

## **Towards A '21<sup>st</sup> Century Socialism'**

### **Hugo Chavez's unfinished task**

**By Praful Bidwai**

He was called a “socialist showman” and “elected autocrat”, derided as a blind hater of the United States, and ridiculed as a demagogue who splurged his country’s great oil wealth on ill-conceived populist schemes, distributed largesse to undeserving regimes in the neighbourhood, ran the nation’s economy into the ground, and sharply polarised its society.

He was also demonised as someone who would turn the clock back on the “free market” and “democratic progress”, and move backwards to Cold War socialism. Worse, he was described as a despot who presided over the “decay, dysfunction and blight” of state institutions, and an “awful manager” of economic affairs.

Yet, when President Hugo Chavez died, millions of Venezuelans poured out into the streets to show their love and admiration for a man who had done much to improve their lives, and whom they considered a friend. They were joined by numerous others in Latin America and the world, who admired Chavez as a doughty fighter against the West’s economic-military domination, a tireless crusader against the global onslaught of neoliberalism, and an icon of the international Left.

Contrary to his critics’ forecasts, Chavez emerged as the longest-serving democratic leader in Latin American history, winning elections that have been called scrupulously free and fair, and termed by former US President Jimmy Carter “the best in the world” of the 92 polls he has monitored. Chavez won 15 of the 16 elections held in Venezuela since 1999.

Chavez was no reckless adventurer, but an astute leader. His “Bolivarian Revolution”, named after Simon Bolivar—Latin America’s liberator from colonialism—launched a profound transformation of Venezuela, instilled new energy and confidence into a region battered by authoritarianism, and inspired the masses to look for radical alternatives.

Chavismo, or Chavez’s political philosophy and practice, was a response to and reflected the popular upsurge beginning in the 1990s against neoliberalism’s ravages, including mass impoverishment, destruction of institutions, and hollowing out of democracy. These ravages were far more pronounced in Latin America than the rest of the world. Chavismo represented the aspiration for transformative social change and deep, participatory democracy. The aspiration-based movement *created* Chavez.

Chavez set out to break the US’s political hold over Latin America and weaken its domination of Venezuela’s petroleum economy. He renationalised the oil company PDVSA, capped the markups charged by multinational corporations, raised oil royalties from one percent to 16.6 percent, and used the funds to finance worthy social programmes at home and abroad.

These programmes, called *misiones*, boosted Venezuela's social spending by an impressive 61 percent and lifted development indicators to levels which we South Asians cannot even dream of. The infant mortality rate fell from 19.1 per thousand in 1999 to 10 per thousand in 2012. (In India, it's 47.) With five million children getting free meals at school (up from 250,000 in 1999), child malnutrition (48 percent in India) fell from 21 percent to under 3 percent. Since 1999, the average number of calories consumed by Venezuelans has increased by 50 percent.

Average life expectancy in Venezuela increased from 72.2 years in 1999 to 74.3 in 2011. (India, 65.1 years) The number of doctors per 10,000 people quadrupled between 1999 and 2010. The National Public System ensures free universal healthcare and provides 534 million medical consultations to 29 million citizens. Ninety-six percent of Venezuelans have access to safe drinking water. Housing has greatly improved with the construction of 700,000 dwelling units.

Venezuela's literacy rate now stands at 98.5 percent. In 2005, Unesco announced that Venezuela had eradicated illiteracy. Venezuela's primary school enrolment rate is 93 percent, and secondary school enrolment rose from 53.6 percent in 2000 to 73.3 in 2011. The number of students in universities and vocational colleges almost tripled to 2.3 million.

In Venezuela, working hours were reduced to six hours a day and 36 hours a week. Under Chavez's land reform, 3 million acres were transferred to landless people, including one million acres to the indigenous. The minimum wage rose 20-fold between 1998 and 2012, and is the highest in Latin America. At the same time, unemployment fell from 15 to 6 percent.

The United Nations Human Development Index for Venezuela improved impressively from 0.656 in 2000 to 0.735 in 2011, while its global rank jumped from 86 to 73 (India's rank is a poor 134). Venezuela is now among the world's "high-HDI" nations.

