming techniques affect increasingly extensive areas. Efforts to implement settled, sustainable agriculture have met with some recent success, but much further progress in this direction is needed. Especially in previously uninhabited forestlands, concern over deforestation is intensifying.

By contrast, the African savanna remains the richest grassland in the world, supporting a substantial concentration of animal and plant life. Wildlife parks are sub-Saharan Africa's greatest tourist attraction, and with proper management-giving local people a stake in conservation and controlling the pace of development-could greatly enhance African economies.

Significant numbers of mammal species in parts of northern, southern and eastern Africa are currently threatened, while the biological diversity in Mauritania and Madagascar is even further compromised with over 20 percent of the mammal species in these two countries currently under threat.

With marine catch trends increasing from 500,000 metric tons in the 1950s to over 3,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Water resource vulnerability is a major concern in northeastern Africa, and a moderate concern across the rest of the continent. An exception is central Africa, which has plentiful water supplies.

Many Africans lack adequate access to resources, not just (if at all) because the resources are unevenly distributed geographically, but also through institutional failures such as faulty land tenure systems or political upheaval. The quality of Africa's natural resources, despite their spotty distribution, is in fact extraordinarily rich. The infrastructure needed to protect and benefit from this natural legacy, however, is largely lacking.

### **Regional Synopsis: Asia and the Pacific**

Asia-earth's largest landmass-and the many large and nearly innumerable small islands lying off its Pacific shore display extraordinarily contrasting landscapes, levels of development, and degrees of environmental stress. In the classification used here, the world's smallest continent, Australia, is also included in the Asia-Pacific region.

The Asia-Pacific region is home to 9 of the world's 14 largest urban areas, and as energy use for utilities, industry and transport increases in developing economies, urban centers are subject to worsening air quality. Intense population density in places such as Bangladesh or Hong Kong is the quintessential image many people have of Asia, yet vast desert areas such as the Gobi and the world's highest mountain range, the Himalayas, span the continent as well. Forested areas in Southeast Asia and the islands of Indonesia and the Philippines were historically prized for their tropical hardwood, but in many places this resource is now severely depleted. Low-lying small island states are extremely vulnerable to the effects of global warming, both rising sea levels and an anticipated increase in cyclones.

### **Key Points:**

Asian timber reserves are forecast to be depleted in the next 40 years. Loss of natural forest is irreversible in some areas, but plantation programs to restore tree cover may ameliorate a portion



of the resulting land degradation.

Increased usage of fossil fuels in China and other parts of southern Asia is projected to result in a marked increase in emissions, especially in regard to carbon dioxide. The increased usage of energy has led to a marked upsurge in air pollution across the region.

Acidification is an emerging problem regionally, with sulfur dioxide emissions expected to triple by 2010 if the current growth rate is sustained. China, Thailand, India, and Korea seem to be suffering from particularly high rates of acid deposition. By contrast, Asia's most highly developed economy, Japan, has effected substantial improvements in its environmental indicators.

Water pollution in the Pacific is an urgent concern since up to 70 percent of the water discharged into the region's waters receives no treatment. Additionally, the disposal of solid wastes, in like manner, poses a major threat in a region with many areas of high population density.

The Asia-Pacific region is the largest expanse of the world's land that is adversely affected by soil degradation.

The region around Australia reportedly suffers the largest degree of ozone depletion.

The microstates of the Pacific suffer land loss due to global warming, and the consequent rise in the levels of ocean waters. A high-emissions scenario and anthropogenic climate impact at the upper end of the currently predicted range would probably force complete evacuation of the lowest-elevation islands sometime in this century.

The species-rich reefs surrounding Southeast Asia are highly vulnerable to the deleterious effects of coastal development, land-based pollution, over-fishing and exploitative fishing methods, as well as marine pollution from oil spills and other activities.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of China and south-east Asia are currently threatened, while the biological diversity in India, Japan, Australia, the Philippines, Indonesia and parts of Malaysia is even further compromised with over 20 percent of the mammal species in these countries currently under threat.

Water resource vulnerability is a serious concern in areas surrounding the Indian subcontinent.

**Regional Synopsis: Central Asia**

The Central Asian republics, formerly in the Soviet Union, experience a range of environmental problems as the result of poorly executed agricultural, industrial, and nuclear programs during the Soviet era. Relatively low population densities are the norm, especially since upon the breakup of the U.S.S.R. many ethnic Russians migrated back to European Russia. In this largely semi-arid region, drought, water shortages, and soil salinization pose major challenges.

**Key Points:**

The use of agricultural pesticides, such as DDT and other chemicals, has contributed to the contamination of soil and groundwater throughout the region.

Land and soil degradation, and in particular, increased salinization, is mostly attributable to faulty irrigation practices.

Significant desertification is also a problem in the region.

Air pollution is prevalent, mostly due to use of low octane automobile fuel.

Industrial pollution of the Caspian Sea and the Aral Sea, as a result of industrial effluents as well as mining and metal production, presents a challenge to the countries bordering these bodies of water.

One of the most severe environmental problems in the region is attributable to the several billion tons of hazardous materials stored in landfills across Central Asia.

Uzbekistan's particular problem involves the contraction of the Aral Sea, which has decreased in size by a third, as a consequence of river diversions and poor irrigation practices. The effect has been the near-total biological destruction of that body of water.

Kazakhstan, as a consequence of being the heartland of the former Soviet Union's nuclear program, has incurred a high of cancerous malignancies, biogenetic abnormalities and radioactive contamination.

While part of the Soviet Union, the republics in the region experienced very high levels of greenhouse gas emissions, as a consequence of rapid industrialization using cheap but dirty energy sources, especially coal.

By contrast, however, there have recently been substantial reductions in the level of greenhouse gas emissions, especially those attributable to coal burning, with further decreases anticipated over the next decade. These changes are partially due to the use of cleaner energy technologies, such as

natural gas, augmented by governmental commitment to improving environmental standards.

### **Regional Synopsis: Europe**

Western Europe underwent dramatic transformation of its landscape, virtually eliminating large-scale natural areas, during an era of rapid industrialization, which intensified upon its recovery from World War II. In Eastern Europe and European Russia, intensive land development has been less prevalent, so that some native forests and other natural areas remain. Air and water pollution from use of dirty fuels and industrial effluents, however, are more serious environmental problems in Eastern than in Western Europe, though recent trends show improvement in many indicators. Acid rain has inflicted heavy environmental damage across much of Europe, particularly on forests. Europe and North America are the only regions in which water usage for industry exceeds that for agriculture, although in Mediterranean nations agriculture is the largest water consumer.

#### **Key Points:**

Europe contributes 36 percent of the world's chlorofluorocarbon emissions, 30 percent of carbon dioxide emissions, and 25 percent of sulfur dioxide emissions.

Sulfur and nitrogen oxide emissions are the cause of 30 to 50 percent of Central and Eastern Europe's deforestation.

Acid rain has been an environmental concern for decades and continues to be a challenge in parts of Western Europe.

Overexploitation of up to 60 percent of Europe's groundwater presents a problem in industrial and urban areas.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of western Europe, Eastern Europe and Russia are currently threatened, while the biological diversity on the Iberian Peninsula is even further compromised with over 40 percent of the mammal species in this region currently under threat. As a result, there has been a 10 percent increase in protected areas of Europe.

A major environmental issue for Europe involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Some estimates suggest that up to 50 percent of the continent's fish species may be considered endangered species. Coastal

fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species.

Fortunately, in the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Recently, most European countries have adopted cleaner production technologies, and alternative methods of waste disposal, including recycling.

The countries of Eastern Europe have made air quality a major environmental priority. This is exemplified by the Russian Federation's addition to the 1995 "Berlin Mandate" (transnational legislation based on resolutions of the Rio Earth Summit) compelling nations to promote "carbon sinks" to absorb greenhouse gases.

On a relative basis, when compared with the degree of industrial emissions emitted by many Eastern European countries until the late 1980s, there has been some marked increase in air quality in the region, as obsolete plants are closed and a transition to cleaner fuels and more efficient energy use takes place.

### **Regional Synopsis: The Middle and Near East**

Quite possibly, the Middle East will exemplify the adage that, as the 20<sup>th</sup> century was a century fixated on oil, the 21<sup>st</sup> century will be devoted to critical decisions about water. Many (though far from all) nations in the Middle East rank among those countries with the largest oil and gas reserves, but water resources are relatively scarce throughout this predominantly dry region. Effects of global warming may cause moderately high elevation areas that now typically receive winter "snowpack" to experience mainly rain instead, which would further constrain dry-season water availability. The antiquities and religious shrines of the region render it a great magnet for tourism, which entails considerable economic growth potential but also intensifies stresses on the environment.

#### **Key Points:**

Water resource vulnerability is a serious concern across the entire region. The increased usage of, and further demand for water, has exacerbated long-standing water scarcity in the region. For instance, river diversions and industrial salt works have caused the Dead Sea to shrink by one-third from its original surface area, with further declines expected.

The oil industry in the region contributes to water pollution in the Persian Gulf, as a result of oil

spills, which have averaged 1.2 million barrels of oil spilt per year (some sources suggest that this figure is understated). The consequences are severe because even after oil spills have been cleaned up, environmental damage to the food webs and ecosystems of marine life will persist for a prolonged period.

The region's coastal zone is considered one of the most fragile and endangered ecosystems of the world. Land reclamation, shoreline construction, discharge of industrial effluents, and tourism (such as diving in the Red Sea) contribute to widespread coastal damage.

Significant numbers of mammal species in parts of the Middle East are currently threatened.

Since the 1980s, 11 percent of the region's natural forest has been depleted.

### **Regional Synopsis: Latin America and the Caribbean**

The Latin American and Caribbean region is characterized by exceedingly diverse landforms that have generally seen high rates of population growth and economic development in recent decades. The percentage of inhabitants residing in urban areas is quite high at 73.4 percent; the region includes the megacities of Mexico City, Sao Paulo, and Rio de Janeiro. The region also includes the world's second-highest mountain range, the Andes; significant expanses of desert and grassland; the coral reefs of the Caribbean Sea; and the world's largest contiguous tropical forest in the Amazon basin. Threats to the latter from subsistence and commercial farming, mineral exploitation and timbering are well publicized. Nevertheless, of eight countries worldwide that still retain at least 70 percent of their original forest cover, six are in Latin America. The region accounts for nearly half (48.3 percent) of the world's greenhouse gas emissions derived from land clearing, but as yet a comparatively minuscule share (4.3 percent) of such gases from industrial sources.

#### **Key Points:**

Although Latin America is one of the most biologically diverse regions of the world, this biodiversity is highly threatened, as exemplified by the projected extinction of up to 100,000 species in the next few decades. Much of this loss will be concentrated in the Amazon area, although the western coastline of South America will also suffer significant depletion of biological diversity. The inventory of rainforest species with potentially useful commercial or medical applications is incomplete, but presumed to include significant numbers of such species that may become extinct before they are discovered and identified.

Up to 50 percent of the region's grazing land has lost its soil fertility as a result of soil erosion, salinization, alkalinization and overgrazing.

The Caribbean Sea, the Atlantic Ocean, and the Pacific Ocean have all been contaminated by agricultural wastes, which are discharged into streams that flow into these major waters. Water pollution derived from phosphorous, nitrates and pesticides adversely affects fish stocks, contributes to oxygen depletion and fosters overgrowth of aquatic vegetation. Marine life will continue to be severely compromised as a result of these conditions.

Due to industrial development in the region, many beaches of eastern Latin America and the Caribbean suffer from tar deposits.

Most cities in the region lack adequate sewage treatment facilities, and rapid migration of the rural poor into the cities is widening the gap between current infrastructure capacity and the much greater level needed to provide satisfactory basic services.

The rainforest region of the Amazon Basin suffers from dangerously high levels of deforestation, which may be a significant contributory factor to global warming or "the greenhouse effect." In the late 1990s and into the new millennium, the rate of deforestation was around 20 million acres of rainforest being destroyed annually.

Deforestation on the steep rainforest slopes of Caribbean islands contributes to soil erosion and landslides, both of which then result in heavy sedimentation of nearby river systems. When these sedimented rivers drain into the sea and coral reefs, they poison the coral tissues, which are vital to the maintenance of the reef ecosystem. The result is marine degradation and nutrient depletion. Jamaica's coral reefs have never quite recovered from the effects of marine degradation.

The Southern Cone of Latin America (Argentina, Brazil, Chile, Paraguay, and Uruguay) suffers the effects of greatly increased ultraviolet-B radiation, as a consequence of more intense ozone depletion in the southern hemisphere.

Water resource vulnerability is an increasingly major concern in the northwestern portion of South America.

### **Regional Synopsis: North America**

North American nations, in particular the United States and Canada, rank among the world's most highly developed industrial economies-a fact which has generated significant pollution problems, but also financial resources and skills that have enabled many problems to be corrected. Although efforts to promote energy efficiency, recycling, and suchlike have helped ease strains on the environment in a part of the world where per capita consumption levels are high, sprawling land development patterns and recent preferences many households have demonstrated for larger vehicles have offset these advances.

Meanwhile, a large portion of North America's original forest cover has been lost, though in many cases replaced by productive second-growth woodland. In recent years, attitudes toward best use of the region's remaining natural or scenic areas seem to be shifting toward recreation and preservation and away from resource extraction. With increasing attention on the energy scarcity in the United States, however, there is speculation that this shift may be short-lived. Indeed, the energy shortage on the west coast of the United States and associated calls for energy exploration, indicate a possible retrenchment toward resource extraction. At the same time, however, it has also served to highlight the need for energy conservation as well as alternative energy sources.

Despite generally successful anti-pollution efforts, various parts of the region continue to suffer significant air, water and land degradation from industrial, vehicular, and agricultural emissions and runoff. Mexico, as a middle-income country, displays environmental problems characteristic of a developing economy, including forest depletion, pollution from inefficient industrial processes and dirty fuels, and lack of sufficient waste-treatment infrastructure.

#### Key Points:

Because of significantly greater motor vehicle usage in the United States (U.S.) than in the rest of the world, the U.S. contribution of urban air pollution and greenhouse gas emissions, especially carbon dioxide, is disproportionately high in relation to its population.

Acid rain is an enduring issue of contention in the northeastern part of the United States, on the border with Canada.

Mexico's urban areas suffer extreme air pollution from carbon monoxide, nitrogen oxides, sulfur dioxide, and other toxic air pollutants. Emissions controls on vehicles are in their infancy, compared to analogous regulations in the U.S.

The cities of Mexico, including those on the U.S. border, also discharge large quantities of untreated or poorly treated sewage, though officials are currently planning infrastructure upgrades.

Deforestation is noteworthy in various regions of the U.S., especially along the northwest coastline. Old growth forests have been largely removed, but in the northeastern and upper midwestern sections of the United States, evidence suggests that the current extent of tree cover probably surpasses the figure for the beginning of the 20<sup>th</sup> century.

Extreme weather conditions in the last few years have resulted in a high level of soil erosion along the north coast of California; in addition, the coastline itself has shifted substantially due to soil erosion and concomitant landslides.



Agricultural pollution-including nitrate contamination of well water, nutrient runoff to waterways, and pesticide exposure-is significant in various areas. Noteworthy among affected places are California's Central Valley, extensive stretches of the Midwest, and land in the Chesapeake Bay watershed.

Inland waterways, especially around the Great Lakes, have substantially improved their water quality, due to concentrated efforts at reducing water pollution by governmental, commercial and community representatives. Strict curbs on industrial effluents and near-universal implementation of sewage treatment are the chief factors responsible for this improvement.

A major environmental issue for Canada and the United States involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species. In the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Due to the decay of neighboring ecosystems in Central America and the Caribbean, the sea surrounding Florida has become increasingly sedimented, contributing to marine degradation, nutrient depletion of the ecosystem, depletion of fish stocks, and diseases to coral species in particular.

## **Polar Regions**

### **Key Points:**

The significant rise in sea level, amounting 10 to 25 centimeters in the last 100 years, is due to the melting of the Arctic ice sheets, and is attributed to global warming.

The Antarctic suffers from a significant ozone hole, first detected in 1976. By 1985, a British scientific team reported a 40 percent decrease in usual regeneration rates of the ozone. Because a sustained increase in the amount of ultraviolet-B radiation would have adverse consequences upon all planetary life, recent environmental measures have been put into effect, aimed at reversing ozone depletion. These measures are projected to garner significant results by 2050.

Due to air and ocean currents, the Arctic is a sink for toxic releases originally discharged thousands of miles away. Arctic wildlife and Canada's Inuit population have higher bodily levels of contaminants such as PCB and dioxin than those found in people and animals in much of the rest of the world.



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## Global Environmental Concepts

### 1. Global Warming and Greenhouse Gases

#### **The Greenhouse Effect:**

In the early 19<sup>th</sup> century, the French physicist, Jean Fourier, contended that the earth's atmosphere functions in much the same way as the glass of a greenhouse, thus describing what is now understood as the "greenhouse effect." Put simply, the "greenhouse effect" confines some of the sun's energy to the earth, preserving some of the planet's warmth, rather than allowing it to flow back into space. In so doing, all kinds of life forms can flourish on earth. Thus, the "greenhouse effect" is necessary to sustain and preserve life forms and ecosystems on earth.

In the late 19<sup>th</sup> century, a Swedish chemist, Svante Arrhenius, noticed that human activities, such as the burning of coal and other fossil fuels for heat, and the removal of forested lands for urban development, led to higher concentrations of greenhouse gases, like carbon dioxide and methane, in the atmosphere. This increase in the levels of greenhouse gases was believed to advance the "greenhouse effect" exponentially, and might be related to the trend in global warming.

In the wake of the Industrial Revolution, after industrial development took place on a large scale and the total human population burgeoned simultaneously with industrialization, the resulting increase in greenhouse gas emissions could, many scientists believe, be significant enough to have some bearing on climate. Indeed, many studies in recent years support the idea that there is a linkage between human activities and global warming, although there is less consensus on the extent to which this linkage may be relevant to environmental concerns.

That said, some scientists have argued that temperature fluctuations have existed throughout the evolution of the planet. Indeed, Dr. S. Fred Singer, the president of the Science and Environment Policy Project has noted that 3,000-year-old geological records of ocean sediment reveal changes in the surface temperature of the ocean. Hence, it is possible that climate variability is merely a normal fact of the planet's evolution. Yet even skeptics as to anthropogenic factors concur that any substantial changes in global temperatures would likely have an effect upon the earth's ecosystems, as well as the life forms that inhabit them.

#### **The Relationship Between Global Warming and Greenhouse Gases:**

A large number of climatologists believe that the increase in atmospheric concentrations of "greenhouse gas emissions," mostly a consequence of human activities such as the burning of fossil fuels, are contributing to global warming. The cause notwithstanding, the planet has reportedly warmed 0.3°C to 0.6°C over the last century. Indeed, each year during the 1990s was one of the very warmest in the 20<sup>th</sup> century, with the mean surface temperature for 1999 being the fifth warmest on record since 1880.

In early 2000, a panel of atmospheric scientists for the National Research Council concluded in a report that global warming was, indeed, a reality. While the panel, headed by Chairman John Wallace, a professor of atmospheric sciences at the University of Washington, stated that it remained unclear whether human activities have contributed to the earth's increasing temperatures, it was apparent that global warming exists.

In 2001, following a request for further study by the incoming Bush administration in the [United States](#), the National Academy of Sciences again confirmed that global warming had been in existence for the last 20 years. The study also projected an increase in temperature between 2.5 degrees and 10.4 degrees Fahrenheit by the year 2100. Furthermore, the study found the leading cause of global warming to be emissions of carbon dioxide from the burning of fossil fuels, and it noted that greenhouse gas accumulations in the earth's atmosphere was a result of human activities.

Within the scientific community, the controversy regarding has centered on the difference between surface air and upper air temperatures. Information collected since 1979 suggests that while the earth's surface temperature has increased by about a degree in the past century, the atmospheric temperature five miles above the earth's surface has indicated very little increase. Nevertheless, the panel stated that this discrepancy in temperature between surface and upper air does not invalidate the conclusion that global warming is taking place. Further, the panel noted that natural events, such as volcanic eruptions, can decrease the temperature in the upper atmosphere.

The major consequences of global warming potentially include the melting of the polar ice caps, which, in turn, contribute to the rise in sea levels. Many islands across the globe have already experienced a measurable loss of land as a result. Because global warming may increase the rate of evaporation, increased precipitation, in the form of stronger and more frequent storm systems, is another potential outcome. Other consequences of global warming may include the introduction and proliferation of new infectious diseases, loss of arable land (referred to as "desertification"), destructive changes to existing ecosystems, loss of biodiversity and the isolation of species, and concomitant adverse changes in the quality of human life.

### **International Policy Development in Regard to Global Warming:**

Regardless of what the precise nature of the relationship between greenhouse gas emissions and

global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.
2. To ensure and enable sustainable development and food production on a global scale.

\*\*\* See section on "International Environmental Agreements and Associations" for information related to international policies related to limiting greenhouse gases and controlling climate change emanating from historic summits at Kyoto, Copenhagen, Doha, and Paris. \*\*\*

## **2. Air Pollution**

Long before global warming reared its head as a significant issue, those concerned about the environment and public health noted the deleterious effects of human-initiated combustion upon the atmosphere. Killer smogs from coal burning triggered acute health emergencies in London and other places. At a lower level of intensity motor vehicle, power plant, and industrial emissions impaired long-range visibility and probably had some chronic adverse consequences on the respiratory systems of persons breathing such air.

In time, scientists began associating the sulfur dioxide and nitrogen oxides released from coal burning with significant acid deposition in the atmosphere, eventually falling as "acid rain." This phenomenon has severely degraded forestlands, especially in Europe and a few parts of the [United States](#). It has also impaired some aquatic ecosystems and eaten away the surface of some human artifacts, such as marble monuments. Scrubber technology and conversion to cleaner fuels have enabled the level of industrial production to remain at least constant while significantly reducing acid deposition. Technologies aimed at cleaning the air and curtailing acid rain, soot, and smog may, nonetheless, boomerang as the perils of global warming become increasingly serious. In brief, these particulates act as sort of a sun shade -- comparable to the effect of volcanic eruptions on the upper atmosphere whereby periods of active volcanism correlate with temporarily cooler weather

conditions. Thus, while the carbon dioxide releases that are an inevitable byproduct of combustion continue, by scrubbing the atmosphere of pollutants, an industrial society opens itself to greater insolation (penetration of the sun's rays and consequent heating), and consequently, it is likely to experience a correspondingly greater rise in ambient temperatures.