Poverty in Venezuela decreased dramatically: from 71 percent of the population in 1996 to 21 percent in 2010, and extreme poverty from 40 percent to 7 percent. Even more remarkably, Venezuela became one of the world's few fast-growing economies to reduce income inequality. Its Gini coefficient, which measures inequality, fell by 15 percent from 0.46 in 1999 to 0.39 in 2011. From Latin America's most unequal country in income distribution, it's now the least unequal.

Another major achievement was the creation of 30,000 community councils, institutions of "direct" democracy based on neighbourhoods. Funded by the Central government, these potentially represent a parallel structure of power. Like experiments with workers' control of enterprises, and popular assemblies, these have raised the consciousness of millions.

Venezuela's social-sector record became an inspiration for the region's people, as did its constitutional reform to give recognition to these new rights. The subsequent election of progressive "social-solidarity" governments in Argentina and Brazil (2003), Uruguay (2005), Bolivia (2006) and Ecuador (2007), reinforced "the Left turn" in Latin America's

politics. By 2009, Left-leaning parties of one variety or other governed more than 60 percent of its people.

Chavez's contribution to regional economic and political integration was seminal. He created Petrocaribe, an association to help 90 million people in 18 Caribbean countries (among the poorest in Latin America) with oil subsidised by 40 to 60 percent, and with generous repayment terms. This helped boost their crisis-ridden economies. Venezuela also provides subsidised fuel assistance to disadvantaged communities in the US!

With Cuba and Bolivia, Chavez's Venezuela pioneered the establishment of ALBA (Bolivarian Alliance for the Peoples of Our America), which both killed President George Bush's proposal for a US-dominated Free Trade Area of the Americas and took progressive pro-equity positions in the international climate negotiations. ALBA puts human beings at the centre of its social project, with a priority on combating poverty and social exclusion.

Such initiatives ended the political isolation of Cuba, which has defied the mighty US since 1962. They also established the principle of regional cooperation as opposed to competition. Venezuela played a major role in creating and supporting Unasur (Union of the Peoples of South America), a solidarity organisation with a broad economic and political agenda, and was admitted to Mercosur, a South American common market which sets its sights beyond business and profits.

No less important was Chavez's attempt to create CELAC (Community of Latin American and Caribbean States). This brings together 33 Western hemisphere countries, barring the US and Canada, and helps them break free of the malign influence of the IMF, the World Bank and the Inter-American Development Bank. Slightly less successful was the attempt to set up the Banco del Sur (Bank of the South) which Brazil, the region's biggest economy, regrettably didn't join.

Chavismo, then, marked a welcome rupture with the decades-long domination of Latin America by military dictatorships and business-friendly politicians. It opened up the region to a progressive politics based on popular empowerment. It showed that alternatives to neoliberalism are feasible, and was a beacon of hope to hundreds of millions worldwide.

Despite high oil revenues, Chavez ran a public debt at 50 percent of the GDP, but that's still much lower than European Union's 83 percent. Contrary to critics, Venezuela isn't a failed socialist state with a bloated public sector. Its state employs 18 percent of the working population, a much lower proportion than in France or Scandinavia.

Chavismo isn't against private property: the capitalist sector has grown from 65 to 71 percent of the GDP. Chavez didn't develop a coherent ideology for what he claimed was "21<sup>st</sup> century socialism". His philosophy was an eclectic mix of fierce anti-imperialism, Left-military nationalism, bureaucratic Cuban-style socialism, Christian Liberation Theology, pragmatic economics, and New Social Movements or currents of socialism-from-below. His successor Nicolas Maduro is a devotee of Indian "godman" Sathya Sai Baba and even less coherent.

Chavez's agendas to fight corruption and crime remain unfulfilled. Chavez tended to rule by decree rather than consultation-from-below. He was often intolerant of criticism from the media. The community councils and workers' control movements haven't been integrated into the state apparatus, where conservatives are powerful, as they are in the army and union bureaucracies. Inflation, down from 50 percent, still runs at a high 20 percent. And power shortages, coupled with ultra-low oil prices (petrol retailing at 2 cents a litre!), speak of poor energy management.

Internationally, Chavez didn't show much subtlety when he repeatedly backed the Chinese state, Iran's Mahmoud Ahmedinajad, and Libya's Muammar Ghaddafi, even comparing the latter with Bolivar.

Sustaining the Bolivarian Revolution won't be easy. But we must all celebrate its considerable achievements and wish it well.