The health benefits of removing the sources of acid rain and smog are indisputable, and no one would recommend a return to previous conditions. Nevertheless, the problematic climatic effects of continually increasing emissions of carbon dioxide and other greenhouse gases pose a major global environmental challenge, not as yet addressed adequately.

### **3. Ozone Depletion**

The stratospheric ozone layer functions to prevent ultraviolet radiation from reaching the earth. Normally, stratospheric ozone is systematically disintegrated and regenerated through natural photochemical processes. The stratospheric ozone layer, however, has been depleted unnaturally as a result of anthropogenic (man-made) chemicals, most especially chlorine and bromide compounds such as chlorofluorocarbons (CFCs), halons, and various industrial chemicals in the form of solvents, refrigerants, foaming agents, aerosol propellants, fire retardants, and fumigants. Ozone depletion is of concern because it permits a greater degree of ultraviolet-B radiation to reach the earth, which then increases the incidences of cancerous malignancies, cataracts, and human immune deficiencies. In addition, even in small doses, ozone depletion affects the ecosystem by disturbing food chains, agriculture, fisheries and other forms of biological diversity.

Transnational policies enacted to respond to the dangers of ozone depletion include the 1985 Vienna Convention on the Protection of the Ozone Layer and the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer. The Montreal Protocol was subsequently amended in London in 1990, Copenhagen in 1992 and Vienna in 1995. By 1996, 155 countries had ratified the Montreal Protocol, which sets out a time schedule for the reduction (and eventual elimination) of ozone depleting substances (OPS), and bans exports and imports of ODS from and to non-participant countries.

In general, the Protocol stipulates that developed countries must eliminate halon consumption by 1994 and CFC consumption by 1996, while developing countries must eliminate these substances by 2010. Consumption of methyl bromide, which is used as a fumigant, was to be frozen at the 1995 in developed countries, and fully eliminated in 2010, while developing countries are to freeze consumption by 2002, based on average 1995-1998 consumption levels. Methyl chloroform is to be phased out by 2005. Under the Montreal Protocol, most ODS will be completely eliminated from use by 2010.

#### **4. Land Degradation**

In recent decades, land degradation in more arid regions of the world has become a serious concern. The problem, manifest as both "desertification" and "devegetation," is caused primarily by climate variability and human activities, such as "deforestation," excessive cultivation, overgrazing, and other forms of land resource exploitation. It is also exacerbated by inadequate irrigation practices. Although the effects of droughts on drylands have been temporary in the past, today, the productivity and sustainability of these lands have been severely compromised for the long term. Indeed, in every region of the world, land degradation has become an acute issue.

##### **Desertification and Devegetation:**

"Desertification" is a process of land degradation causing the soil to deteriorate, thus losing its nutrients and fertility, and eventually resulting in the loss of vegetation, known as "devegetation." As aforementioned, "desertification" and "devegetation" are caused by human activities, yet human beings are also the greatest casualties. Because these forms of land degradation affect the ability of the soil to produce crops, they concomitantly contribute to poverty. As population increases and demographic concentrations shift, the extent of land subject to stresses by those seeking to wrest subsistence from it has inexorably risen.

In response, the United Nations has formed the Convention to Combat Desertification-aimed at implementing programs to address the underlying causes of desertification, as well as measures to prevent and minimize its effects. Of particular significance is the formulation of policies on transboundary resources, such as areas around lakes and rivers. At a broader level, the Convention has established a Conference of Parties (COP), which includes all ratifying governments, for directing and advancing international action.

To ensure more efficacious use of funding, the Convention intends to reconfigure international aid to utilize a consultative and coordinated approach in the disbursement and expenditure of donor funds. In this way, local communities that are affected by desertification will be active participants in the solution-generation process. In-depth community education projects are envisioned as part of this new international aid program, and private donor financing is encouraged. Meanwhile, as new technologies are developed to deal with the problem of desertification, they need to be distributed for application across the world. Hence, the Convention calls for international cooperation in scientific research in this regard.

Desertification is a problem of sustainable development. It is directly connected to human challenges such as poverty, social and economic well-being and environmental protection as well. Broader environmental issues, such as climate change, biological diversity, and freshwater supplies, are indirectly related, so any effort to resolve this environmental challenge must entail coordinated

research efforts and joint action.

### **Deforestation:**

Deforestation is not a recent phenomenon. For centuries, human beings have cut down trees to clear space for land cultivation, or in order to use the wood for fuel. Over the last 200 years, and most especially after World War II, deforestation increased because the logging industry became a globally profitable endeavor, and so the clearing of forested areas was accelerated for the purposes of industrial development. In the long term, this intensified level of deforestation is considered problematic because the forest is unable to regenerate itself quickly. The deforestation that has occurred in tropical rainforests is seen as an especially serious concern, due to the perceived adverse effects of this process upon the entire global ecosystem.

The most immediate consequence of deforestation is soil degradation. Soil, which is necessary for the growth of vegetation, can be a fragile and vital property. Organically, an extensive evolution process must take place before soil can produce vegetation, yet at the same time, the effects of natural elements, such as wind and rain, can easily and quickly degrade this resource. This phenomenon is known as soil erosion. In addition, natural elements like wind and rain reduce the amount of fertile soil on the ground, making soil scarcity a genuine problem. When fertile topsoil that already exists is removed from the landscape in the process of deforestation, soil scarcity is further exacerbated. Equally significant is the fact that once land has been cleared so that the topsoil can be cultivated for crop production, not only are the nutrient reserves in the soil depleted, thus producing crops of inferior quality, but the soil structure itself becomes stressed and deteriorates further.

Another direct result of deforestation is flooding. When forests are cleared, removing the cover of vegetation, and rainfall occurs, the flow of water increases across the surface of land. When extensive water runoff takes place, the frequency and intensity of flooding increases. Other adverse effects of deforestation include the loss of wildlife and biodiversity within the ecosystem that supports such life forms.

At a broader level, tropical rainforests play a vital role in maintaining the global environmental system. Specifically, destruction of tropical rainforests affects the carbon dioxide cycle. When forests are destroyed by burning (or rotting), carbon dioxide is released into the air, thus contributing to an intensified "greenhouse effect." The increase in greenhouse gas emissions like carbon dioxide is a major contributor to global warming, according to many environmental scientists. Indeed, trees themselves absorb carbon dioxide in the process of photosynthesis, so their loss also reduces the absorption of greenhouse gases.

Tropical rainforest destruction also adversely affects the nitrogen cycle. Nitrogen is a key nutrient



for both plants and animals. Plants derive nitrogen from soil, while animals obtain it via nitrogen-enriched vegetation. This element is essential for the formation of amino acids, and thereby for proteins and biochemicals that all living things need for metabolism and growth. In the nitrogen cycle, vegetation acquires these essential proteins and biochemicals, and then cyclically returns them to the atmosphere and global ecosystem. Accordingly, when tropical rainforest ecosystems are compromised, not only is vegetation removed; the atmosphere is also affected and climates are altered. At a more immediate level, the biodiversity within tropical rainforests, including wildlife and insect species and a wealth of plant varieties, is depleted. Loss of rare plants is of particular concern because certain species as yet unknown and unused could likely yield many practical benefits, for instance as medicines.

As a result of the many challenges associated with deforestation, many environmental groups and agencies have argued for government policies on the sustainable development of forests by governments across the globe. While many countries have instituted national policies and programs aimed at reducing deforestation, and substantial research has been advanced in regard to sustainable and regenerative forestry development, there has been very little progress on an international level. Generally speaking, most tropical rainforests are located in developing and less developed countries, where economic growth is often dependent upon the exploitation of tropical rainforests. Timber resources as well as wildlife hunting tend to be particularly lucrative arenas.

In places such as the Amazon, where deforestation takes place for the construction of energy plants aimed at industrialization and economic development, there is an exacerbated effect on the environment. After forests are cleared in order to construct such projects, massive flooding usually ensues. The remaining trees then rot and decay in the wake of the flooding. As the trees deteriorate, their biochemical makeup becomes more acidic, producing poisonous substances such as hydrogen sulphide and methane gases. Acidified water subsequently corrodes the mechanical equipment and operations of the plants, which are already clogged by rotting wood after the floodwaters rise.

Deforestation generally arises from an economically plausible short-term motivation, but nonetheless poses a serious global concern because the effects go beyond national boundaries. The United Nations has established the World Commission on Forest and Sustainable Development. This body's task is to determine the optimal means of dealing with the issue of deforestation, without unduly affecting normal economic development, while emphasizing the global significance of protecting tropical forest ecosystems.

## **5. Water Resources**

For all terrestrial fauna, including humans, water is the most immediate necessity to sustain life. As the population has increased and altered an ever-greater portion of the landscape from its natural

condition, demand on water resources has intensified, especially with the development of industrialization and large-scale irrigation. The supply of freshwater is inherently limited, and moreover distributed unevenly across the earth's landmasses. Moreover, not just demand for freshwater but activities certain to degrade it are becoming more pervasive. By contrast, the oceans form a sort of "last wilderness," still little explored and in large part not seriously affected by human activity. However, coastal environments - the biologically richest part of the marine ecosystem-are experiencing major depletion due to human encroachment and over-exploitation.

### **Freshwater:**

In various regions, for instance the Colorado River in the western [United States](#), current withdrawals of river water for irrigation, domestic, and industrial use consume the entire streamflow so that almost no water flows into the sea at the river's mouth. Yet development is ongoing in many such places, implying continually rising demand for water. In some areas reliant on groundwater, aquifers are being depleted at a markedly faster rate than they are being replenished. An example is the San Joaquin Valley in California, where decades of high water withdrawals for agriculture have caused land subsidence of ten meters or more in some spots. Naturally, the uncertainty of future water supplies is particularly acute in arid and semi-arid regions. Speculation that the phenomenon of global warming will alter geographic and seasonal rainfall patterns adds further uncertainty.

Water conservation measures have great potential to alleviate supply shortages. Some city water systems are so old and beset with leaking pipes that they lose as much water as they meter. Broad-scale irrigation could be replaced by drip-type irrigation, actually enhancing the sustainability of agriculture. In many areas where heavy irrigation has been used for decades, the result is deposition of salts and other chemicals in the soil such that the land becomes unproductive for farming and must be abandoned.

Farming is a major source of water pollution. Whereas restrictions on industrial effluents and other "point sources" are relatively easy to implement, comparable measures to reform hydraulic practices at farms and other "nonpoint sources" pose a significantly knottier challenge. Farm-caused water pollution takes the following main forms:

- Nitrate pollution found in wells in intensive farming areas as a consequence of heavy fertilizer use is a threat to human health. The most serious danger is to infants, who by ingesting high-nitrate water can contract methemoglobinemia, sometimes called "blue baby syndrome," a potentially fatal condition.
- Fertilizer runoff into rivers and lakes imparts unwanted nutrients that cause algae growth and eventual loss of oxygen in the body of water, degrading its ability to support fish and other



desirable aquatic life.

- Toxic agricultural chemicals - insecticides, herbicides, and fungicides - are detectable in some aquifers and waterways.

In general, it is much easier to get a pollutant into water than to retrieve it out. Gasoline additives, dry cleaning chemicals, other industrial toxins, and in a few areas radionucleides have all been found in water sources intended for human use. The complexity and long time scale of subterranean hydrological movements essentially assures that pollutants already deposited in aquifers will continue to turn up for decades to come. Sophisticated water treatment processes are available, albeit expensive, to reclaim degraded water and render it fit for human consumption. Yet source protection is unquestionably a more desirable alternative.

In much of the developing world, and even some low-income rural enclaves of the developed world, the population lacks ready access to safe water. Surface water and shallow groundwater supplies are susceptible to contamination from untreated wastewater and failing septic tanks, as well as chemical hazards. The occurrence of waterborne disease is almost certainly greatly underreported.

### **Marine Resources:**

Coastal areas have always been desirable places for human habitation, and population pressure on them continues to increase. Many types of water degradation that affect lakes and rivers also affect coastal zones: industrial effluents, untreated or partially treated sewage, nutrient load from agriculture figure prominently in both cases. Prospects for more extreme storms as a result of global warming, as well as the pervasiveness of poorly planned development in many coastal areas, forebode that catastrophic hurricanes and landslides may increase in frequency in the future. Ongoing rise in sea levels will force remedial measures and in some cases abandonment of currently valuable coastal property.

Fisheries over much of the globe have been overharvested, and immediate conservation measures are required to preserve stocks of many species. Many governments subsidized factory-scale fishing fleets in the 1970s and 1980s, and the resultant catch increase evidently surpassed a sustainable level. It is uncertain how much of the current decline in fish stocks stems from overharvesting and how much from environmental pollution. The deep ocean remains relatively unaffected by human activity, but continental shelves near coastlines are frequently seriously polluted, and these close-to-shore areas are the major biological nurseries for food fish and the smaller organisms they feed on.

## **6. Environmental Toxins**

Toxic chemical pollution exploded on the public consciousness with disclosure of spectacularly polluted industrial areas such as Love Canal near Buffalo, New York. There is no question that pollutants such as organophosphates or radionucleides can be highly deleterious to health, but evidence to date suggests that seriously affected areas are a localized rather than universal problem.

While some explore the possibilities for a lifestyle that fully eschews use of modern industrial chemicals, the most prevalent remediative approach is to focus on more judicious use. The most efficient chemical plants are now able to contain nearly all toxic byproducts of their production processes within the premises, minimizing the release of such substances into the environment. Techniques such as Integrated Pest Management (IPM) dictate limited rather than broadcast use of pesticides: application only when needed using the safest available chemical, supplemented as much as possible with nontoxic controls.

While heightened public awareness and growing technical sophistication suggest a hopeful outlook on limiting the damage from manmade environmental toxins, one must grant that previous incidents of their misuse and mishandling have already caused environmental damage that will have to be dealt with for many years to come. In the case of the most hazardous radioactive substances, the time scale for successful remediation actually extends beyond that of the recorded history of civilization. Moreover, in this era of high population density and rapid economic growth, quotidian activities such as the transport of chemicals will occasionally, seemingly inevitably result in accidents with adverse environmental consequences.

## **7. "Islandization" and Biodiversity**

With increased awareness regarding the adverse effects of unregulated hunting and habitat depletion upon wildlife species and other aspects of biodiversity, large-scale efforts across the globe have been initiated to reduce and even reverse this trend.

In every region of the world, many species of wildlife and areas of biodiversity have been saved from extinction. Nationally, many countries have adopted policies aimed at preservation and conservation of species, and one of the most tangible measures has been the proliferation of protected habitats. Such habitats exist in the form of wildlife reserves, marine life reserves, and other such areas where biodiversity can be protected from external encroachment and exploitation.

Despite these advances in wildlife and biodiversity protection, further and perhaps more intractable challenges linger. Designated reserves, while intended to prevent further species decline, exist as closed territories, fragmented from other such enclaves and disconnected from the larger ecosystem. This environmental scenario is referred to as "islandization." Habitat reserves often

serve as oversized zoos or game farms, with landscapes and wildlife that have effectively been "tamed" to suit. Meanwhile, the larger surrounding ecosystem continues to be seriously degraded and transformed, while within the islandized habitat, species that are the focus of conservation efforts may not have sufficient range and may not be able to maintain healthy genetic variability.

As a consequence, many conservationists and preservationists have demanded that substantially larger portions of land be withheld as habitat reserves, and a network of biological corridors to connect continental reserves be established. While such efforts to combat islandization have considerable support in the [United States](#), how precisely such a program would be instituted, especially across national boundaries, remains a matter of debate. International conservationists and preservationists say without a network of reserves a massive loss of biodiversity will result.

The concept of islandization illustrates why conservation and preservation of wildlife and biodiversity must consider and adopt new, broader strategies. In the past, conservation and preservation efforts have been aimed at specific species, such as the spotted owl and grizzly bear in North America, the Bengal tiger in Southeast Asia, the panda in [China](#), elephants in Africa. Instead, the new approach is to simultaneously protect many and varied species that inhabit the same ecosystem. This method, referred to as "bio-regional conservation," may more efficaciously generate longer-term and more far-reaching results precisely because it is aimed at preserving entire ecosystems, and all the living things within.

### **More About Biodiversity Issues:**

This section is directly taken from the United Nations Environmental Program: "[Biodiversity Assessment](#)"

The Global Biodiversity Assessment, completed by 1500 scientists under the auspices of United Nations Environmental Program in 1995, updated what is known (or unknown) about global biological diversity at the ecosystem, species and genetic levels. The assessment was uncertain of the total number of species on Earth within an order of magnitude. Of its working figure of 13 million species, only 13 percent are scientifically described. Ecological community diversity is also poorly known, as is its relationship to biological diversity, and genetic diversity has been studied for only a small number of species. The effects of human activities on biodiversity have increased so greatly that the rate of species extinctions is rising to hundreds or thousands of times the background level. These losses are driven by increasing demands on species and their habitats, and by the failure of current market systems to value biodiversity adequately. The Assessment calls for urgent action to reverse these trends.

There has been a new recognition of the importance of protecting marine and aquatic biodiversity. The first quantitative estimates of species losses due to growing coral reef destruction predict that

almost 200,000 species, or one in five presently contributing to coral reef biodiversity, could die out in the next 40 years if human pressures on reefs continue to increase.

Since Rio, many countries have improved their understanding of the status and importance of their biodiversity, particularly through biodiversity country studies such as those prepared under the auspices of UNEP/GEF. The [United Kingdom](#) identified 1250 species needing monitoring, of which 400 require action plans to ensure their survival. Protective measures for biodiversity, such as legislation to protect species, can prove effective. In the USA, almost 40 percent of the plants and animals protected under the Endangered Species Act are now stable or improving as a direct result of recovery efforts. Some African countries have joined efforts to protect threatened species through the 1994 Lusaka Agreement, and more highly migratory species are being protected by specialized cooperative agreements among range states under the Bonn Agreement.

There is an emerging realization that a major part of conservation of biological diversity must take place outside of protected areas and involve local communities. The extensive agricultural areas occupied by small farmers contain much biodiversity that is important for sustainable food production. Indigenous agricultural practices have been and continue to be important elements in the maintenance of biodiversity, but these are being displaced and lost. There is a new focus on the interrelationship between agrodiversity conservation and sustainable use and development practices in smallholder agriculture, with emphasis on use of farmers' knowledge and skills as a source of information for sustainable farming.

Perhaps even more important than the loss of biodiversity is the transformation of global biogeochemical cycles, the reduction in the total world biomass, and the decrease in the biological productivity of the planet. While quantitative measurements are not available, the eventual economic and social consequences may be so significant that the issue requires further attention.

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Uitto, Juha I., and Akiko Ono (eds). 1996. Population, Land Management and Environmental Change. The United Nations University, Tokyo.

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Online resources used generally in the Environmental Overview:

Environmental Protection Agency Global Warming Site. URL: <http://www.epa.gov/globalwarming>

Food and Agriculture Organization of United Nations: Forestry. URL: <http://www.fao.org/forestry/site/sofo/en/>

Global Warming Information Page. URL: <http://globalwarming.org>

United Nations Environmental Program. URL: [http://www.unep.org/GEO/GEO\\_Products/Assessment\\_Reports/](http://www.unep.org/GEO/GEO_Products/Assessment_Reports/)

United Nations Global Environmental Outlook. URL: <http://www.unep.org/geo/geo4/media/>

### Note on Edition Dates:

The edition dates for textual resources are noted above because they were used to formulate the original content. We also have used online resources (cited above) to update coverage as needed.

### Information Resources

For more information about environmental concepts, CountryWatch recommends the following resources:

The United Nations Environmental Program Network (with country profiles)

[<http://www.unep.net/>](http://www.unep.net/)

The United Nations Environment Program on Climate Change

[<http://climatechange.unep.net/>](http://climatechange.unep.net/)

The United Nations Environmental Program on Waters and Oceans

[<http://www.unep.ch/earthw/Pdepwat.htm>](http://www.unep.ch/earthw/Pdepwat.htm)

The United Nations Environmental Program on Forestry: "Forests in Flux"

[<http://www.unep-wcmc.org/forest/flux/homepage.htm>](http://www.unep-wcmc.org/forest/flux/homepage.htm)

FAO "State of the World's Forests"

[<http://www.fao.org/forestry/FO/SOFO/SOFO99/sofo99-e.stm>](http://www.fao.org/forestry/FO/SOFO/SOFO99/sofo99-e.stm)

World Resources Institute.

[<http://www.wri.org/>](http://www.wri.org/)

Harvard University Center for Health and the Global Environment

[<http://www.med.harvard.edu/chge/the-review.html>](http://www.med.harvard.edu/chge/the-review.html)

The University of Wisconsin Center for Sustainability and the Global Environment

<http://sage.aos.wisc.edu/>

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## International Environmental Agreements and Associations

### **International Policy Development in Regard to Global Warming:**

#### **Introduction**

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.
2. To ensure and enable sustainable development and food production on a global scale.

Following are two discussions regarding international policies on the environment, followed by listings of international accords.

#### ***Special Entry: The Kyoto Protocol***

The UNFCCC was adopted at the Rio Earth Summit in 1992, and entered into force in 1994. Over 175 parties were official participants.

Meanwhile, however, many of the larger, more industrialized nations failed to reach the emissions' reduction targets, and many UNFCCC members agreed that the voluntary approach to reducing emissions had not been successful. As such, UNFCCC members reached a consensus that legally binding limits were necessitated, and agreed to discuss such a legal paradigm at a meeting in Kyoto, [Japan](#) in 1997. At that meeting, the UNFCCC forged the Kyoto Protocol. This concord is the first legally binding international agreement that places limits on emissions from industrialized countries. The major greenhouse gas emissions addressed in the Kyoto Protocol include carbon dioxide, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and methane.

The provisions of the Kyoto Protocol stipulate that economically advanced nations must reduce their combined emissions of greenhouse gases, by approximately five percent from their 1990 levels, before the 2008-2010 deadline. Countries with the highest carbon dioxide emissions, such as the [United States](#) (U.S.), many of the European Union (EU) countries, and [Japan](#), are to reduce emissions by a scale of 6 to 8 percent. All economically advanced nations must show "demonstrable progress" by 2005. In contrast, no binding limits or timetable have been set on developing countries. Presumably, this distinction is due to the fact that most developing countries - - with the obvious exceptions of [India](#) and [China](#) -- simply do not emit as many greenhouse gases as do more industrially advanced countries. Meanwhile, these countries are entrenched in the process of economic development.

Regardless of the aforementioned reasoning, there has been strong opposition against the asymmetrical treatment assigned to emissions limits among developed and developing countries. Although this distinction might be regarded as unfair in principle, associations such as the Alliance of Small Island States have been vocal in expressing how global warming -- a result of greenhouse gas emissions - has contributed to the rise in sea level, and thus deleteriously affected their very existence as island nation states. For this reason, some parties have suggested that economically advanced nations, upon returning to their 1990 levels, should be required to further reduce their greenhouse gas emissions by a deadline of 2005. In response, interested parties have observed that even if such reductions were undertaken by economically advanced nations, they would not be enough to completely control global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming.

As such, the Protocol established a "Clean Development Mechanism" which permits developed countries to invest in projects aimed at reducing emissions within developing countries in return for credit for the reductions. Ostensibly, the objective of this mechanism is to curtail emissions in developing countries without unduly penalizing them for their economic development. Under this model, the countries with more potential emissions credits could sell them to other signatories of the Kyoto Protocol, whose emissions are forecast to significantly rise in the next few years. Should this trading of emissions credits take place, it is estimated that the Kyoto Protocol's emissions



targets could still be met.

In 1999, the International Energy Outlook projected that Eastern Europe, the former Soviet Union and Newly Independent States, as well as parts of Asia, are all expected to show a marked decrease in their level of energy-related carbon emissions in 2010. Nations with the highest emissions, specifically, the U.S., the EU and [Japan](#), are anticipated to reduce their emissions by up to 8 percent by 2012. By 2000, however, the emissions targets were not on schedule for achievement. Indeed, the U.S. Department of Energy estimates forecast that by 2010, there will be a 34 percent increase in carbon emissions from the 1990 levels, in the absence of major shifts in policy, economic growth, energy prices, and consumer trends. Despite this assessment in the U.S., international support for the Kyoto Protocol remained strong, especially among European countries and island states, who view the pact as one step in the direction away from reliance on fossil fuels and other sources of greenhouse gases.

In 2001, U.S. President, George W. Bush, rejected his country's participation in the Kyoto Protocol, saying that the costs imposed on the global economic system, and especially, on the US, overshadowed the benefits of the Protocol. He also cited the unfair burden on developed nations to reduce emissions, as another primary reasons for withdrawal from the international pact, as well as insufficient evidence regarding the science of global warming. Faced with impassioned international disapproval for his position, the U.S. president stated that his administration remained interested in dealing with the matter of global warming, but would endorse alternative measures to combat the problem, such as voluntary initiatives limiting emissions. Critics of Bush's position, however, have noted that it was the failure of voluntary initiatives to reduce emissions following the Rio Summit that led to the establishment of the Kyoto Protocol in the first place.

In the wake of the Bush administration's decision, many participant countries resigned themselves to the reality that the goals of the Kyoto Protocol might not be achieved without U.S. involvement. Nevertheless, in Bonn, [Germany](#), in July 2001, the remaining participant countries struck a political compromise on some of the key issues and sticking points, and planned to move forward with the Protocol, irrespective of the absence of the U.S. The key compromise points included the provision for countries to offset their targets with carbon sinks (these are areas of forest and farmland which can absorb carbon through the process of photosynthesis). Another compromise point within the broader Bonn Agreement was the reduction of emissions cuts of six gases from over 5 percent to a more achievable 2 percent. A third key change was the provision of funding for less wealthy countries to adopt more progressive technologies.

In late October and early November 2001, the UNFCCC's 7<sup>th</sup> Conference of the Parties met in Marrakesh, [Morocco](#), to finalize the measures needed to make the Kyoto Protocol operational. Although the UNFCCC projected that ratification of the Protocol would make it legally binding within a year, many critics noted that the process had fallen short of implementing significant

changes in policy that would be necessary to actually stop or even slow climate change. They also maintained that the absence of U.S. participation effectively rendered the Protocol into being a political exercise without any substance, either in terms of transnational policy or in terms of environmental concerns.

The adoption of the compromises ensconced within the Bonn Agreement had been intended to make the provisions of the Kyoto Protocol more palatable to the U.S. In this regard, it failed to achieve its objective as the Bush administration continued to eschew participation in the international accord. Still, however, the Bonn Agreement did manage to render a number of other positive outcomes. Specifically, in 2002, key countries, such as [Russia](#), [Japan](#) and [Canada](#) agreed to ratify the protocol, bringing the number of signatories to 178. The decision by key countries to ratify the protocol was regarded as "the kiss of life" by observers.

By 2005, on the eve of a climate change conference in London, British Prime Minister Tony Blair was hoping to deal with the problems of climate change beyond the provisions set forth in the Kyoto Protocol. Acknowledging that the Kyoto Protocol could not work in its current form, Blair wanted to open the discussion for a new climate change plan.

Blair said that although most of the world had signed on to Kyoto, the protocol could not meet any of its practical goals of cutting greenhouse gas emissions without the participation of the United States, the world's largest polluter. He also noted that any new agreement would have to include India and China -- significant producers of greenhouse gas emissions, but exempt from Kyoto because they have been classified as developing countries. Still, he said that progress on dealing with climate change had been stymied by "a reluctance to face up to reality and the practical action needed to tackle problem."

Blair also touted the "huge opportunities" in technology and pointed toward the possibilities offered by wind, solar and nuclear power, along with fuel cell technology, eco-friendly biofuels, and carbon capture and storage which could generate low carbon power. Blair also asserted that his government was committed to achieving its domestic goal of reducing carbon dioxide emissions by 20 percent by 2010.

In the United States, President George W. Bush has said that global warming remained a debatable issue and despite conclusions reached by his own Environmental Protection Agency, he has not agreed with the conclusion that global warming and climate change are linked with human activities. Bush has also refused to ratify Kyoto on the basis of its economic costs.

Australia, an ally of the United States, has taken a similarly dim view of the Kyoto Protocol. Ahead of the November 2005 climate change meeting in Canada in which new goals for the protocol were to be discussed, Australia's Environment Minister, Ian Campbell, said that negotiating new greenhouse gas emission levels for the Kyoto Protocol would be a waste of time.

Campbell said, "There is a consensus that the caps, targets and timetables approach is flawed. If we spend the next five years arguing about that, we'll be fiddling and negotiating while Rome burns." Campbell, like the Bush administration, has also advocated a system of voluntary action in which industry takes up new technologies rather than as a result of compelling the reduction of emissions. But the Australian Conservation Foundation (ACF) has called on its government to ratify the Kyoto Protocol, to establish a system of emissions trading, and to set binding limits on emissions. Interestingly, although it did not sign on to Kyoto, Australia was expected to meet its emissions target by 2012 (an 8 percent increase in 1990 levels in keeping with the country's reliance on coal). But this success has nothing to do with new technologies and is due to state-based regulations on land clearing.

Note: The Kyoto Protocol calls for developed nations to cut greenhouse emissions by 5.2 percent of 1990 levels by 2012.

### ***Special Entry: Climate Change Summit in Copenhagen (2009) --***

In December 2009, the United Nations Climate Change Summit opened in the Danish capital of Copenhagen. The summit was scheduled to last from Dec. 7-18, 2009. Delegates from more than 190 countries were in attendance, and approximately 100 world leaders, including British Prime Minister Gordon Brown and [United States](#) President Barack Obama, were expected to participate. At issue was the matter of new reductions targets on greenhouse gas emissions by 2020.

Despite earlier fears that little concurrence would come from the conference, effectively pushing significant actions forward to a 2010 conference in [Mexico](#) City, negotiators were now reporting that the talks were productive and several key countries, such as [South Africa](#), had pledged to reduce greenhouse gas emissions. The two main issues that could still lead to cleavages were questions of agreement between the industrialized countries and the developing countries of the world, as well as the overall effectiveness of proposals in seriously addressing the perils of climate change.

On Dec. 9, 2009, four countries -- the [United Kingdom](#), [Australia](#), [Mexico](#) and [Norway](#) -- presented a document outlining ideas for raising and managing billions of dollars, which would be intended to help vulnerable countries dealing with the perils of climate change. Described as a "green fund," the concept could potentially help small island states at risk because of the rise in sea level. [Bangladesh](#) identified itself as a potential recipient of an assistance fund, noting that as a country plagued by devastating floods, it was particularly hard-hit by climate change. The "green fund" would fall under the rubric of the United Nations Framework Convention on Climate Change, for which developed countries have been committed to quantifying their emission reduction targets, and also to providing financial and technical support to developing countries.

The [United Kingdom](#), [Australia](#), [Mexico](#) and [Norway](#) also called for the creation of a new legal treaty that would replace the Kyoto Protocol. This new treaty, which could go into force in 2012, would focus largely on the reduction of greenhouse gas emissions by 2020. But [Australia](#) went even further in saying that the successor treaty to the Kyoto Protocol, should be one with provisions covering all countries. Such a move would be a departure from the structure of the Kyoto Protocol, which contained emissions targets for industrialized countries due to the prevailing view that developed countries had a particular historic responsibility to be accountable for climate change. More recently, it has become apparent that substantial reductions in greenhouse gas emissions demanded by scientists would only come to pass with the participation also of significant developing nation states, such as [China](#) and [India](#). Indeed, one of the most pressing critiques of the Kyoto Protocol was that it was a "paper tiger" that failed to address the impact of the actions of emerging economies like [China](#) and [India](#), with its focus on the developed economies.

Now, in 2009, [China](#) -- as the world's biggest greenhouse gas emitter -- was responding this dubious distinction by vocalizing its criticism of the current scenario and foregrounding its new commitments. Ahead of the Copenhagen summit, [China](#) had announced it would reduce the intensity of its carbon emissions per unit of its GDP in 2020 by 40 to 45 percent against 2005 levels. With that new commitment at hand, [China](#) was now accusing the [United States](#) and the European Union of shirking their own responsibilities by setting weak targets for greenhouse gas emissions cuts. Senior Chinese negotiator, Su Wei, characterized the goals of the world's second largest greenhouse gas emitter -- the [United States](#) -- as "not notable," and the European Union's target as "not enough." Su Wei also took issue with [Japan](#) for setting implausible preconditions.

On Dec. 11, 2009, [China](#) demanded that developed and wealthy countries in Copenhagen should help deliver a real agreement on climate change by delivering on their promises to reduce carbon emissions and provide financial support for developing countries to adapt to global warming. In so doing, China's Vice Foreign Minister He Yafei said his country was hoping that a "balanced outcome" would emerge from the discussions at the summit. Echoing the position of the Australian government, He Yafei spoke of a draft agreement as follows: "The final document we're going to adopt needs to be taking into account the needs and aspirations of all countries, particularly the most vulnerable ones."

China's Vice Foreign Minister emphasized the fact that climate change was "a matter of survival" for developing countries, and accordingly, such countries need wealthier and more developed countries to accentuate not only their pledges of emissions reduction targets, but also their financial commitments under the aforementioned United Nations Framework Convention on Climate Change. To that end, scientists and leaders of small island states in the Indian Ocean, the Pacific Ocean and the Caribbean Sea, have highlighted the existential threat posed by global warming and the concomitant rise in sea level.

China aside, attention was also on [India](#) -- another major player in the developing world and a country with an industrializing economy that was impacting the environment. At issue was the

Indian government's decision to set a carbon intensity target, which would slow emissions growth by up to 25 percent by the 2020 deadline. This strong position was resisted by some elements in [India](#), who argued that their country should not be taking such a strong position when developed wealthy countries were yet to show accountability for their previous commitments to reduce greenhouse gas emissions. The matter grew so heated that the members of the opposition stormed out of the parliament in protest as Indian Environment Minister Jairam Ramesh defended the policy. But the political pressure at home in [India](#) was leaving the Indian delegation in Copenhagen in a state of chaos as well. In fact, India's top environmental negotiator refused to travel to Copenhagen in protest of the government's newly-announced stance.

China and [India](#) were joined by [Brazil](#) and [South Africa](#) in the crafting of a draft document calling for a new global climate treaty to be completed by June 2010. Of concern has been the realization that there was insufficient time to find concurrence on a full legal treaty, which would leave countries only with a politically-binding text by the time the summit at Copenhagen closed. But Guyana's leader, President Bharrat Jagdeo, warned that the summit in [Denmark](#) would be classified as a failure unless a binding document was agreed upon instead of just political consensus. He urged his cohorts to act with purpose saying, "Never before have science, economics, geo-strategic self-interest and politics intersected in such a way on an issue that impacts everyone on the planet."

Likewise, [Tuvalu](#) demanded that legally binding agreements emerge from Copenhagen. Its proposal was supported by many of the vulnerable countries, from small island states and sub-Saharan Africa, all of whom warned of the catastrophic impact of climate change on their citizens. [Tuvalu](#) also called for more aggressive action, such as an amendment to the 1992 agreement, which would focus on sharp greenhouse gas emissions and the accepted rise in temperatures, due to the impact the rise in seas. The delegation from [Kiribati](#) joined the call by drawing attention to the fact that one village had to be abandoned due to waist-high water, and more such effects were likely to follow. Kiribati's Foreign Secretary, Tessie Lambourne, warned that the people of [Kiribati](#) could well be faced with no homeland in the future saying, "Nobody in this room would want to leave their homeland." But despite such impassioned pleas and irrespective of warnings from the Intergovernmental Panel on Climate Change that the rise in sea level from melting polar ice caps would deleteriously affect low-lying atolls such as such as [Tuvalu](#) and [Kiribati](#) in the Pacific, and the [Maldives](#) in the Indian Ocean, the oil-giant [Saudi Arabia](#) was able to block this move.

Meanwhile, within the developed countries, yet another power struggle was brewing. The European Union warned it would only agree to raise its target of 20 percent greenhouse gas emissions reductions to 30 percent if the [United States](#) demonstrated that it would do more to reduce its own emissions. It was unknown if such pressure would yield results. [United States](#) President Barack Obama offered a "provisional" 2020 target of 17 percent reductions, noting that he could not offer greater concessions at Copenhagen due to resistance within the [United States](#)



Congress, which was already trying to pass a highly controversial "cap and trade" emissions legislation. However, should that emissions trading bill fail in the Senate, the [United States](#) Environment Protection Agency's declaration that greenhouse gases pose a danger to human health and the environment was expected to facilitate further regulations and limits on power plants and factories at the national level. These moves could potentially strengthen the Obama administration's offering at Copenhagen. As well, President Obama also signaled that he would be willing to consider the inclusion of international forestry credits.

Such moves indicated willingness by the Obama administration to play a more constructive role on the international environmental scene than its predecessor, the Bush administration. Indeed, ahead of his arrival at the Copenhagen summit, President Barack Obama's top environmental advisors promised to work on a substantial climate change agreement. To that end, [United States](#) Environmental Protection Agency Administrator Lisa Jackson said at a press conference, "We are seeking robust engagement with all of our partners around the world." But would this pro-engagement assertion yield actual results?

By Dec. 12, 2009, details related to a draft document prepared by Michael Zammit Cutajar, the head of the Ad-hoc Working Group on Long-Term Cooperative Action, were released at the Copenhagen climate conference. Included in the document were calls for countries to make major reductions in carbon emissions over the course of the next decade. According to the Washington Post, industrialized countries were called on to make cuts of between 25 percent and 40 percent below 1990 levels -- reductions that were far more draconian than the [United States](#) was likely to accept. As discussed above, President Obama had offered a provisional reduction target of 17 percent. The wide gap between the released draft and the United States' actual stated position suggested there was much more negotiating in the offing if a binding agreement could be forged, despite the Obama administration's claims that it was seeking greater engagement on this issue.

In other developments, the aforementioned call for financial support of developing countries to deal with the perils of climate change was partly answered by the European Union on Dec. 11, 2009. The European bloc pledged an amount of 2.4 billion euros (US\$3.5 billion) annually from 2010 to 2012. Environment Minister Andreas Carlgren of [Sweden](#) -- the country that holds the rotating presidency of the European Union at the time of the summit -- put his weight behind the notion of a "legally binding deal." Meanwhile, Yvo de Boer, a top United Nations climate change official, focused less on the essence of the agreement and more on tangible action and effects saying, "Copenhagen will only be a success if it delivers significant and immediate action that begins the day the conference ends."

The division between developed and developing countries in Copenhagen reached new heights on Dec. 14, 2009, when some of the poor and less developed countries launched a boycott at the summit. The move, which was spurred by African countries but backed by [China](#) and [India](#), appeared to be geared toward redirecting attention and primary responsibility to the wealthier and more industrialized countries. The impasse was resolved after the wealthier and more

industrialized countries offered assurances that they did not intend on shirking from their commitments to reducing greenhouse gases. As a result, the participating countries ceased the boycott.

Outside the actual summit, thousands of protestors had gathered to demand crucial global warming, leading to clashes between police and demonstrators elsewhere in the Danish capital city. There were reports of scattered violence across Copenhagen and more than 1,000 people were arrested.

Nevertheless, by the second week of the climate change summit, hopes of forging a strong deal were eroding as developed and developing nations remained deadlocked on sharing cuts in greenhouse gases, and particularly on the matters of financing and temperature goals. In a bid to shore up support for a new climate change, [United States](#) President Barack Obama joined other world leaders in Copenhagen. On Dec. 14, 2009, there was a standoff brewing between the [United States](#) and [China](#). At issue was China's refusal to accept international monitoring of its expressed targets for reducing greenhouse gas emissions. The [United States](#) argued that China's opposition to verification could be a deal-breaker.

By the close of the summit, the difficult process eventually resulted in some consensus being cultivated. A draft text called for \$100 billion a year by 2020 to assist poor nations cope with climate change, while aiming to limit global warming to two degrees Celsius compared with pre-industrial levels. The deal also included specific targets for developed countries to reduce greenhouse gas emissions, and called for reductions by developing countries as a share of their economies. Also included in the agreement was a mechanism to verify compliance. The details of the agreement were supported by President Barack Obama, Chinese Premier Wen Jiabao, Indian Prime Minister Manmohan Singh and Brazilian President Luiz Inacio Lula da Silva.

This draft would stand as an interim agreement, with a legally-binding international pact unlikely to materialize until 2010. In this way, the summit in Copenhagen failed to achieve its central objective, which was to negotiate a successor to the Kyoto Protocol on greenhouse gas emissions.

#### Editor's Note

In the background of these developments was the growing global consciousness related to global warming and climate change. Indeed, as the Copenhagen summit was ongoing, it was clear there was enormous concurrence on the significance of the stakes with an editorial on the matter of climate change being published in 56 newspapers in 45 countries. That editorial warned that without global action, climate change would "ravage our planet." Meanwhile, a global survey taken by Globescan showed that concern over global warming had exponentially increased from 1998 -- when only 20 percent of respondents believed it to be a serious problem -- to 64 percent in 2009. Such survey data, however, was generated ahead of the accusations by climate change skeptics that some climate scientists may have overstated the case for global warming, based on emails

derived in an illicit manner from a British University.

***Special Entry: Climate change talks in Doha in [Qatar](#) extend life of Kyoto Protocol (2012)***

December 2012 saw climate talks ensue in the Qatari city of Doha as representatives from countries across the world gathered to discuss the fate of the Kyoto Protocol, which seeks to minimize greenhouse gas emissions. The summit yielded results with decisions made (1) to extend the Kyoto Protocol until 2020, and (2) for wealthier countries to compensate poorer countries for the losses and damage incurred as a result of climate change.

In regards to the second matter, Malia Talakai of [Nauru](#), a leading negotiator for the Alliance of Small Island States, explained the necessity of the compensation package as follows: "We are trying to say that if you pollute you must help us."

This measure was being dubbed the "Loss and Damage" mechanism, and was being linked with [United States](#) President Barack Obama's request for \$60 billion from Congress to deal with the devastation caused by Hurricane Sandy months before. The sight of a hurricane bearing down on the northern Atlantic seaboard, along with the reality of the scope of reconstruction, appeared to have illustrated the economic costs of climate change -- not so much as a distant environmental issue -- but as a danger to the quotidian lives of people. Still, there was blame to be placed on the [United States](#) and European countries -- some of world's largest emitters -- for failing to do more to reduce emissions.

To that latter end, there was in fact little progress made on the central issue of reducing greenhouse gas emissions. Had those emissions been reduced, there would have been less of a need to financially deal with the devastation caused by climate change. One interpretation was that the global community was accepting the fact that industrialization was contributing to global warming, which had deleterious effects on the polar ice caps and concomitantly on the rise of sea level, with devastating effects for small island nations. Thus, wealthier countries were willing to pay around \$10 billion a year through 2020, effectively in "damages," to the poor countries that could be viewed as the "collateral damage" of industrial progress. But damages today could potentially be destruction tomorrow, leaving in place the existential challenges and burdens to be born by some of the world's smallest and least wealthy island countries.

Perhaps not surprisingly, the representative for the small island nation states at the Doha summit responded with ire, characterizing the lack of progress on reducing emissions as follows: "We see the package before us as deeply deficient in mitigation (carbon cuts) and finance. It's likely to lock us on the trajectory to a 3,4,5C rise in global temperatures, even though we agreed to keep the global average temperature rise of 1.5C to ensure survival of all islands. There is no new finance (for adapting to climate change and getting clean energy) -- only promises that something might



materialize in the future. Those who are obstructive need to talk not about how their people will live, but whether our people will live."

Indeed, in most small island countries not just in the Pacific, but also the Caribbean and Indian Ocean, ecological concerns and the climate crisis have been dominant themes with dire life and death consequences looming in the background for their people. Small island nations in these region are already at risk from the rise of sea-level, tropical cyclones, floods. But their very livelihoods of fishing and subsistence farming were also at risk as a result of ecological and environmental changes. Increasingly high storm surges can wipe out entire villages and contaminate water supplies. Accordingly, the very existence of island nations, such as [Kiribati](#) and [Tuvalu](#), are at severe risk of being obliterated from the map. Yet even with the existential threat of being wiped off the map in the offing, the international community has been either slow or restrictive in its efforts to deal with global warming, climate change, economic and ecological damage, as well as the emerging global challenge of environmental refugees.

A 2012 report from the United Nations Environment Program (UNEP) and the Pacific Regional Environment Program underlined the concerns of small island nations and their people as it concluded that the livelihoods of approximately 10 million people in Pacific island communities were increasingly vulnerable to climate change. In fact, low-lying islands in that region would likely confront losses of up to 18 percent of gross domestic product due to climate change, according to the report. The report covers 21 countries and territories, including [Fiji](#), [Kiribati](#), [Samoa](#) and [Tonga](#), and recommended environmental legislation intended to deal with the climate crisis facing the small island countries particularly. As noted by David Sheppard, the director general of the Pacific Regional Environment Program that co-sponsored this study: "The findings... emphasize the need more than ever to raise the bar through collective actions that address the region's environmental needs at all levels."

Regardless of the failures of the summit in [Qatar](#) (discussed above), the meeting did facilitate a process starting in 2015, which would bind both wealthy and poor countries together in the mission of forging a new binding treaty that would replace the Kyoto Protocol and tackle the central causes of climate change.

For more information on the threats faced in small island nations by climate change and the measures being undertaken to lobby for international action, please see the Alliance for Small Island States available online at the URL: <http://aosis.org/>

### ***Special Report***

***COP 21 summit in Paris ends with historic agreement to tackle climate change; rare international consensus formed on environmental crisis facing the planet (2015) --***

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In mid-December 2015, the highly-anticipated United Nations climate conference of parties (COP) in Paris, [France](#), ended with a historic agreement. In fact, it would very likely be understood as the most significant international agreement signed by all the recognized countries of the world since the Cold War. Accordingly, the Paris Agreement was being distinguished as the first multilateral pact that would compel all countries across the world to cut its carbon emissions -- one of the major causes of increasing greenhouse gas emissions, which contribute to global warming, and its deleterious effects ranging from the dangerous rise in sea level to catastrophic climate change.

The accord, which was dubbed to be the "Paris Agreement," was the work of rigorous diplomacy and fervent environmental advocacy, and it aimed to address the climate change crisis facing the planet. As many as 195 countries were represented in the negotiations that led to the landmark climate deal. Indeed, it was only after weeks of passionate debate that international concurrence was reached in addressing the environmental challenges confronting the world, with particular attention to moving beyond fossil fuels and reducing greenhouse gas emissions.

The success of the COP 21 summit in Paris and the emergence of the landmark Paris Agreement was, to some extent, attributed to the efforts of France's Foreign Minister Laurent Fabius who presided over the negotiations. The French foreign minister's experience and credentials as a seasoned diplomat and respected statesman paid dividends. He skillfully guided the delegates from almost 200 countries and interest groups along the negotiations process, with ostensibly productive results and a reasonably robust deal to show for it.

On Dec. 12, 2015, French Foreign Minister Fabius officially adopted the agreement, declaring: "I now invite the COP to adopt the decision entitled Paris Agreement outlined in the document. Looking out to the room I see that the reaction is positive, I see no objections. The Paris agreement is adopted." Once Foreign Minister Fabius' gavel was struck, symbolically inaugurating the Paris Agreement into force, the COP delegate rushed to their feet with loud and bouyant cheers as well as thunderous applause.

In general, the Paris Agreement was being hailed as a victory for enviromental activists and a triumph for international diplomats, while at the same time being understood as simply an initial -- and imperfect -- move in the direction of a sustainable future. China's chief negotiator, Xie Zhenhua, issued this message, saying that while the accord was not ideal, it should "not prevent us from marching historical steps forward."

United States President Barack Obama lauded the deal as both "ambitious" and "historic," and the work of strenuous multilateral negotiations as he declared, "Together, we've shown what's possible when the world stands as one." The [United States](#) leader acknowledged that the accord was not "perfect," but he reminded the critics that it was "the best chance to save the one planet we have."

Former [United States](#) Vice President Al Gore, one of the world's most well known environmental advocates, issued a lengthy statement on the accomplishments ensconced in the Paris Agreement. He highlighted the fact that the Paris Agreement was a first step towards a future with a reduced carbon footprint on Planet Earth as he said, "The components of this agreement -- including a strong review mechanism to enhance existing commitments and a long-term goal to eliminate global-warming pollution this century -- are essential to unlocking the necessary investments in our future. No agreement is perfect, and this one must be strengthened over time, but groups across every sector of society will now begin to reduce dangerous carbon pollution through the framework of this agreement."

The central provisions of the Paris Agreement included the following items:

- Greenhouse gas emissions should peak as quickly as possible, with a move towards balancing energy sources, and ultimately the decrease of greenhouse gases in the second half of this century
- Global temperature increase would be limited to 1.5 degrees Centigrade above pre-industrial levels and would be held "well below" the two degrees Centigrade threshold
- Progress on these goals would be reviewed every five years beginning in 2020 with new greenhouse gas reduction targets issued every five years
- \$100 billion would be expended each year in climate finance for developing countries to move forward with green technologies, with further climate financing to be advanced in the years beyond

It should be noted that there both legally binding and voluntary elements contained within the Paris Agreement. Specifically, the submission of an emissions reduction target and the regular review of that goal would be legally mandatory for all countries. Stated differently, there would be a system in place by which experts would be able to track the carbon-cutting progress of each country. At the same time, the specific targets to be set by countries would be determined at the discretion of the countries, and would not be binding. While there was some criticism over this non-binding element, the fact of the matter was that the imposition of emissions targets was believed to be a major factor in the failure of climate change talks in Copenhagen, [Denmark](#), in 2009.

In 2015, the talks faced challenges as several countries, such as [China](#) and [India](#), objected to conditions that would stymie economic and development. In order to avoid that kind of landmine, a system Intended Nationally Determined Contributions (INDCs) was developed and formed the basis of the accord. As such, the Paris Agreement would, in fact, facilitate economic growth and development, as well as technological progress, but with the goal of long-term ecological sustainability based on low carbon sources. In fact, the agreement heralded as "the beginning of the end of the fossil fuel era." As noted by Nick Mabey, the head of the climate diplomacy organization E3G, said, "Paris means governments will go further and faster to tackle climate change than ever before. The transition to a low carbon economy is now unstoppable, ensuring

the end of the fossil fuel age."

A particular sticking point in the agreement was the \$100 billion earmarked for climate financing for developing countries to transition from traditional fossil fuels to green energy technologies and a low carbon future. In 2014, a report by the International Energy Agency indicated that the cost of that transition would actually be around \$44 trillion by the mid-century -- an amount that would render the \$100 billion being promised to be a drop in the proverbial bucket. However, the general expectation was that the Republican-controlled Senate in the [United States](#), which would have to ratify the deal in that country, was not interested in contributing significant funds for the cause of climate change.

A key strength of the Paris Agreement was the ubiquitous application of measures to all countries. Of note was the frequently utilized concept of "flexibility" with regard to the Paris Agreement. Specifically, the varying capacities of the various countries in meeting their obligations would be anticipated and accorded flexibility. This aspect presented something of a departure from the 1997 Kyoto Protocol, which drew a sharp distinction between developed and developing countries, and mandated a different set of obligations for those categories of countries. Thus, under Kyoto, [China](#) and [India](#) were not held to the same standards as the [United States](#) and European countries. In the Paris Agreement, there would be commitments from all countries across the globe.

Another notable strength of the Paris Agreement was the fact that the countries of the world were finally able to reach consensus on the vital necessity to limit global temperature increases to 1.5 degrees Centigrade. Ahead of the global consensus on the deal, and as controversy continued to surface over the targeted global temperature limits, the leaders of island countries were sounding the alarm about the melting of the Polar ice caps and the associated rise in sea level. Prime Minister Enele Sopoaga of [Tuvalu](#) issued this dismal reminder: "Tuvalu's future ... is already bleak and any further temperature increase will spell the total demise of [Tuvalu](#). No leader in this room carries such a level of worry and responsibility. Just imagine you are in my shoes, what would you do?" It was thus something of a victory for environmental advocates that the countries of the world could find consensus on the lower number -- 1.5 degrees rather than 2 degrees.

A significant weak point with regard to the Paris deal was a "loss and damage" provision, which anticipates that even with all the new undertakings intended to reduce greenhouse gas emissions and move to a low carbon future, there would nonetheless be unavoidable climate change consequences. Those consequences ranged from the loss of arable land for farmers as well as soil erosion and contamination of potable water by sea water, to the decimation of territory in coastal zones and on small islands, due to the rise in sea level, with entire small island countries being rendered entirely uninhabitable. The reality was that peoples' homes across the world would be destroyed along with their way of life.

With that latter catastrophic effect being a clear and present danger for small island countries, the Association of Small Island States (AOSIS) demanded that the developed world acknowledge its responsibility for this irreversible damage.. Despite the fact that greenhouse gas emissions and the ensuing plague of global warming was, indeed, the consequence of development in the West (the [United States](#) and Europe) and the large power house countries, such as [Russia](#), [China](#) and [India](#), there was no appetite by those countries to sign on to unlimited liability. Under the Paris Agreement, there was a call for research on insurance mechanisms that would address loss and damage issues, with recommendations to come in the future.

The call for research was being regarded as an evasion of sorts and constituted the weakest aspect of the Paris Agreement. Not surprisingly, a coalition of small island nations demanded a "Marshall Plan" for the Pacific. Borrowing the term "Marshall Plan" from the post-World War II reconstruction effort, the coalition of Pacific island nation, which included [Kiribati](#), [Tuvalu](#), [Fiji](#), and the [Marshall Islands](#), called for an initiative that would include investment in renewable energy and shoreline protection, cultural preservation, economic assistance for economies in transition, and a plan for migration and resettlement for these countries as they confront the catastrophic effects of the melting of the Polar ice caps and the concomitant rise in sea level. The precise contours of the initiative remained unknown, unspecified, and a mere exercise in theory at the time of writing. Yet such an initiative would, at some point, have to be addressed, given the realities of climate change and the slow motion calamity unfolding each day for low-lying island nations across the world.

As noted by Vice President Greg Stone of Conservation International, who also functions as an adviser to the government of [Kiribati](#), "Imagine living in a place where you know it's going to go away someday, but you don't know what day that wave's going to come over and wash your home away." He added, "It's a disaster we know is going to happen." Meanwhile, the intervening years promised to be filled with hardship for small island nations, such as [Kiribati](#). Stone explained, "For every inch of sea-level rise, these islands lose 10 feet of their freshwater table to saltwater intrusion," Stone explained. "So it's not just about the day the water finally goes over the island; it's also about the day that there's just not enough water left and everyone has to move off the island." Presaging the future for island nations that could face submersion, Stone said, "If you look ahead 50 years, a country like [Kiribati](#) could become the first aqueous nation. possibility of migration. That is, they own this big patch of ocean, and they administer it from elsewhere."

Foreign Minister Minister Tony Debrum of the [Marshall Islands](#) emerged as the champion advocating on behalf of small island nation states and a loose coalition of concerned countries from the Pacific to the Caribbean, but with support from the [United States](#). He addressed the comprehensive concerns of small island nations regarding the weaknesses of the deal, while simultaneously making clear that the Paris Agreement signified hope for the countries most at risk. In a formal statement, Debrum declared: "We have made history today. Emissions targets are still

way off track, but this agreement has the tools to ramp up ambition, and brings a spirit of hope that we can rise to this challenge. I can go back home to my people and say we now have a pathway to survival.” Debrum highlighted the imperatives of Pacific island nations, saying, “Our High Ambition Coalition was the lightning rod we needed to lift our sights and expectations for a strong agreement here in Paris. We were joined by countries representing more than half the world. We said loud and clear that a bare-bones, minimalist agreement would not fly. We instead demanded an agreement to mark a turning point in history, and the beginning of our journey to the post-carbon era.”

Debrum of the [Marshall Islands](#) espoused the quintessential synopsis of the accord and its effects for those most likely to be affected by climate change as he noted, “Climate change won’t stop overnight, and my country is not out of the firing line just yet, but today we all feel a little safer.”

Editor's Entry on [Environmental Policy](#):

The low-lying Pacific island nations of the world, including [Kiribati](#), [Tuvalu](#), the [Marshall Islands](#), [Fiji](#), among others, are vulnerable to the threats posed by global warming and climate change, derived from carbon emissions, and resulting in the rise in sea level. Other island nations in the Caribbean, as well as poor countries with coastal zones, were also at particular risk of suffering the deleterious effects of climate change.

Political policy in these countries are often connected to ecological issues, which have over time morphed into an existential crisis of sorts. Indeed, ecological concerns and the climate crisis have also been dominant themes with life and death consequences for the people of island nations in the Pacific. Indeed, the very livelihoods of fishing and subsistence farming remain at risk as a result of ecological and environmental changes. Yet even so, these countries are threatened by increasingly high storm surges, which could wipe out entire villages and contaminate water supplies. Moreover, because these are low lying island nations, the sustained rise in sea level can potentially lead to the terrain of these countries being uninhabitable at best, and submerged at worst. Stated in plain terms, these countries are at severe risk of being obliterated from the map and their plight illuminates the emerging global challenge of environmental refugees. In these manifold senses, climate change is the existential crisis of the contemporary era.

Since the time of the 1997 Kyoto Protocol, there have been efforts aimed at extending the life of that agreement, with an eye on minimizing greenhouse gas emissions, and thus minimizing the effects of climate change. Those endeavors have largely ended in failure, as exemplified by the unsuccessful Copenhagen talks in 2009 and the fruitless Doha talks in 2012 respectively. The success of the COP 21 talks in [France](#), with the adoption of the landmark Paris Agreement in 2015, was regarded as the first glimmer of hope. Not only did the Paris Agreement signify the triumph of international diplomacy and global consensus, but it also marked the start of the end of the fossil fuel era, with the path forward toward a low carbon future reliant on greener



technologies. Most crucially, the Paris Agreement stood as the first significant response in recent times to the central challenge of climate change and its quotidian effects on the lives of real human beings across the world.

## **1. Major International Environmental Accords:**

### **General Environmental Concerns**

Convention on Environmental Impact Assessment in a Transboundary Context, Espoo, 1991.

### **Accords Regarding Atmosphere**

Annex 16, vol. II (Environmental Protection: Aircraft Engine Emissions) to the 1044 Chicago Convention on International Civil Aviation, Montreal, 1981

Convention on Long-Range Transboundary Air Pollution (LRTAP), Geneva, 1979

United Nations Framework Convention on Climate Change (UNFCCC), New York, 1992

Vienna Convention for the Protection of the Ozone Layer, Vienna, 1985 including the Montreal Protocol on Substances that Depleted the Ozone Layer, Montreal, 1987

### **Accords Regarding Hazardous Substances**

Convention on the Ban of the Import into Africa and the Control of Transboundary Movements and Management of Hazardous Wastes within Africa, Bamako, 1991

Convention on Civil Liability for Damage Caused during Carriage of Dangerous Goods by Road, Rail and Inland Navigation Vessels (CRTD), Geneva, 1989

Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention), Basel, 1989

Convention on the Transboundary Effects of Industrial Accidents, Helsinki, 1992

Convention to Ban the Importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes

within the South Pacific Region (Waigani Convention), Waigani, 1995

European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR), Geneva 1957

FAO International Code of Conduct on the Distribution and Use of Pesticides, Rome, 1985

## **2. Major International Marine Accords:**

### **Global Conventions**

Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention 1972), London, 1972

International Convention for the Prevention of Pollution from Ships, 1973, as modified by Protocol of 1978 relation thereto (MARPOL 73/78), London, 1973 and 1978

International Convention on Civil Liability for Oil Pollution Damage 1969 (1969 CLC), Brussels, 1969, 1976, and 1984

International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1971 (1971 Fund Convention), Brussels, 1971

Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS), London 1996

International Convention on Oil Pollution Preparedness, Response, and Co-operation (OPRC), London, 1990

International Convention Relation to Intervention on the High Seas in Cases of Oil Pollution Casualties (Intervention Convention), Brussels, 1969

United Nations Convention on the Law of the Sea (UNCLOS), Montego Bay, 1982

### **Regional Conventions**

Convention for the Prevention of Marine Pollution by Dumping from Ships and Aircraft (Oslo Convention), Oslo, 1972



Convention for the Prevention of Marine Pollution from Land-based Sources (Paris Convention), Paris, 1974

Convention for the Protection of the Marine Environment of the North East Atlantic (OSPAR Convention), Paris, 1992

Convention for the Protection of the Marine Environment of the Baltic Sea Area (1974 Helsinki Convention), Helsinki 1974

Convention for the Protection of the Marine Environment of the Baltic Sea Area (1992 Helsinki Convention), Helsinki 1992

Conventions within the UNEP Regional Seas Programme

Convention on the Protection of the Black Sea against Pollution, Bucharest, 1992

Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region, Cartagena de Indias, 1983

Convention for the Protection, Management, and Development of the Marine and Coastal Environment of the Eastern African Region, Nairobi, 1985

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### **3. Major Conventions Regarding Living Resources:**

#### **Marine Living Resources**

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International Convention for the Conservation of Atlantic Tunas (ICCAT), Rio de Janeiro, 1966

International Convention for the Regulation of Whaling (ICRW), Washington, 1946

#### **Nature Conservation and Terrestrial Living Resources**

Antarctic Treaty, Washington, D.C., 1959

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#### **Freshwater Resources**

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#### **4. Major Conventions Regarding Nuclear Safety:**

Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency (Assistance Convention), Vienna, 1986

Convention on Early Notification of a Nuclear Accident (Notification Convention), Vienna, 1986

Convention on Nuclear Safety, Vienna, 1994

Vienna Convention on Civil Liability for Nuclear Damage, Vienna, 1963

#### **5. Major Intergovernmental Organizations**

Commission on Sustainable Development (CSD)

European Union (EU): Environment

Food and Agriculture Organization (FAO)

Global Environment Facility (GEF)

International Atomic Energy Agency (IAEA)

International Council for the Exploration of the Sea (ICES)

International Fund for Agricultural Development (IFAD)

International Labour Organization (ILO)

International Maritime Organization (IMO)

International Monetary Fund (IMF)

International Oil Pollution Compensation Funds (IOPC Funds)

Organization for Economic Co-operation and Development (OECD), Environment Policy Committee (EPOC)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Educational, Scientific, and Cultural Organization (UNESCO)

United Nations Environment Programme (UNEP)

United Nations Industrial Development Organization (UNIDO)

United Nations Population Fund (UNFPA)

World Bank

World Food Programme (WFP)

World Health Organization (WHO)

World Meteorological Organization (WMO)

World Trade Organization (WTO)

## **6. Major Non-Governmental Organizations**

Atmosphere Action Network East Asia (AANE)

Climate Action Network (CAN)

Consumers International (CI)

Earth Council

Earthwatch Institute

Environmental Liaison Centre International (ELCI)

European Environmental Bureau (EEB)

Forest Stewardship Council (FSC)

Friends of the Earth International (FoEI)

Greenpeace International

International Chamber of Commerce (ICC)

International Confederation of Free Trade Unions (ICFTU)

International Planned Parenthood Federation (IPPF)

International Solar Energy Society (ISES)

IUCN-The World Conservation Union

Pesticide Action Network (PAN)

Sierra Club

Society for International Development (SID)

Third World Network (TWN)

Water Environment Federation (WEF)

Women's Environment and Development Organization (WEDO)

World Business Council for Sustainable Development (WBCSD)

World Federalist Movement (WFM)

World Resources Institute (WRI)

World Wide Fund For Nature (WWF)

## **7. Other Networking Instruments**

Arab Network for Environment and Development (RAED)

Global Legislators for a Balanced Environment (GLOBE)

Regional Environmental Center for Central and Eastern Europe (REC)

## United Nations Non-Governmental Liaison Service (UN-NGLS)

# Appendices

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#### **Methodology Note for Demographic Data:**

The demographic numbers for cities and national populations listed in CountryWatch content are derived from the Geoba.se website, which analyzes data from the World Bank. The current demographic numbers displayed on the Countrywatch website are reflective of the latest available estimates.

The demographic information for language, ethnicity and religion listed in CountryWatch content is



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### Methodology Notes for Economic Data:

Estimates by CountryWatch.com of GDP in dollars in most countries are made by converting local currency GDP data from the International Monetary Fund World Economic Outlook to US dollars by market exchange rates estimated from the International Monetary Fund International Financial Statistics and projected out by the CountryWatch Macroeconomic Forecast. Real GDP was estimated by deflating current dollar values by the US GDP Implicit Price Deflator.

Exceptions to this method were used for:

- Bosnia-Herzegovina
- Nauru
- Cuba
- Palau
- Holy See
- San Marino
- Korea, North
- [Serbia](#) & Montenegro
- Liberia
- Somalia
- Liechtenstein
- Tonga
- Monaco
- Tuvalu

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#### Methodology Notes for the HDI:

Since 1990, the United Nations Development Programme, in concert with organizations across the globe, has produced the [Human Development Index](#) (or HDI). According to the UNDP, the index measures average achievement in basic human development in one simple composite index, and produces from this index a ranking of countries. The HDI is a composite of three basic components of human development: longevity, knowledge and standard of living. Longevity is measured by life expectancy. Knowledge is measured by combination of adult literacy and mean

years of schooling. Standard of living is measured by purchasing power, based on real GDP per capita (in constant US\$) adjusted for differences in international living costs (or, purchasing power parity, PPP). While the index uses these social indicators to measure national performance with regard to human welfare and development, not all countries provide the same level of information for each component needed to compute the index; therefore, as in any composite indicator, the final index is predicated on projections, predictions and weighting schemes. The index is a static measure, and thus, an incomplete measure of human welfare. In fact, the UNDP says itself the concept of human development focuses on the ends rather than the means of development and progress, examining in this manner, the average condition of all people in a given country.

Specifically, the index is calculated by determining the maximum and minimum for each of the three components (as listed above) and then measuring where each country stands in relation to these scales-expressed as a value between 0 and 1. For example, the minimum adult literary rate is zero percent, the maximum is 100 percent, and the reading skills component of knowledge in the HDI for a country where the literacy rate is 75 percent would be 0.75. The scores of all indicators are then averaged into the overall index.

For a more extensive examination of human development, as well as the ranking tables for each participating country, please visit: <http://www.undp.org>

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Note: Some or all these news services have been used to research various sections of this Country Review.

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#### **Individual Works**

**Basic form, using an Internet protocol:**

Author/editor. *Title of Print Version of Work*. Edition statement (if given). Publication information (Place of publication: publisher, date), if given. *Title of Electronic Work*. Medium. Available Protocol (if applicable):Site/Path/File. Access date.

**Examples:**

Youngblood-Coleman, Denise. *Country Review: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *Country Review:France*. Online. Available URL : [http://www.countrywatch.com/cw\\_country.asp?vCOUNTRY=61](http://www.countrywatch.com/cw_country.asp?vCOUNTRY=61) October, 12, 2003.

Note:

This is the citation format used when the print version is not used in the reference.

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Note:

This is the citation format used when the print version is not used in the reference.

***For further source citation information, please email:*** editor@countrywatch.com or education@countrywatch.com.

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